THE PERCEIVED INFLUENCE OF STRATEGIC LEADERSHIP ON ORGANIZATIONAL PERFORMANCE OF TOURISM GOVERNMENT AGENCIES IN KENYA

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The Perceived Influence of Strategic Leadership on Organizational Performance of Tourism Government Agencies in Kenya

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other University.

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This thesis has been submitted for examination with our approval as University Supervisor.

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DEDICATION

I dedicate this thesis to the Almighty God for the far He has brought me in pursuit of academic excellence, my family; Mr. and Mrs Ng'ang'a and my sister Jennifer Ng'ang'a for their unfailing encouragement, support and prayers.

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LIST OF ABBREVIATIONS AND ACRONYMS

DOT – Department of Tourism

EK- Ecotourism Kenya

KAHC- Kenya Association of Hotelkeepers and Caterers

KATA- Kenya Association of Travel Agencies

KATO- Kenya Association of Tour Operators

KCTA- Kenya Coast Tourism Association

KICC- Kenyatta International Convention Centre

KTB- Kenya Tourist Board

KTF- Kenya Tourism Federation

KUC- Kenya Utalii College

PERAK- Pubs Entertainment Restaurants Association of Kenya

TFC- Tourism Finance Corporation former Kenya Tourism Development Corporation

TF- Tourism Fund former Catering Tourism Development Levy Trustees

TRA- Tourism Regulatory Authority

TRI- Tourism Research Institute

DEFINITION OF TERMS

Leadership: Conger (1999), defines leadership as the competencies and processes that are required to facilitate and empower ordinary people in such a way that they can do extraordinary things in the face of adversity, and constantly turn in superior performance that will benefit both the organisation and themselves.

Organisation Culture: Montana and Charnov (2008) define corporate culture as the total sum of the values, customs, traditions and meanings that craft a unique organisation.

Organisation external environment: The general environment that a firm operates, it comprises of various factors that have dramatic effects on the firm's strategy (Dess, Lumpkin, & Eiser, 2008)

Organisation Performance: Richard, Devinney, Yip and Johnson (2009) state that organisation performance comprises of three key areas that produces the firm outcomes: the first is financial performance (profits, return on assets, return on investment, etc.); the second is the product market performance (sales, market share, etc.) and the last one is the shareholder return (the total shareholder return, economic value added).

Organisation resource portfolio: These are resources and capabilities that are used by an organisation to create an edge over its rivals (Rowe, 2001).

Strategic Direction: According to Pearce and Robinson (2009) it is a clear sense of the course the organisation is taking and the results the leaders expect to realize.

Strategic Leadership: It is the ability to foresee, envisage the future, while maintaining flexibility and authorizing others to create strategic change as necessary (Hitt, Ireland, & Hoskisson, 2014).

Strategic Management: This is the art and science of formulating, implementing, and evaluating multiple decisions to allow the organisation achieve its objectives (David, 2011)

Strategy: According to Freedman (2003), strategy is a framework that comprises of various choices that are used to determine the nature and direction of an organisation.

ABSTRACT

Organisations are increasingly embracing strategic leadership in light of adoption of strategic management practices. Organisations that have taken up strategic leadership have satisfied, engaged and loyal employees as well as high performance, however the perceptions of the leaders and employees shape the attainment of this leadership and may greatly affect performance. The study focused on the perceived influence of strategic leadership on organisational performance in tourism government agencies. The general objective of the study was to determine the perceived influence of strategic leadership on organisation performance in tourism government agencies. The other objectives were: to determine the perceived influence of strategic direction on the organisation performance of tourism government agencies in Kenya, to assess the perceived influence of organisation culture on organisation performance in tourism government agencies in Kenya, to investigate the perceived influence of organisation resource portfolio on organisation performance of tourism government agencies in Kenya, to assess the perceived moderating influence of organisational external environment on organisation performance of tourism government agencies in Kenya. The study population covered six government agencies in the tourism industry, namely; the Department of Tourism, Tourism Fund, Kenya Tourism Board, Kenyatta International Convention Centre, Tourism Finance Corporation, and Kenya Utalii College. The study population was considered appropriate as it was objective enough, explorative and minimised errors. The researcher used stratified sampling. The population was divided into two stratas, management and non-management. The sample size for the study was 420. 109 for management staff while 311 for non management. To achieve the percentage of non-management staff needed, random sampling was done to pick the respondent. The survey used quantitative methods of data collection through a self-administered questionnaire. The study adopted survey research design. Data was collected using questionnaires and analysed using SPSS. Inferential data analysis was carried out by the use of regression analysis, the model was fitted and hypothesis testing carried using multiple regression analysis. The findings of the study indicated that strategic direction and resource portfolio were perceived to have a positive significance on organisation performance; on the other hand organisational culture was perceived to have a negative significance on the

organisation performance. The environmental conditions had a perceived significant moderating influence on the performance of the organisations, with political environment and negative travel advisories occasioned by insecurity having the strongest effect. It was therefore recommended that organisations in the tourism sector needed to involve the employees more in the formulation of strategies and also look at ways of improving/enhancing the organisation culture to avoid resistance to change and at the same time allocate the right resources both physical and financial to allow efficiency. It is also important for the organisations to look at ways of influencing the organisation environment to negate their effects on the organisation performance, by engaging the political class on matters related to politics and insecurity.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

The current business environment is increasingly becoming complex, unpredictable and turbulent such that strategies have to constantly be formulated and reviewed continually in a proficient manner. Execution of strategies requires that managers be very diligent and adept when it comes to spotting problems within the organisation, they should be able to learn what obstacles lie in the path of good execution, and be able to clear the best way to progress forward –the managers goal and priority must be to produce better results within the shortest time possible and productively. It is the duty of the top executives to take the lead in the implementation and/or execution process of strategies and to personally drive the pace of progress in truly proficient fashion and approach (Thompson, Strickland & Gamble 2007). The managers are expected to be out in the field, so that they can be able to see for themselves how well operations are being undertaken, gathering information first hand, and gauging the progress which is being made.

Therefore the success of organizations is highly influenced by the choice of leaders made. Strategic leadership is increasingly becoming an essential issue that most organizations are facing today. It is assumed that strategic leaders are capable of anticipating, envisioning, maintaining and initiating changes that create a competitive advantage over other organizations (Daft, 2011). Such leaders are required by organizations to shape the formation of strategic intent, strategic mission and to influence successful strategic actions. These are key contributions of strategic leaders and aid in the formulation and implementation of strategies which yield results above normal returns (Kirimi & Minja, 2010). Their actions are very crucial as they give a clear road map regarding the success or failure of the organizations they are leading.

Given that organizations have set targets, it is leaders who influence how members of an organization make contribution towards accomplishing pre-determined goals and objectives (Obimuru, Okwu, Akpa & Nwankere, 2011). However, some leaders have failed to lead their organizations successfully due to environmental turbulence (Hitt, Hynes & Serpa, 2010), at the same time, absence of strategic leadership in an organization is a big constraint (Elenkov, 2008). According to Kirimi and Minja (2010), most organizations fail because the leadership fails to sell their vision, or they are unable to convenience their subjects to be passionate, this in turn makes employees disloyal to the organization. As a result, employees' efforts dwindle and less is realised.

According to Hitt, Ireland, and Hoskisson (2006) effective strategic leadership rests primary at the top of the organisation, in particular with the CEO, as well as other recognised strategic leaders who include: Members of the Board of Directors, Top management team and divisional general managers. The governance mechanism role is vital for the Board of Directors because they monitor the strategic direction of the organisation while representing the interests of internal and external stakeholders. An effective relationship with the organisation's top management team should be developed by the Board of Directors in order to best serve the interests of all stakeholders (Kisingu, 2017).

There is need for further research on how strategic leaders in the public sector respond to dynamic environments and the requisite strengths that are very essential for survival in turbulent environments (McCarthy, 2014). For organizations, effective strategic leadership can help them adapt better to new environments (Schoemaker, Krupp, & Howland, 2013), so that they may improve performance. This study sought to examine the perceived influence of strategic leadership on organisational performance in tourism government agencies in Kenya.

1.1.1 Strategic leadership

Strategic leadership can be defined as the ability of an organisation to anticipate, envision and maintain flexibility, so as to be in a better position to empower others to create a strategic chance and a viable future for the organization (Kjelin, 2009). According to Guillot (2003) strategic leadership is the ability of a senior leader who is very experienced and has immense wisdom and vision to create and execute plans while at the same time make consequential decisions in the volatile, uncertain, complex and ambiguous strategic environment. Montgomery (2008) argues that, a group of a few leaders allow themselves to think carefully about strategy and the future of an organisation. Leaders should give direction to every part of the organization – from the management office to the storage facilities. Strategic leadership is therefore the ability of the leaders to create and re-create reasons for the organization's continued existence. There is a strong belief by some researchers like Draft and Pirola-Merlo (2009); Jing and Avery (2008) and Ireland and Hitt (2005) that the concept of strategic leadership may become the most appropriate concept that can be used to embrace a better value driven culture in organisations in the era of the 21st century.

Indeed leadership has been described to be one of the most important key drivers of effective strategy implementation. Thompson, Strickland and Gamble (2007) emphasise that effective organizational leadership and the consistency of organizational culture that is strong, are deemed to be the two key vital ingredients that will enable the firm's strategies and objectives to be successful executed.

Finkelstein¸ Hambrick, and Cannela (2008) state that, any organisation's failure or success depends on its leadership. Most corporations collapse whenever the leadership suffers from weaknesses such as failing to sell its vision to its followers; the inability to identify threats or even respond to them in the fastest manner; overestimating their ability to control the firm's external environment; and there being no boundaries between their interests and those of the firm; a belief that the leadership of the company is in a better position to answer all questions, while at the same time eliminating all those who are seen to disagree with them; and underestimating obstacles and relying fully on what worked in the past.

In order to attain and sustain superior organisation performance and win stakeholder confidence, strategic leadership should and must be in the best position to guide the firm in ways that result in the formation of strategic intent and mission. The primary priority of any leadership is to develop their peoples' full potential. As such, the role of leadership should be based on transforming the work place into a place of realized genius (Sharma, 2007). When the leadership decides fully to dedicate itself in liberating rather than stifling the talents of the people it is leading, quantum results are reaped in terms of loyalty, productivity, creativity and devotion to the organisation's compelling cause. This guidance can lead to goals that will leave everyone stretched in the organisation and they can also be a good position to improve their performance (Goffee & Jones, 2006).

1.1.2 Concept of perception

Perception involves how people see the world around them and was first studied by Wilchein Wundh in Germany in 1879. Lindsay and Norman (1977) defined perception as a process by which human beings interpret and package stimuli to produce a meaningful experience of their surroundings. The way a person interprets the surrounding is highly influenced by their prior knowledge about a phenomena. This is a subjective opinion since what one perceives may be different from the reality.

Perception is viewed as a manifestation of how a person views the world dictated by social cultural aspects (Markus & Kitayama, 1991). Perception can be affected by a person's social attributes such as gender and socio-economic status (Kimura, 2004). Sometimes it is influenced by the visual aspect of object such as shape, colour, meaning and relationships among others (Hwang, Wang & Pomplun, 2011).

The concept of perception in today's' business world has been linked with behaviour of the person (Hammond, Wikins & Tods, 1966). The concept has been explored to explain how the perceptions of the senior managers may shape the decision of the organization which in turn affects the performance of the organization. The way a leader views, perceives and understands the external and the internal environment greatly has an influence on his or her decision making effort and this can easily affect how the organization performs.

Perception is a key aspect of leadership which is often ignored but significantly influences organizational performance. Empirical evidence suggests a relationship between perception and organization performance exists. Eisenberger, Fasolo and Davis (1990) held that perceived employees support was related to attitudes and behaviours of the staff members. Allen, Share and Griffeth (2003) found that perceived supportive human resource practices influenced the development of organizational support. The perception of the leaders in an organization can thus determine the success or failure of organizations. A positive perception among the leaders and managers can help them to influence the employees to achieve their performance objectives (Gallup, 2006).

1.1.3 Organization performance

Organizational performance is basically comprised of the actual output or results of an organization which is actually measured against its intended outputs, goals or objectives. Richard, Devinney, Yip and Johnson (2009), argue that organizational performance of any firm encompasses three specific areas of firm outcomes: financial performance (profits, return on assets, return on investment, etc.); product market performance (sales, market share, etc.) and shareholder return (total shareholder return, economic value added).

According to David (2011) Balance score card is being utilised by many for profit organisations to manage performance. A good or bad performance of an organisation is normally tracked and measured in multiple dimensions for example financial, customer service, social responsibility and employee stewardship.

Profit oriented organisations measure performance in terms of productivity and profit; however this is not the case in public sector organisations. Porter (1985) postulates that, the objectives of business units need to be established to reflect the goals of the overall organisation. A well performing public organisation gives special attention to service delivery, user satisfaction and the need to continuously improve. Performance in the public sector is viewed in terms of effectiveness and efficiency which is measured in terms of the duration of time taken by a public officer to address the needs or requests of its clients, the way these organisations utilise the scarce resources and how they use the tax payers' money to provide services (Kingei, 2015).

1.1.4 The tourism sector in Kenya

Tourism may be defined as the processes activities and outcomes that develop from the relationships and the interactions among tourists both domestic and international, suppliers of tourism products and services, host governments, host communities and surrounding environments, that are involved in attracting and hosting of guests (Goeldner & Ritchie, 2009).

Tourism plays a significant role in the global economy and has contributed immensely to Kenya’s economic growth. The number of international visitors increased tremendously from 110,000 at independence to 676,900 in 1988 translating to an annual growth rate of about 10%. Likewise, tourism receipts jumped from US $25.2 million in 1963 to US $404.7 million over the same period. The sector contributes about 10% of the Gross Domestic Product, 18% foreign exchange earnings, and is a major generator of employment, accounting for about 11 per cent of total formal employment in both rural and urban areas in Kenya. The sector is also a major source of Government Revenue (estimated at 11 per cent) in the form of taxes, duties, license fees, park entry fees amongst others. It is estimated that in the early 1980’s, the tourism sector grew from less than half a million tourists compared to 1.35 million in 2014. The period 1983-1990 was characterized by a high and continuous growth averaging around 11.8% for the total number of visitor arrivals which rose from about 370,000 in 1983 to almost 815,000 in 1990. Since the late 1990’s tourism growth has been intermittent marked by highs and lows depending on the prevailing Government policies and external shocks including insecurity (Tourism Status Report, 2015).

The Tourism Act 2011 re-defined the sector’s institutional framework through restructuring or establishment of tourism sector agencies that include TRA, KTB, KUC, KICC, TFC, TF, TRI, Tourism Tribunal and Tourism Protection Service. Some of the agencies are yet to be operationalized therefore impeding effective management of the sector. The sector is also supported by a relatively well organized private sector through tourism trade associations under the umbrella of KTF; KAHC, KATO, KATA, PERAK and respective regional associations like the KCTA. The private sector mainly through the associations collaborates very closely with the Government in matters related to tourism development and management.

Tourism is very crucial in the global economy. According to the UNWTO (2015), Tourism's total contribution to the global economy rose to 10% of global Gross Domestic Product (US $7.6 trillion) in 2014. Tourism sector grew faster than other significant sectors such as financial and business services, transport and manufacturing and this resulted in the sector outpacing the wider economy. Tourism sector is a major generator of employment. In total, nearly 277 million jobs were supported by the sector in 2014. This represented a ratio of 1 in 11 of all jobs in the world. The sustained demand for tourism, together with its ability to generate high levels of employment continues to demonstrate the importance and value of the sector as a tool for economic development and also vital in creation of jobs (WTTC, 2015; UNWTO, 2015).

There are critical issues and challenges that have been deemed to affect Kenya's competitiveness and sustainability as a tourist destination. In Kenya, tourism has had difficult times over the years, particularly due to a prolonged period lacklustre performance which was witnessed in the 1990s (Akama, 1999; Ikiara, 2001). Ikiara (2001), for instance, describes tourism performance in the 1990s as "erratic". The 2008 post-election period of civil unrest and the global economic crisis which was witnessed in 2009 only made inbound international tourism business more challenging. Despite the recovery periods such as 2004–2007 and 2010, prolonged poor performance has characterized the last two decades, which raised more concern on vested interest of key stakeholders within the industry. There appears to be issues related with systemic and strategic challenges deemed to be undermining the competitiveness and sustainability of Kenya's tourism industry (Mayaka & Prasad, 2012).

The sector has negatively been affected by a number of issues which include: poor infrastructure, low funding of tourism marketing programmes, insecurity, ineffective immigration procedures and other cross-cutting issues such as social and ethical issues, unemployment, poor management of the environment and health- HIV/AIDS (Ong'ong'a as cited in, Otieno, 2010).

Due to linkages with other sectors such as the agriculture, manufacturing, banking and finance, wildlife, entertainment and handicrafts, the sector has continued to show great potential in generating employment and wealth in various parts of the country as well as other parts of the world. The sector has been given strategic importance in the country's socio-economic development agenda because of search realities which have been witnessed over the years. For instance, the Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC) 2003-2007 and the Vision 2030 have recognized how the tourism sector has made contribution to the country's economic growth, environmental sustainability and creation of job opportunities (Ndivo, Waudo & Waswa, 2012).

1.1.5 Tourism government agencies

The responsibility of development and management of the tourism sector in the country has been mainly with the National Government since independence. In particular, the Ministry responsible for tourism has been mandated with the roles of tourism policy formulation, long-term planning for tourism development, regulation and standardization of tourism activities and services, tourism marketing and promotion and training of industry personnel. Since the late 1990's a number of structural and institutional changes have taken place in the management of the sector. Most notable is the establishment of the Kenya Tourism Board in 1997 to undertake tourism marketing and promotion, a role that was previously under the Department of Tourism. In 2002, a process was commenced aimed at a comprehensive review of the existing tourism policy. This culminated in the development of the Sessional Paper No.1 of 2010 on Enhancing Sustainable Tourism Development in Kenya and Tourism Act No. 28 of 2011. The Act repealed previously existing pieces of tourism legislation i.e. Tourism Industry Licensing Act, Cap 381 of 1968 and Hotels and Restaurant Act, Cap 494 of 1972. The Act has also re-defined the sector's institutional framework through restructuring or establishment of Tourism Regulatory Authority, Kenya Tourism Board, Kenya Utalii College, Kenyatta

International Convention Centre, Tourism Finance Corporation, Tourism Fund, Tourism Research Institute, Tourism Tribunal and Tourism Protection Service. The promulgation of the new constitution in 2010 brought in further changes in the tourism development and management structure. It gave the National Government the function of tourism policy and development while the County Governments were given the function of local tourism development (Tourism status report, 2015).

According to the Tourism Act (2011) Tourism Finance Corporation: is responsible for provision of financial assistance to investors or entrepreneurs in the tourism sector for the purposes of development, expansion and maintenance of tourism activities and services provision. The development of tourism products and services is funded by the Tourism Fund. Kenya Tourism Board's objective and purpose is to market Kenya as a tourist destination through development, implementation and coordination of a national tourism marketing strategy. Kenya Utalii College provides tourism and hospitality training and capacity building for the tourism sector. Kenyatta International Convention Centre promotes business of meetings, conferences and exhibitions through development and implementation of national meetings, incentives for conferences and exhibition strategy.

Mayaka and Prasad (2012) postulate that in post-independence Kenya (1963–1991) tourism was characterized by strong government interest and involvement as well as active private sector participation although not always in partnership (Akama, 1996, 1999; Dieke, 1991, 1994). The Kenya Tourist Development Corporation (KTDC) current, Tourism Finance Corporation, was created in 1965 to finance potential investors in tourism, especially small and medium-scale hotel owners, and to invest in tourism on behalf of the government. In 1966 the Department of Tourism was upgraded to the Ministry of Tourism and Wildlife responsible for all matters of development and management of tourism. In 1969 the government formulated a policy paper (Sessional Paper No.8) on the development of tourism in Kenya which defined the direction of growth and targets for the industry (Akama, 1999; Ikiara, 2001; Ouma, 1982). The paper outlined several policy matters such as type of tourism to be encouraged and the protection and development of Kenya's tourist attractions as well as manpower training development for the sector. It is within this context, for example, that the Kenya Utalii College (KUC) was established in 1975 with the mandate to train high and middle level personnel for the tourism sector. It is also notable that control of tourism's key natural resource wildlife was the mandate of Kenya Wildlife Service (KWS) which has been under the Ministry of Forestry and Natural Resources, until 2018, when it was merged with tourism. Other key sectors especially the transport is outside the control of the Ministry of Tourism and inter-ministerial mechanism of co-ordination which also is not explicit. At the same time The Tourism Act, 2011 provides for private sector representation in the Boards of tourism sector state corporations which are charged with various functions related to the management of the sector.

1.2 Statement of the problem

Effective strategic leadership actions enable organizations to successfully use strategic management processes which culminate in strategic competitiveness and above average returns (Hitt, Ireland & Hoskisson, (2007). Thompson, Strickland and Gamble (2007) state that for a strategy to be fully executed top executives have to take the lead in the implementation/execution process and have to personally drive the pace of progress. According to Ellis (as cited in Serfointein, 2010), good leadership motivates people; the people are also guided by good leadership and even held accountable by good leadership.

According to the Report of the Presidential Taskforce on Parastatals (2013) the performance of State Corporations has been a matter of on-going concern in an environment of scarce resources and mounting needs. A number of policy issues and challenges have been identified that afflict State Corporations in Kenya, including: weak and/or ineffective Boards, which lead to a failure in strategic direction, facilitating their emasculation; resource loss and burdening of the public purse due to poor governance, including a multitude of legal and institutional frameworks that generate multiple reporting and accountability lines, compounding the challenge of effectiveness of Boards and Chief Executive Officer, the lack or absence of a clear framework for recruitment, selection, appointment and induction of boards as well as lack of uniformity in the application of appointment procedure. Lack of knowledge and understanding of role of boards by board of directors and weak human resource and institutional capacity to attract and retain the skill sets needed to drive performance.

According to the National Tourism Strategy (2013) some of the institutional challenges facing the tourism industry are weak coordination mechanism for policy, strategies, management and marketing activities, and inadequate guidance and coordination of agencies. The above challenges prompt the need for tourism government agencies to have strategic leaders, who can think strategically, control and manage organizational processes in a way that builds the competitive edge of such firms. Strategic leadership is a key input which each tourism organization needs to factor in order to boost the morale of the staff, manage external threats and pressures, and control internal processes as well as identifying new opportunities in the market.

In 2013, the Ministry of tourism was merged with the EAC, and Commerce under one ministry, and according to the Tourism Recovery Taskforce (2014) this created a leadership and coordination gap, as the mandate of the Cabinet Secretary had become very huge, thus affecting the functions of the department of tourism. The president hived the tourism docket from the larger EAC, Commerce and Tourism, and appointed a new Cabinet Secretary, (Mwita, 2015); stakeholders in tourism had been forgotten under the three dockets and this had prevented it from achieving its maximum potential. At the same time, according to the Tourism Act 2011, the appointment of Board of Directors required approval from parliament for appointment; this had led to a delay in appointments, thus leading to a huge leadership gap, which affected the operations of government agencies. This necessitated the review of the Act to allow the removal of the requirement to get Parliament approval for board membership. (Muthoki, 2013; Maina, 2013; Burrows, 2015) This saw tourism government agencies finally get board of directors in late 2015, however some of the Boards did not have Chairpersons, which affected the implementation and approval of certain policy decisions.

Currently, there is scanty knowledge on the perceived influence of strategic leadership on the organizational performance of tourism government agencies in Kenya. Although there exists extant literature and scholarly work on strategic leadership; such literature is inconclusive and inadequate to provide grounds for policy making and management of the sector at large. Chepkirui (2012) conducted a study on the role of strategic leadership on strategy implementation at Agricultural Development Corporation, Nthini (2013) on the effect of strategic leadership on the performance of financial and commercial state agencies, however the researchers did not delve deeper into the tourism industry. Studies have also been conducted by researchers in South Africa and Zimbabwe. Jooste and Fourie (2009) conducted research on the role of strategic leadership in effective strategy implementation: perceptions of South African strategic leaders. Mapetere, Mavhiki, Nyamwanza, Sikomwe, and Mhonde (2012) on the strategic role of leadership in strategy implementation in Zimbabwe's state owned enterprises. Lear (2012) looked at the link between strategic leadership and strategic alignment in high performing companies in South Africa. The findings of these studies cannot be ignored, however, the researchers focus on different sectors with no emphasise on the tourism sector, thus their findings may not apply in the tourism sector.

It is against this background that the researcher sort to investigate the perceived influence of strategic leadership on organization performance in tourism government agencies.

1.3 Objectives of the study

The study had the following objectives:

1.3.1 General objective

The general objective of the study was to investigate the perceived influence of strategic leadership on organizational performance in tourism government agencies.

1.3.2 Specific objective

1. To determine the perceived influence of strategic direction on organizational performance of tourism government agencies in Kenya.
2. To determine the perceived influence of organization culture on organizational performance of tourism government agencies in Kenya.
3. To examine the perceived influence of organizational resources portfolio on organizational performance of tourism government agencies in Kenya.
4. To determine the perceived moderating influence of organizational external environment on the relationship between strategic leadership and organizational performance of tourism government agencies in Kenya.

1.4 Hypotheses of the study

A hypothesis is a logical conjectured relationship between two or more variables expressed in the form of testable statements. The researcher came up with four hypotheses for this study:

Hypothesis 1:

H01 Strategic direction has no significant perceived influence on organisational performance in tourism government agencies.

Ha1 Strategic direction has significant perceived influence on organisational performance in tourism government agencies.

Hypothesis 2:

H02 Managing organisation culture has no significant perceived influence on organisational performance in tourism government agencies.

Ha2 Managing organisation culture has significant perceived influence on organisational performance in tourism government agencies.

Hypothesis 3:

Ho3 Organisation resource portfolio has no significant perceived influence on organisational performance in tourism government agencies.

Ha3 Organisation resource portfolio has significant perceived influence on organisational performance in tourism government agencies.

Hypothesis 4:

Ho4 Organisation external environment has no significant perceived moderating influence on the relationship between strategic leadership and organisational performance in tourism government agencies.

Ha4 Organisation external environment has significant perceived moderating influence on the relationship between strategic leadership and organisational performance in tourism government agencies.

1.5 Significance of the study

The essence of this study was to broaden the notion of strategic leadership that has been primarily applied to profit oriented organizations, to public organisations, particularly tourism government agencies. The study was important, because it sought to assess the perceived influence of strategic leadership on organisational performance of tourism government agencies in Kenya.

The study provided empirical information to the tourism government agencies especially the management teams who may better understand strategic leadership practices. Current and future strategic leaders may understand how limited strategic leadership can ruin government agencies and how effective strategic leadership can propel them.

The study provided information to the stakeholders and the government on performance that will facilitate development of the tourism industry in Kenya. The study adds to the existing body of academic knowledge in the area of strategic management in general.

The study is of great value to the academicians and researchers, because it has suggested areas for further research for possible consideration by future researchers that could contribute to the existing body of knowledge on strategic leadership and organisational performance.

The study provided the policy makers with viable opportunities to revise policies related to strategic leadership and organisational performance. The findings provide the policy makers with viable opportunities to revise policies related to strategic direction, organizational culture, organisational resource and the external environment for sustainable organisational performance in tourism government agencies.

1.6 Scope of the study

The research was limited to Kenya's tourism sector and specifically the government agencies. Government agencies are tasked with the responsibility of formulating policy that guides the management of the industry. The organisations targeted were also the ones that had a strategic plan in place so as to understand the influence of strategic leadership on organisation performance.

The Tourism Act 2011 lists the following Government agencies that fall under the Department of Tourism, Kenyatta International Convention Centre, Kenya Tourist Board, Kenya Utalii College, Tourism Fund, Tourism Finance Corporation, other bodies like the Tourism Regulatory Authority, Tourism Protective Services, Tourism Research Institute, who are part of the tourism industry, are still in formation stage and did not have a complete structure in place.

Ireland and Hitt (1999) have identified six strategic leadership components that enhance organizational performance. The identified components are: determining the purpose or vision of the firm, exploiting and maintaining core competencies, developing human capital, sustaining an effective organizational culture, emphasizing ethical practices, and establishing balanced organizational controls. This research limited itself to three components of strategic leadership, these are strategic direction, organisation resource portfolio, organisation culture and the moderating effect of organisation external environment on these independent variables.

1.7 Limitations of the study

To ensure that questions were standardized, general questions were developed for all respondents which has the possibility of missing what is most appropriate to some of the respondents. Secondly, the researcher used the same tool and administered the tool using the same method which could have been inappropriate to some of the respondents who participated in this study. To increase the response rate, the researcher interpreted the questions to the respondents at the time of delivery and also enquired about any challenges in filing the questionnaires before the due date for collecting the questionnaires.

Some of the respondents were unwilling to tell the truth about contentious questions, especially those relating to the conduct of the leaders. To manage this, the researcher expressed to them that it was for academic purposes and made known to the respondents that their identity remained anonymous to increase the level of response rate.

In this study, item non-response or the submission or participation in the survey accompanied by failure to complete one or more components/questions of the survey was endemic. Some of the individuals identified as part of the sample were unwilling to participate while others had no time to participate in the study posing a risk of differences, between respondents and non-respondents, which could have led to biased estimates of population parameters. To overcome this challenge, the respondents were selected voluntarily to reduce the unwillingness while the questionnaires were designed in a short and clear format for ease of response by the respondents.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviewed literature on the subject of study summarizing information from other researchers who had carried out research in the same field. The areas covered included the concepts of strategic leadership and organisation performance. The chapter also looked at theories that aided in understanding the research under investigation.

2.2 Theoretical framework

2.2.1 Upper Echelons theory

This theory dwells on the relationship between managers, organizational processes and outcomes. This theory was first conceptualised through a seminal paper by Hambrick and Mason (1984) entitled "Why do organizations act as they do?" They fronted a new emphasis on the power and the influence of the top senior managers such as Chief Executive Officers (CEO) and Chief Financial Officers (CFO). The theory is grounded on the assumption that, key senior persons in an organization influence the outcomes of the organization depending on their knowledge, expertise and experience (Hambrick & Mason, 1984). They further argued that emergent issues in organizations are handled by senior managers whose strategic choices are highly influenced by their unique characteristics. As a result, the strategies and efficiencies of an organization reflect the values and cognitive bases of powerful actors in the organization (Carpenter, Geletikanyes & Sanders, 2004).

The perception of the senior managers has a great influence on the strategic choices they make which in turn may affect the performance of the organization. This perception is highly influenced by their values and cognitive level which are unique and varied. Carpenter et al. (2004) argued that the ability or kind of support and influence of the senior leaders is controlled by factors such as team processes, incentives and integration with others and the environment. Therefore the external environment is not the only determinant of the organizations actions and outcomes but that of the individuals too.

The theory is beneficial in predicting the organizations outcomes based on the existing senior managers. The theory also helps competitors to predict the moves of the rival firms and also guides the organization to select the right calibre of leaders. According to Hambrick and Mason (1984), the decisions and strategies are normally biased and subjective because they are made by human beings whose ability to perceive environment is limited to what they can see, what they value, their beliefs, preferences, education and experience among others. As a result, those individuals' characteristics are reflected by strategic choices which influence the strategic behaviour of firms (Hambrick & Mason, 1984). However, Hambrick (2007) criticised the theory arguing that it was not conclusive on the relationship between the characteristics of managers and the organizational outcome. Also the assumption that similar characteristics yield similar strategic actions has not been confirmed. Despite these limitations, the theory sheds more light on how the perception and the characteristics of the managers can influence the performance of the organization.

2.2.2 Cognitive theory

The theory is about the mental process and how information is processed through the complex network (Neisser, 1967). The theory postulates that as individuals learn, they create cognitive structures which in the long run determine the concepts of themselves and the environment (McEntire, 1992). Cognitive theory delves on the premise that mental process operates in a stimulus presented to the individual's perceptual and cognitive systems. These perceptual and cognitive systems influence significantly on the type of response taken, time it is taken and how it is taken. A response is mostly taken after processes involving internal stimuli and responses.

The theory asserts that ability of a person to remember items is improved when the items are meaningful or are of importance to each other or to the persons existing knowledge. What is meaningful to a person is determined by what they can remember or what they have learned. The theory further suggests that what we learn is affected by how meaningful it is. The learning shapes the actions or the behaviour of the person. According to Blumenthal (1977), learning and behaviour is based on a person's perception about organization of events and objects. The perceptual process of a person is based on learning and it usually occurs whenever the individual perceives new relationships within the field (Bell-Gredler, 1986).

According to the theory, a person cannot use a tool unless he or she understands the relationship between both the tool and its function. Therefore, perception of the tool is based on its function. The concept is applied in the current study to show how the performance of the organization is tied to the leader. This is because what the leader sees, remembers and believes is most likely what he will implement in case the perception is wrong, then the leader may make some wrong decisions for the organizations. Also different people may perceive phenomena differently and thus adopt different strategies which impact on the performance of the organization.

2.2.3 Transformational Theory of leadership

Transformational leadership is simply "leading by inspiring" more is accomplished by the followers through the concentration on the follower's values and helping the follower make realignment with these values as well as those values of the organization. The theory was developed in the late 20th century by Burns (1978) in his analysis of political leaders. According to Burns (1978), transformational leadership occurred when one or more persons engaged with one another such that the leaders and the followers raised each other's levels of motivation and morality. Later, the theory was enhanced by Bass (1985) who argued that transformational leaders motivated their followers beyond expectations. This motivation is achieved by creating awareness about importance of good outcomes for an organization and the measures and steps which could be taken to achieve such outcomes.

According to Krishnan (2005), the underlying argument in transformational leadership is the leaders' ability to motivate followers so that they can be able to accomplish more than what the followers planned to accomplish. Bass (1985) states that the transformational theory of leadership has four major components namely the inspirational motivation, intellectual stimulation, individualized consideration and idealized influence. Studies on transformational leadership have associated the style with the personal outcomes as well as those of the organization (Jorg & Schyns, 2004; Zhu, Chew, & Spangler, 2005; Boerner, Eisenbeiss, & Griesser, 2007).

Transformational leaders impact satisfaction on the followers and their commitment towards the organization. A study by Yu, Leithwood and Jantzi (2002) concluded that transformational leaders impacted on the followers towards change in the organization and conditions in the organization. This leadership approach is thus superior and necessary for all organizations which plan to make progressive change (Tucker & Russell, 2004). This theory was adopted by the study to guide and direct how powerful the type of leadership can be through the actions of the leader in determining aspects of the organization such as setting the strategic direction, managing resources and culture.

2.2.4 Contingency theory

Fiedler (1967) developed a situational or contingency theory of leadership. Three imperative situational dimensions that have been identified, are assumed to be influential on the effectiveness of the leader: Leader –member relations: the degree of confidence the subordinates have in the leader. It also includes the loyalty which is normally shown to the leader and the leader's attractiveness. Task structure: The degree to which the follower's jobs are routine as contrasted with non-routine. Position power: this is the power inherent in the leadership position. It may comprise of rewards and punishments which are typically associated with the position, the leader's formal authority that is based on ranking in managerial hierarchy and the support that the leader receives from supervisors together with the overall organizations. Donnelly, Gibson, and Ivancevich (1992) state that, after years of discussion and studies, most managers today question the premise that a particular leadership style is effective in all situations. They believe that a manager behaving as a considerate leader, for example, cannot be assured of effective results in every situation.

This theory is an approach to the study of organizational behaviour as it gives a clear explanation as to how contingent factors such as technology, culture and the external environment have an influence on the design and the function of organizations. According to Vroom and Jago (1988), organizational effectiveness is not necessarily dependent on a fit or match between the type of technology, environmental volatility, the size of the organization, the features of the structure and its information system. Hersey and Blanchard (1974) posit that contingency theory gives a provision that effective leadership style in some situations may not be successful in others and there is no way of leading that is best

Fiedler and Garcia (1987) argue that the success of a leader is a function of various contingencies that comes in the form of subordinate, task, and group variables. The effectiveness of any pattern that is given according to the leader's behaviour that is contingent based on the demands that have been imposed by the situation. Fiedler and Garcia (1987) argue that if the leader doesn't adapt or change his style, he might never be productive at the higher levels of the organization. This is one of the most common problems in large organizations; where promotion of managers on the basis of current achievements without considering their capabilities for future achievements often lead to overall ineffectiveness of the organization.

2.3 Conceptual Framework

According to Mugenda and Mugenda (2003) a conceptual framework refers to when a researcher conceptualizes the relationship between variables in the study and shows the relationship graphically or diagrammatically. It is a hypothesized model identifying the concepts under study and their relationship. According to Hitt and Ireland (2002) a positive contribution made to effectively implement a strategy should have components that are based on components such as: determination of strategic direction, effectively managing the organization's resource portfolio, Sustaining and effective organization culture, emphasizing ethical practices, developing human capital, establishing balanced organization controls.

The conceptual framework (Figure 2.1) in this study illustrates the expected relationship between independent variables; managing organisation culture, strategic direction, organisation resource portfolio, the moderating factor organisation external environment and the dependent variable organization performance.

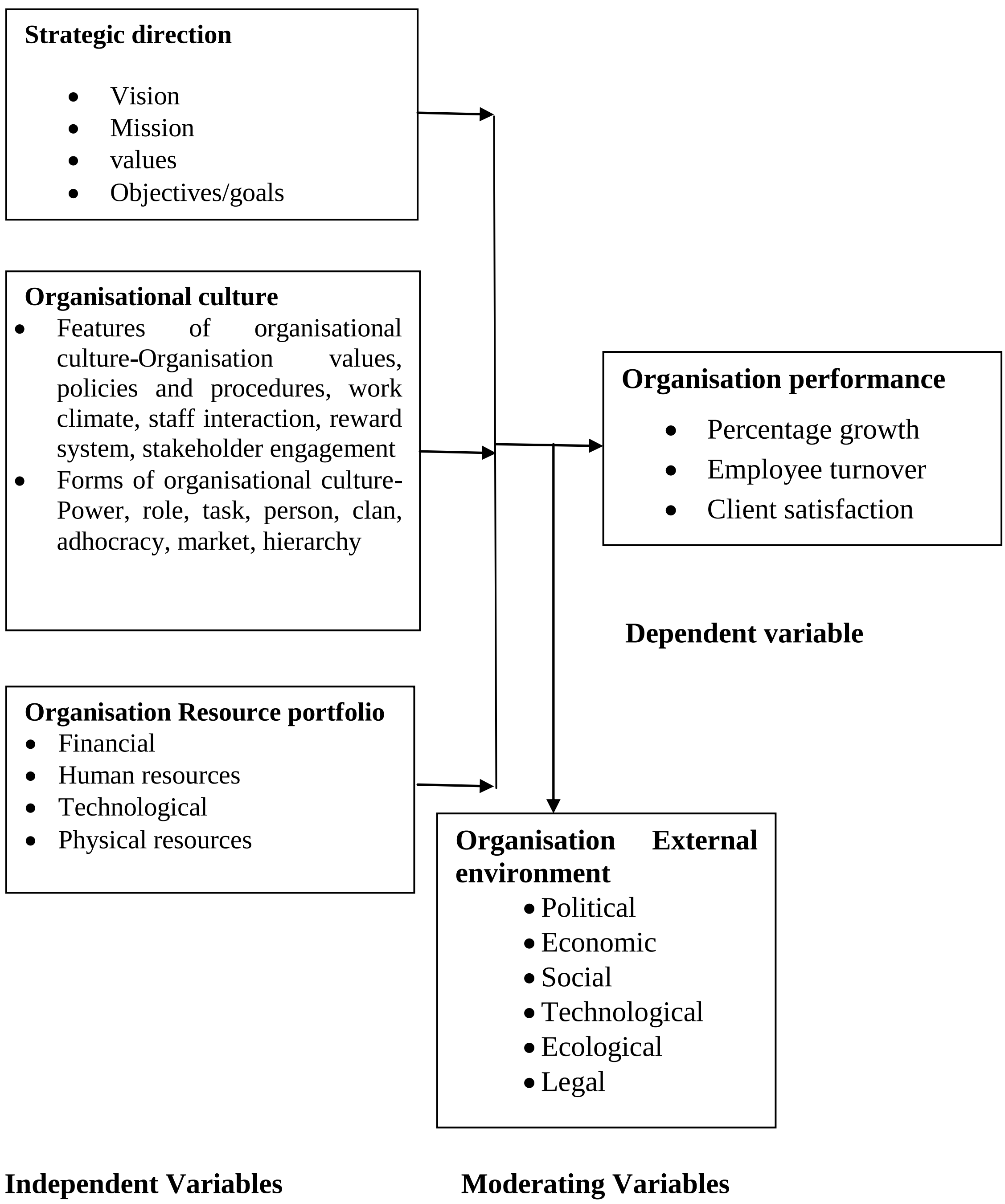

Figure 2.1: Conceptual Framework

2.4 Literature on variables

2.4.1 Strategic direction of the organization

Determining the strategic direction is a critical component of strategic leadership as it sets the long term vision of an organization (Ireland & Hitt, 1999). Strategic direction helps leaders and managers in organizations to learn, think and run the affairs of the organizations they lead in an orderly and strategic manner (Brysosn, 2004). The role of strategic leaders is to monitor the process of developing the strategic direction of an organization and also the process of implementing the set strategic plan (Okibo & Masika, 2012).

Strategic direction entails developing the vision, mission, strategic goals, and objectives (Mutia, 2015). This entails creating a roadmap for the organizations future. The work of a strategic leader is to enable smooth development of a strategic plan. The leader tries to align the actions, beliefs, values of employees and management as well as stakeholders towards the organizational goal. An organization with strategic direction enables strategic leaders to develop the criteria for guiding, engaging and leading processes and operations which enable organization to achieve its goals (Szpakowski, 2011). Having a strategic direction is important as it relates positively with the organizational performance. Also it has a significant effect on the performance of an organization (Odita & Bello, 2015).

Setting a strategic direction is mostly the action of creating a mental image of where the organization is envisioned to be in future or the desired dream in future. Thus strategic leadership serves to mobilise resources, allocate them strategically and to improve communication in the organization to both internal and external stakeholders as well as clarifying issues on a timely basis when there is a change or a need to change (Hamel & Prahaland, 1989)

According to Pearce and Robinson (2009) leaders play a bigger role is helping their company embrace change by setting forth their strategic intent, this creates a clear sense of where they want to lead the company to and what results they expect to achieve in the end. They do this by concentrating simultaneously and very clearly on two very different issues: vision and performance. Chapman (2004) says that the main objective in any organization is for everyone to understand the organisation's strategy and specifically be aware of whatever they are doing, and this will contribute to overall delivery.

a) Vision

A vision is a picture of the future of an organization. It is used to denote the desired excellence. It is something a person, team or organization wants to create that is best for its organization in the future. Ozdem (2011) opined that a good vision should capture where and what the firm wants to be in future or some years to come and the level it wants to attain. According to Joachim (2010), vision is a mental picture of the future state of an organization developed through creative imagination and foresightedness. It is a basic shape of an organization which communicates optimism and hope about possibilities regarding the desired change (Lipton, 2003). Essentially, a vision serves to give direction, act as point of reference, and indicate where the organization is going and possibly why (Populova, 2014).

A vision statement of an organisation should be clear and easy to understand, remember, positive motivational, inspiring, attractive, challenging and future oriented (Henry, 2008). According to Collins and Porras (1996) a vision has two components: a base ideology and a visionary future. The base ideology explains reasons of the organizational existence, features and identity while visionary future states the future of the organization in 10 or 30 years from the time it is set.

For a vision to be effective, it should be challenging and stimulating for the organization and should overcome current conditions and resources. Tallant (2009) asserts that a vision should attract commitment, energize people, create meaning in workers, and link the present with the future. It is an inspirational, exciting, risk-taking, long term thinking and experimental (Jyothimon, 2014) which captures the heart and mind of each employee (Candemir & Zalluhoglu, 2013). It makes contribution towards the creation of an organization (Ozdem, 2011), helps to foresee the events to happen in the near future, make preparation for changes and innovations and forecast expected changes based on customer demands as well as in boosting the efficiency of the employees (Power, 2012).

David (2011) states that a vision statement gives answer to the question "What do we want to become?" The first step in strategic planning, is to come up with a vision statement, these precedes even the development of a mission statement. According to Prokesch (1997) the purpose and vision of an organization is to realign it actions to the people across the whole organization. A real vision should be very active and all the people within the organization should be able to understand it and live it. It is also filled with drive and energy that make people to be proud of and be able to talk about their organization's purpose and vision.

Nel (2008) warns that the leadership in organizations fall into the biggest trap when they are so sure of their vision and direction and that in the long run they fail to see new opportunities. Therefore, when an organization's strategic leadership fails to continuously address the full spectrum of issues, it ends up having an effect on the organization's performance and there is a possibility that the organization will encounter challenges which it is not prepared for.

b) Mission

A mission defines the space in which strategies are created by organizations and relating them to both present and future directions. It serves to answer the question why the organization exists (Henry, 2008). The mission serves to shape, identify, purpose and direct an organization from present and future. Henry (2008) stated that it is the way in which an organization communicates its business to the outside world. According to Abrahams (2007), a mission can address staff, employees, colleague, partners and associates among others. According to David and David (2003) an effective mission should address nine components; customers, product, geography, technological concerns, philosophy, public image, employees and distinctive competencies of an organization. Mission is critical in an organization as it represents a very broad overarching framework upon which other related issues such as vision, capabilities, goals, objectives, core values, behavioural standards, business models among others evolve (Lynch, 2006).

A mission statement seeks to communicate the business of an organization (Johnson, Scholes & Whittington, 2008) and whose business is intended for (customers) (Drucker, 1973). It aims at combining the diverse areas such as organizational identity, product, market, methodology and technological emphasis for a common cause of producing a strategic orientation for an organization (Erkan, 2008). It explains how to get to where the organization wants to be (Agwu, 2015). Mission describes the clients, major processes and informs the organization about the desired level of performance (Bartkus, Glassman, & McAfee, 2004). It can be looked at as an expression of what leaders in an organization perceive as the key objective of being in business (Kokemuller & Media, 2015).

Mullane (2002) suggested that an effective mission should address the organizations key stakeholders and show how the organization is dedicated to meet the needs of the stakeholders. It should be market oriented, clear, implementable, real, specific, motivating, flexible and adaptable to the environment (Lynch, 2006). A mission is intended to assure stability of the organization in times of change and guide strategic choice and decisions about the future. Johnson (2008) noted that mission captures corporate level strategy in terms of scope, boundaries and value creation.

Hill and Jones (2007), state that the mission of a company should clearly describe what the company does. The most important step is to first formulate a mission and to come up with a definition that clearly shows the organisation’s business. Essentially, a good definition clearly answers these questions. What is our business? What will it be? What should it be? The responses guide the formulation of the mission. To clearly answer the question, what is our business? A company is expected to give a clear definition of the business in terms of three dimensions, who is being satisfied? (What customer groups), what is being satisfied? (What customer needs) and how customer’s needs are or will be satisfied? (by what skills, knowledge or distinctive competencies)

Dess, Lumpkin and Eisner, (2009) state that mission statements that is very effective, incorporates the concept of stakeholder management and gives clear guidelines that the organizations must respond to multiple constituencies if they are willing to survive and prosper. The key stakeholders are the customers, employees, suppliers, and owners but in some circumstances, others may also play an important role. Mission statements, have the greatest impact whenever they portray a clear reflection of an organisation's enduring overarching strategic priorities and competitive positioning.

David (2011) argues that a mission statement of an organisation broadly charts the future direction the company is headed to. The aim of a mission statement is to act as a constant reminder to the employees the reason as to why the organization exists in the first place and what the founders envisioned when they came together to breathe life into the organisation.

c) Values

Values are seen as enduring beliefs that influence the choices human beings make among the available options (Kernaghan, 2003). They are a set of principles and standards for guiding day to day life of organizations. Collins and Porras (1996) held that core values are essential because they create endurance and guiding principles for organizations. Liedtka (1989) defined organizational values as significant principles which guide the behaviour of the organization. Core values can be viewed as the universal system of beliefs and behaviour which clarify the vision of an organization and define the purpose of that organization (Anwar & Hasnu, 2013). An organization is said to have strong value system when members share common values related to organization's strategic direction (Weiner, 1988).

Agle and Caldwell (1999) state that values that are shared determine and regulate relationships amongst individuals, the organization and other institutions. Kinjerski and Berna (2006) asserted that values' purpose in an organization is to promote organizational integrity. The management uses core values to guide the organization in pursuant of its vision and mission (Thompson, Peteraf, Gamble, & Strickland, 2012). Core values should be focused and offer strong sense of personal and organizational attachment. It is the duty of strategic leaders to model organizational core values and associated forms of behaviour to align with the vision and wider direction of an organization.

Hill and Jones (2007) argue that the values of a company clearly indicates how managers and employees within the organisation should conduct themselves, how they transact business, and what kind of organization they should together build to help a company achieve its mission. Values are majorly viewed as the strong foundation of a company's organization culture. In so far as they help drive and shape behaviour within a company and at the same time setting of values, norms, and standards that control how employees work to achieve an organization mission and goals.

Hill and Jones (2007) further state that in one of the studies of organizational values, researchers identified a set of values that are associated with high performing organizations which normally help them achieve financial performance that is superior through their impact on employee behaviour. The following values were found to be vital (respect for the interests of key organizational stakeholders; individuals or groups that have an interest, claim or stake in the company, in what it does and in how well it performs). The study further found that high performance within the organisation was linked to deep respect for the interests of customers, employees, suppliers and shareholders.

d) Objectives/goals

According to David (2007) objectives can be defined as specific results aimed by organization so that it can be able to achieve basic mission it is pursuing. They are goals which management wishes the organization to achieve (Weinrich, 2007). Objectives are therefore essential for any organization to be successful because the direction of the firm is stated and defined; aid in evaluation, create synergy, reveal priorities, focus coordination and provide broad basis for effective planning, organising, motivating and controlling activities. They are end points upon which other activities such as organizing, staffing, directing and control are based upon. Once the objectives are set or determined, other activities follow such as type of staffing, type of equipment, resources required, skills required, type of motivation, supervision and type of control among others.

Koontz (2011) defined organizational objective as a statement which describes what an organization is hoping to achieve in a given timeframe and also the available resources. Objectives are important in a strategic plan as they help to determine the type of strategies undertaken by organizations, guides actions, gives a timeframe for making decisions, coordinates activities, prioritizing, resolution of conflicts between departments measuring control of performance, motivation of staff, guides decision making and guides other stakeholders of a clear idea of the organization in which they invest in

According to Benard (2004) setting objectives is beneficial as it acts as a basis for planning, developing policies, budgets and procedures. Hill and Jones (2007) are of the view that a goal is an attempt to realize the desired future state of a company that is precise and measurable. In this context, the purpose of a goal is to give clear specification with precision on what must be done if the company must attain its mission and vision. According these researchers, well-constructed goals must have four main characteristics namely; they are precise and measurable, address crucial issues, they give all employees an incentive so that they can be able to look for ways operations within the organizations can be improved. If a goal is unrealistic in the challenges it poses, employees may easily give up; managers and other employees may not be motivates by a goal that is too easy; Specify a time period in which they should be achieved when that is appropriate. Time constraints communicates to the employees that success requires a goal to be attained within the stipulated time, and not after. Not all goals aimed to be achieved require time constraint but a sense of urgency into goal attainment must be injected to give a deadline and at the same time act as motivator. Hill and Jones (2007) further state that goals that are well constructed should provide better means by which the managers' performances can be evaluated.

2.4.2 Organization culture

Sudarsanam (2010) defined organizational culture as the embodiment that comprises of collective systems, beliefs, norms, ideologies, myths and rituals. The character of an organisation is sometimes known as organisation culture because it symbolizes the founder's vision for the company. The ethical standards within a corporation are influenced by values of a corporate culture and also managerial behaviour.

Organisation culture is broad and covers a wide range of activities and process in an organization. It entails symbols, norms, rituals, ceremonies, rules, stories persons and organizational myths (Tureac, 2010). More specifically, organisation culture portrays the values, business principles and ethical standards that management aims to preach and practice.

Different scholars have expressed organizational culture differently. According to Kotter and Heskett (1992) culture denotes values shared by people in a group and persists overtime even when the group membership changes. Schein (1992) defined culture as artefacts and creations, values that drive behaviour and lastly assumptions which evolve with time as solutions to problems. Hofstede, Neuijen, Ohayv and Sanders (1990) described culture as symbols, heroes, rituals and values in organizations.

Organisation culture has a significant positive effect on the long term performance of an organization (Kotter & Heskett, 1992). Barney (2012) argued that organizational culture define relationships among employees, customers, suppliers, competitors and how to interact with such key actors. The task of the strategic leadership is mainly to shape the culture of the organization. Strategic leaders are quick to learn on how to shape the values shared by the organisation in a way that makes the firm to be more competitive (Slawinski, 2011). Culture is mostly overlooked as attention is directed at activities or processes that may have little or no significant effect on performance (Davidson, 2003).

Pearce and Robinson (2009) state that a leader is deemed as the standard bearer in an organisation, the personification, the embodiment of culture that is on-going and the anticipation of what it should become. As such, there are several aspects on what a leader should or should not do and this has an influence on organisation culture, this can either be to reinforce it or to exemplify the standards and nature of what it is aimed to be. The organisation sees how the leader behaves and emphasizes leadership aspects, and this is deemed as an important thing to do and value

An effective organizational culture is sustained by strategic leaders. An organization's culture comprises of complex ideologies, symbols and values that are shared by the employees of the organisation. For an organisation to be competitive, strategic leaders learn how to shape a firm's shared values and symbols (Ireland & Hitt, 1999; Rowe, 2001).

Organizational culture is also referred to as the set of assumptions that are very crucial (often unstated) in organization and is commonly shared by the members. It is an intangible, theme that is ever present and provides meaning, direction, and the basis for action to be undertaken (Pearce & Robinson, 2005). Organizational culture can also be defined as the company's character where internal work climate and personality are shaped by its core values, beliefs, business principles, traditions, behaviours, work practices, and the best styles used in operating. A culture grounded in strategy-supportive values, practices and behavioural norms significantly enhances the company's power and effectiveness on the strategy execution effort. The culture of an organisation has to be changed rapidly the moment the organization's culture is out of sync with the actions and behaviours needed to execute the strategy successfully (Strickland, Gamble & Thompson, 2005, 2008).

Deal and Kennedy (1983) report that people form strong attachment to heroes, legends, the rituals of daily life, ceremonies and all the symbols of the work place. Embracing change is one of the things that strip relationships and leaves employees confused, others end up becoming insecure and often angry. Unless something is immediately done, usually by the leadership, to provide support for transition from old to new, the strategy changes can be neutralised and emasculated by the force of a culture.

Organisations without the proper cultural nurturing will be unable to produce results that are sustainable and will lack a lasting competitive advantage. Relentless commitment from top management is required in the transformation of culture – this is a role that the top management cannot delegate or outsource. It is the top management that drive the culture of an organisation, and leaders should admit that culture has a powerful influence that can easily create and sustain organisational performance and in many circumstances it is not given the focus that will achieve the transformation (Panico, 2004).

Strickland et al. (2008) is emphatic that senior executives should be on the forefront in leading and promoting certain enabling culture drivers such as a strong sense of involvement on the part of company personnel, encouraging and emphasising on individuals initiatives and creativity, respecting contributions made by either individuals or groups, and pride in doing things in the way they should be. Senior executives should point out that the role of culture-building is to create a conducive and accommodative working climate and style of operating that mobilizes the energy and behaviour of company personnel squarely behind efforts to execute strategy competently. It is the duty of strategic leaders to frequently check how organizational culture is linked or aligned to the performance of an organization.

a) Features of organization's culture

According to Thompson, et al (2012) a company's organisational culture is mirrored in the character of personality of its working environment-the factors that underlie how the company conducts its business and its behaviours are held in high esteem. Some of these factors are readily apparent, and others operate quite subtly. Organisational culture is mostly seen as a reflection of the beliefs and values the founder' has regarding the world, organizations and the human beings, not forgetting other stakeholders. Organisational culture is also highly influenced by the leaders and individuals in either managerial or senior positions within an organisation (Schein, 1985).

According to Birsan, Susu and Balan (2008), each organization has a unique and distinct culture which describes how it approaches people, manages them and the official policies, procedures and operating practices they use in giving guidelines for the personnel's behaviour. The atmosphere and spirit that pervades the work climate. Does the company make the workplace to be vibrant and fun? Methodical and all business? Tense and hurried? Does the company create an environment that is highly competitive and politicized? How well are people excited about their work and are they emotionally connected to the company's business, or are they just there to draw a pay check? Is there emphasis put forward on empowered worker creativity, or do people have little discretion in how jobs are done? The above interrogation describes the organizational culture of an organization which is mainly influenced by the history of the company, the personnel and the leaders leading the organization (Birsan et al., 2008).

According to Martins and Martins (2003) a strong culture can be used to substitute formalization and enforcement of rules and regulations in an organization. This may happen when staff members continuously get used to the rules and regulations, internalize them and accept them. As time goes by, a new culture is created which determines the way managers and employees can easily interact and relate with each other-employees relying on team work and open communication, the extent to which there is good camaraderie, whether people are called by their first names, middle names or even nick names, whether co-workers spend little or lots of time together outside the workplace, and the dress codes are (the accepted styles of attire and whether there are casual days). The culture is also defined by the company's revered traditions and often repeated stories about "heroic acts".

According to Robbins and Coulter (2009), culture is often a perception. This is because it is not tangible but rather felt by the employees. Some of the intangible cultural aspects may include; the manner in which the company conducts itself and also handles external stakeholders (particularly vendors and local communities where it has operations) –whether it treats suppliers as business partners or prefers hard-nosed, arm's length business arrangements, and the strength and genuine of the commitment to corporate citizenship and environmental sustainability.

Seven primary characteristics to describe culture were presented by O'Reilly, Chatman and Caldwell (1991), namely; describe people orientation, organisational culture, outcome orientation, innovation and risk-taking, team orientation, attention to detail, aggressiveness and stability.

In a nutshell, features of organizational culture are many and varied. Culture is key to the success of an organization. Deal and Kennedy (1983) argued that culture was very important in an organization than other factors such as politics, organizational structure and strategy of the organization. Organizational culture is related to long term effectiveness and performance of an organization (Zheng, Yasng & Mclean, 2010). Strategic leaders have a role to influence the culture of an organization to best suit a company's objectives since leaders and people are the biggest influencers of organizational culture (Schein, 1985). One of the roles of a strategic leader according Daft (2010) is to craft and influence an adaptive culture in an organization.

b) Forms of organization culture

The following typologies of culture were presented by Handy (1985), Power culture: this kind of typology concentrates mostly on the power among a small group or a central figure and its control radiates from its centre like a web. This kind of culture is highly autocratic and centred on one individual. The typology of power culture is characterised by few individuals who tend to make decisions and is thus highly centralised and acts as a single source of power and authority under which the rays of influence are clearly spread throughout the organization (Brown, 1998). It is dominated by use of authority, rationality in procedures, normalisation and division of work (Hampden-Turner, 1990). The culture is good for making prompt decisions and taking advantages of opportunities when they arise. However, it encourages rule by fear, and abuse of power to those entrusted with it (Harrison & Stokes, 1992).

Role culture: This type of typology focuses on job description and specialization. Work is mainly controlled by procedures and rules set out for that job (Harrison, 1993). The authorities are highly delegated within a defined structure. Control is made through the procedures that are highly valued, strict roles descriptions and authority definitions. These organizations tend to have a system that is consistent and are very predictable leaving little room for the staff to innovate. According to Harrison and Stokes (1992), role culture assumes that people cannot be trusted especially those members in the lower levels and so they give no individual autonomy or discretion. This culture assumes that staff makes no mistake while observing legitimacy, legality and responsibility. Role culture has been criticised that it cannot survive in a dynamic environment where organization face new challenges and there is constant demand for innovation and change (Brown, 1998).

Task culture: This type of culture is project oriented. It is a culture which is used in lining people up behind a common vision or purpose. It mostly focuses on realising a set purpose and goal of the organization (Harison & Stokes, 1992). The balance between formality and centrality of power is embraced by this culture. A net with some of the strands of the net thicker and stronger compared to others is what an organization is perceived to be (Harrison, 1993). Completion of tasks is important as team work as opposed to promotion of an individual position (Hampden-Turner, 1990). This type of power is inclined on skills, competencies and expertise. This culture is suitable for competitive markets, which are dynamic and continuous and is mostly based on short term achievements (Brown, 1998). This culture has however been criticised for overshadowing individual efforts and performance (Harrison, 1993).

The last form of culture according to Handy (1985) is the person culture. This is people oriented and aims at promoting mutual trust between the people and the organization (Harrison & Stokes, 1992). It has short hierarchy with less power control of the staff (Harrison, 1993). Authority is assigned based on competence and power and is only exercised when necessary. Instead of using power and authority, the culture encourages people to influence others by examples and helpfulness. This culture values outcomes from staff as well as their input in decision making. As a result, more value is placed to the well-being of employees (Martins & Martins, 2003).

According to Cameron and Quinn (2006), clan culture is dominated by loyalty, morale, teamwork, consensus, participation and commitment among other aspect. It assumes a friendly approach which resembles that of an extended family (Tseng, 2010). Clan culture is embraced in organizations that promote togetherness, values people, appreciates customers, and values human relations and flexibility. It is also encouraged where leaders freely mingle with staff to mentor them. This culture shapes an organization to look like a second home from actual home.

Adhocracy culture is a culture which promotes dynamism, entrepreneurship, innovation and creativity in workplace (Tseng, 2010). This type of culture majorly focuses on products that are new and service development, change, efficiency and experimentation, adaptability and productivity. This culture fits into organizations that value external focus, flexibility, willingness to act, take risks and respond to external changes (Igo & Skitmore, 2006).

Another cultural orientation is hierarchical culture which focuses on consistency and control through strict enforcement of rules and internal maintenance (Igo & Skitmore, 2006). This type of culture inclines towards processes, procedures, systems and how to strictly run the operations of the organization. Tseng (2010) supported the culture arguing that formalization of operations in organizations enhances control and effectiveness of management which in turn influences good corporate performance. This type of culture has been criticized by some Fekete and Boeskei (2011), Ogbona and Haris (2000) who held that this sort of culture could not produce good corporate performance and thus was not good for organization.

The last dimension of culture is market culture. This type of culture focuses on results, performing competitors, market leadership and price competition (Cameron & Quinn, 2011). This culture is a reflection of how contemporary organizations work given the highly changing environment upon which such firms operates in. Organizations which embrace market culture are result oriented and place much focus on thoroughness, assertiveness and perfectionism (Igo & Skitmore, 2006). Javidan and Dastmalchian (2009) argued that organizations which support collectiveness in the workplace embrace cooperation, reward, group harmony and employee performance.

c) Role of leaders in managing organizational culture

The role of leadership in today's business environment entails identifying, developing and using leadership skills and competencies to influence the performance of the organization. Culture is ideally the personality of the organization. This personality is majorly influenced and interfered with by the senior leaders of a firm. The leaders shape the formation of strategic direction as well as the implementation of the same (Kirimi & Minja, 2010). The way strategic direction is set influences the way organizations is run, how people relate and sets new rules and regulations which highly influence the culture of the organization. Gill (2011) held that strategic leaders should endeavour to develop and keep a sustainable culture which is optimal enough to ensure adopted strategies remain valid in the long run.

Setting a tone of culture change in an organization is not an easy task. Zellner (1997) argued that instead of falling into the space and style of an organizational culture, it will take courage and fearlessness by leaders in following their beliefs and values. However, leaders use strategies to change the culture by aligning the processes and systems to reinforce the desired organizational culture through behaviours and outcomes (Coon & Wolf, 2005). Strategic leaders thus have the duty of shaping the culture of an organization by setting a good precedence and taking part in the formulation of strategic direction implementing them.

d) Culture change

According to Pearce and Robinson (2009) when a strategy requires massive organizational change and engenders cultural resistance, a firm should determine whether reformulation of the strategy is appropriate. Are all the organizational changes necessary and why? Is there any real expectation that the changes being introduced will be acceptable and successful? If these answers are yes, then massive changes are often necessary. Arnold (2005) argued that culture can be changed when it is inappropriate and detrimental to the organizational competitive needs. Thus culture should be changed only when necessary. Martins and Martins (2003) noted that culture could be changed but warned that the process was not easy.

According to Harrison (1993) culture change may take long, create stress and affect performance. It is thus advisable before efforts to change culture are initiated; a thorough review of the existing culture is done through cultural diagnosis (Schein, 1985). Strickland et al. (2008) opined that culture ought to be changed as fast as possible if detected that it is not aligned to organizational actions and behaviour needed to implement strategy successfully.

Thompson et al. (2012) state that when a strong culture is unhealthy or otherwise out of sync with the actions and behaviours needed to execute the strategy successfully, the culture must be changed rapidly as can be managed. They further state that changing a problem culture is amongst the toughest management tasks because of the heavy anchor of ingrained behaviours and attitudes. It is natural for familiar practices to be clung to by personnel in a company, and to be wary if not hostile, to any new approaches that are based on how things are to be done. Consequently, it takes concerted management action over a period of time to root out behaviours that are deemed to be unconstructive and replacing them with new ways of doing things that are believed to be more conducive to executing the strategy.

Kotter (1996) postulated a very detailed approach on change process and management. He listed the common mistakes that leaders made when initiating change in their organizations. According to the scholar, some leaders failed to create sense of urgency, build a coalition to manage the change process, vision for change, lack of progressive goals and even developing ways of addressing challenges which may work against the proposed change. According to Kotter (1996) although change processes had significantly improved the organizational performance in light of the competitive environment, many of such initiatives had been disappointing and disastrous. Kotter (2007) opined that leaders who successfully transform business or undertake smooth transition or change must have done some things right and in a certain chronological order.

Kotter (1996) proposed 8 steps to undertake a successful change. Armstrong (2006) summarized the steps as establishing urgency by examining markets and competition, forming a team to work with, creating a vision, communicating the vision, influencing others to buy the vision, designing short term goals, consolidating improvements and also aligning the vision with the organizational culture (Armstrong, 2006).

According to Thomas, Peteraf, Gamble and Strickland (2012), the single most visible factor that distinguishes successful culture change efforts from failed attempts is competent leadership at the top. Great power is thus needed to force major cultural change and overcome the spring back resistance entrenched cultures-and great power that is possessed only by the most senior executives in an organisation, especially the

CEO. However, when circumstances forces the top management to be on the forefront making efforts, marshalling support for a new culture and instilling the desired cultural behaviours it is a job for the whole management team.

2.4.3 Organization resource portfolio

Grant and Jordan (2012) defined resource as an asset or input for production that an organization owns, controls or has access to on semi-permanent basis. Resources have been linked to organizational performance. Helfat and Peteraf (2003) argued that for resources to have an impact, the organisation needs to control them so as to improve efficiency and effectiveness within the firm.

Resources are broadly categorised into tangible, intangible, human resource and organizational capabilities. Tangible resources are mainly identifiable and valued and can be assigned some monetary value. They include assets such as specialised equipment, geographical location, capital machines, land and buildings among others (Talaja, 2012). Intangible resources are more often valuable than tangibles although they are not visible (Grant & Jordan, 2012). They are mostly used to improve value creating strategies in organizations and include skills, knowledge, technology, intellectual property, among others (Barney, 1995).

Another type of resource is human resource. These resources include expertise, skills and effort offered by employees (Newbert, 2008). Adequate number of skilled employees and managers is a primary source of competitive advantage. Thus organizations should endeavour to have sufficient number of employees to build their competitive edge. The last type of resources is capabilities (Pearce & Robinson, 2012). Capabilities arise when services rendered by employees are converted by a firm into a service (Tokuda, 2005). Capabilities may be unique depending on how organizational processes and procedures are matched with the skills and competencies to rhyme with the changing environment to enhance performance (Grant, 1991).

Strategic leaders exploit and maintain core competencies. Core competencies are resources and capabilities that are used by firms so that they can have a competitive edge over their rivals. Strategic leaders need to clearly understand which combinations of resources and capabilities are most valuable, very rare, very costly to imitate, and very difficult to substitute for, as these will allow the firm to gain a competitive advantage (Ireland & Hitt, 1999; Rowe, 2001).

David (2007), reports that all organisations have at least four types of resources that have to be used to achieve the organisation's objectives; financial, human, physical and technological resources. A number of factors that commonly prohibit effective resource allocation, include an over protection of resources, organisation politics, target strategy that is vague, reluctance in taking risks, and lack of information that is sufficient. According to Brarney and Hesterly (2006) an organisations internal resources can be classified into four broad categories: Human Resources, physical resources, financial resources and organisation resources.

Financial Resources-These are financial capital that are used by the organisations to formulate and implement strategies, which include cash from entrepreneurs, equity holders, bond holder and financial institutions as well as retained earnings. Pearce and Robinson (2009) argue that the resilience and capacity for investment is determined by the firm's borrowing capacity and its generation of funds internally. The key indicators of financial resources are the debt equity ratio, operating cash flow, credit rating, market values of fixed assets, scale of plants, flexibility of fixed assets and vintage of capital equipment.

Physical resources-Is the physical technology that is used in an organisation, such as the plant and equipment, location and access to raw materials that an organisation requires to operate fully. Pearce and Robinson (2009) state that the physical resources constraint that is set by the firm regarding production possibilities and it impact on cost position. Key characteristics include: The size, location, technical sophistication, and flexibility of plant and equipment, Location and alternative uses of land and buildings, reserves of raw materials. The key indicators of physical resources are market value of fixed assets, vintage of capital equipment, scale of plants and flexibility of fixed assets.

Human resources- Includes the training experience, judgement, intelligence, relationships, and insights of managers and employees in the organisation. Lawler and Mohrman (2000) claim that the Human Resource functions should be positioned and designed as a strategic business partner that blends well in both strategy formulation and implementation. In other words, the Human Resource function should be positioned as a partner, and that the partner should fully participate in the strategy formulation process and lead-or at least to be a key leader in-the overall implementation process.

Pearce and Robinson (2009) state that the Resource based view (RBV) is a method of analysis that is mostly used in the identification of a firm's strategic advantages that is based on examining its distinct combination of assets, skills, capabilities and intangibles as an organisation. The underlying premise of RBV is that firms differ in fundamental ways because each firm is in possession of a unique bundle of resources-tangible and intangible assets and organisational capabilities to make use of those assets.

Pearce and Robinson (2009) further define technological resources and reputation as part of intangible resources under the resource based view. Which constitutes technological resources, Intellectual property, patent portfolio, copyright, trade secrets, and resources for innovation, research facilities, technical and scientific employees? The key indicators are the numbers and significance of patents, revenue from licensing patents and copyrights, Research and Development staff as a percentage of total employment, number and location of research facilities. Reputation- A good reputation with customers through the ownership of brands and trademarks, a well established relationships with customers, the reputation of the firm's products and services for quality and reliability. The reputation of the company with its suppliers, the Government and Government agencies and the community is vital in enhancing growth and performance.

It is important that strategic leaders focus on resources which are most likely to make a difference on sustained future success of an organization. According to Hitt and Ireland (2002), strategic leaders focus more on how to gain access to key resources such as doing alliances with potential partner firms to increase social capital and resources and also building human capital to build human resources. Strategic leaders should manage organisational resources by organizing them into capabilities and leveraging on such capabilities to create a competitive edge over the rival firms (Sirman, Hitt & Ireland, 2007). Once the firm's tangible assets, intangible assets and organisation capabilities have been identified by the managers, the Resource Based View applies a set of guidelines that determines the resources that represent strengths or weaknesses and which resources will generate core competencies that are sources of sustained competitive advantage.

For success in implementation of strategies, strategic leaders are obliged to marshal resources for strategy execution. Too much resources may lead to wastes while too little may slow down the pace of implementing the planned strategies. Leaders occasionally prioritise activities to be done given the scarcity of resources (Sum & Chorlian, 2013). Schmidt and Keil (2013) held that organizational budgeting and allocation of resources should reinforce a strategic plan such that the implementation of the plan is smooth and consistent. Similar views were held by Ganley (2010) that resources were very critical to the day to day running of organization and ought to be allocated carefully. According to Pearce et al. (2012), organizational resources can enhance firm performance if they are utilised, managed and controlled well. It is thus important for leaders to develop ways of controlling and allocating resources optimally in their organizations to improve their performance.

2.4.4 Organization external environment

Different organizations operate in different industries, regardless of the type of industry a firm operates in, the external environment influences the operations of the firm (Hitt, Ireland, Sirmon & Trahms, 2011). External environment is the total sum of factors that the firm has no control over and they are outside the firm process and have the potential to influence the performance of that organization either positively or negatively (Murgor, 2014).

External environment is highly unpredictable and uncontrollable. It is a source of constraints, contingencies, problems as well as opportunities that affect the operations of the firms (Bourgeous, 1980). The external environment is mostly uncertain (Welch & Welch, 2005). Machuki and Aosa (2011) suggested that external environment was in two broad categories: internal and external. According to the theory of institutions, the business environment upon which organizations operate exert pressure on them (Kinuu, 2014). The external environment is characterized by uncertainty, dynamism, hostility, unpredictability and undefined number of components, limited knowledge about the environment and complexity (Lehner, 2004). The general environment is comprised of various factors that can have dramatic effects on a firm strategy. Typically, the trends and events on the external environment usually put a firm in a little or no ability to predict and the firm also has less ability to control them (Dess, Lumpkin & Eiser, 2008).

The firm's choice of direction and the action it takes is influenced by a host of external factors, and ultimately its organization structure and internal processes. These factors which constitute the external environment can be divided into three interrelated subcategories; in the remote environment, in the industry environment and those in the operating environment. The remote environment is comprised of factors that originate beyond the organization control and usually irrespective of any, single firm's operating situation: economic, social, political, technological and ecological factors. The general conditions for competition is the industry environment and it influences all businesses that provide similar products and services in one way or the other. The operating environment on the other hand is the factors that are in the immediate competitive situation that affect a firm's success in acquiring resources it needs. This remote environment is much more subject to a firm's influence (Pearce & Robinson, 2009).

According to Thomas et al. (2012) Every company operates in a large environment that does well irrespective of the industry in which it operates; thus macro environment includes seven principal components: population demographics; societal values and lifestyles; political, legal and regulatory factors; the natural environment and ecological factors, technological factors; general economic conditions; and global forces. The firm's more immediate industry and competitive environment can be affected by the seven principal of macro environment, although some are likely to have a more important effect than others.

a) Economic factors – are concerned with the nature and direction of the economy in which an organisation operates. These factors include GDP, market of goods and services, foreign exchange, resources, growth of foreign trade, interest rates among others. These aspects may affect the spending pattern of people who are customers to firms which in turn affect the performance of such organizations. Mello (2006) argued that economic aspects were likely to affect the performance of an organization. Yadin (2002) held that economic factors such as interest rate changes, taxation, raw material prices and the value of currency have a strong effect on the internal market. Thu affecting the organisation performance.

   Managers must consider the general availability of credit, interest rates inflation rates, the level of disposable income and the tendency of people to spend and trends in growth of the gross national product are other economic factors that should be monitored both at the national and international level. (Pearce & Robinson (2009). In this study, the strategic leaders have to factor in the economic environment to plan and guide their organizations.

b) Political, legal and regulatory factors- These include political systems, government policies, attitude of the leadership, trade unions, laws among others. Political processes and legislation influence the environmental regulations with which industries must comply (Dess, Lumpkin & Eisner, 2008). The direction and stability of political forces are a major consideration for managers on formulating company strategy. Political factors either may limit or benefit the firms they influence (Pearce & Robinson, 2009). Yunusa, Bustamanb, Wan and Wan (2014) opined that political and legal factors had direct impact on businesses since they were required by the law to obey policies and other government directives.

   According to Thomas et al. (2012). The actions of government and political leadership can shape the operations of organizations through legislation, policies and authority (Safford, 2005). Some legal aspects such as trade barriers may promote local industries (Leonidou, 2004). Mello (2006) asserted that every operation of a firm was affected by the legal framework further. These factors include political policies and processes, as well as the regulation laws with which companies must comply. Examples include labour laws, tax policy, regulatory policies, the political climate and the strength of institutions such as the court system.

c) Social factors – These are customs, traditions, values and beliefs which have a significant impact on the organisation's operations (Kennerley & Neely, 2013). According to Dess, Lumpkin and Eisner (2008) the examples of the social cultural factor include higher percentage of women in the workforce, dual income families, greater interest in the environment, greater concern for healthy diets and physical fitness. The social factors that affect the organisation involve the beliefs, values, attitudes, opinions and lifestyles of persons in the organisation's external environment as developed from cultural, ecological, demographic, religious, educational and ethnic conditioning. Kermally (2004) noted that social changes in demography affect marketing and human resource strategies for companies. As social attitudes change, so too does the demand for various types of clothing, leisure activities, books and so on. Social factors are dynamic, with constant change resulting from the efforts of individuals to satisfy their desires and needs by controlling and adapting to environmental factors (Pearce & Robinson, 2009).

d) Technological factors- Technological advancement brings on new computer programs, innovations, increased speed of production, smart systems, artificial intelligence and diversification (O'Connor, 2000). Yoo, Sawyer and Tan (2015) observed that it was critical for companies to keep up with these changes to attain competitive advantage. It is important for organizations to strive to understand the existing technological advancement since it has implications on their performance (Reeder, Brierty & Reeder, 2001). To avoid obsolescence and promote innovation, a firm must be aware of technological changes that might influence its industry.

The possibilities for new products or for improvements in existing products can be suggested by creative technological adaptations. A sudden and dramatic effect on a firm's environment can be influence by a technological breakthrough. Sophisticated new markets or products may spawn or even significantly shorten the anticipated life of a facility. Both the existing technological advances and the probable future advances that can affect their products and services, should be understood by the organisations (Pearce & Robinson, 2009). The issue of technological changes is critical and most organizations are allocating resources towards learning and familiarizing with new technologies and innovations that are crucial to the efficient running of day to day functions of organization (Desimore, Werner & Harris, 2002).

e) Demographic factors- According to Dess, Lumpkin and Eisner (2008), Demographics are the root of many changes in society. They include elements such as the aging population, rising or declining affluence, change in ethnic composition, geographic distribution of the population and disparities in income levels. In the contemporary business environment, firms target certain consumers with certain characteristics. As a result, companies make target marketing and concentrate on only those specific items which in turn increase quality and implication on profits (Peterson, Rhoads & Vaught, 2001).
f) Ecological factors- Ecology is the relationships among humans and other living things, and the air, soil and water that support them. Threats to our life supporting ecology caused principally by human activities in an industrial society are commonly referred to as pollution. Specific concerns include global warming, loss of habitat and biodiversity as well as air, water and land pollution. (Pearce & Robinson, 2009) According to Thomas et al. (2012), these factors can directly impact industries such as farming, energy and tourism. Mintzberg, Lampel, Quinn and Ghoshal (2003) held that changes in temperature can impact on many industries including farming, banking industry. The growing desire to protect the environment is also having an impact on the travel and transportation industries. Due to greater environmental awareness on global warming, these external factors are

becoming a significant issue for organisations to consider (Daniels, Radebaugh & Sullivan, 2007).

g) Global factors- these include conditions and changes in global markets, this include the political events and policies aimed towards the international trade. They also include socio-cultural practices and the institutional environment in which global markets operate. Global forces influence the degree of international trade and investment through such mechanisms such as trade barriers, tariffs, import restrictions and trade sanctions. They are usually industry specific (Thomas, Peteraf, Gamble & Strickland, 2012). The legal ramification of market product is very complex (Vrontis & Vronti, 2004). This is because each state has their own legal system. Therefore, a company has to learn and understand the legal issues of a foreign country before it starts business. The marketing environment is also different with different cultures and social differences which influence demand for products. The currencies are not standard and thus they may be expensive or cheap based on the strength of the domestic currency against the other currencies. Therefore leaders have to device ways of dealing with different legal, political, economic, social and cultural backgrounds to venture into intentional business.

The above factors on external environment were adopted in this study as moderating factors which the organizations operate in Kenya. Similarly, a study by Nyongio (2013) used external factors; political environment, legal and technological factors as moderating variables. According to Alexander (2000), organizations need to conduct regular environmental scanning since it is rapidly changing and affects the operations of the firms as well as their performance. Since different industries are affected by macroeconomic factors in different ways and to different degrees, the factors that represent the most strategically relevant outside the firm’s industry boundaries should be determined by managers., that is important enough to have a bearing on the decisions the company ultimately makes regarding its direction, objectives, strategy and business model. Strategically relevant influences coming from the external environment can sometimes have a high impact on a company’s business situation and can have a very significant impact on the company’s direction and strategy. External environment should be scanned by the company managers and they should be alert to potentially important developments that may arise, assess their impact and influence and adjust the company’s direction and strategy as needed (Thompson et al., 2012).

2.4.5 Organization performance

According to David (2009), measuring organizational performance involves a comparison of expected results to actual results, investigating deviations from plans, evaluating individual performance and examining progress that is being made towards meeting the objectives that have been stated by the organisation. David (2005) observes that strategy evaluation is very crucial to an organization’s wellbeing and this involves three basic activities such as examining the underlying bases of the strategy of firm, comparing expected results with actual results and taking corrective actions so as to ensure that performance conforms with the plans.

A balanced presentation of both financial and non-financial measures is required for effective performance measurement, since no single measure can provide a clear performance target of focus attention on critical areas of the business (Buichi, 1994). The balanced scorecard is a strategic planning and management system that is extensively used in business and industry, government, and non-profit organizations all over the world so that the business activities can be aligned with the vision and strategy of the organization, while ensuring that the internal and external communications are improved, and organization performance is monitored against strategic goals. The balanced scorecard is a performance measurement framework that added strategic non-financial performance measures to traditional financial metrics, it is adopted so a as to give managers and executives a view that is more 'balanced' regarding the organizational performance (Kaplan & Norton, 1996).

According to Johnson, Scholes and Whittington (2008), there has been an increasingly usage of balanced scorecards by organizations in the past decade or so, as a way of widening the scope of performance indicators. Both qualitative and quantitative measures are combined by balanced scorecards, acknowledge the expectations of different stakeholders and relate an assessment of performance to choice of strategy. Importantly, performance is not linked only to short-term outputs but also to the way processes are managed.

The introduction of performance contracts was an emphasis on performance management, following reform initiatives by the Government. The performance contracts were introduced as tool for management to measure the performance against negotiated performance targets (Kobia & Mohammed, 2006). In the Kenyan context a performance contract is a written agreement between government and a state agency (local authority, state corporation or central government ministry) that is mandated to delivers services to the public, wherein quantifiable targets are explicitly specified for a period of one financial year (July to June) and performance measured against agreed targets.

Extant research findings have shown that the perceived measures of performance can be a substitute of objective measures of performance that is reasonable (Wan-Jing & Tung, 2005) and have a correlation that is significant with objective measures of financial performance. Additionally, external economic factors influence cross-industry organizational performance (Bamberger & Meshoulam, 2000). Studies by Youndt, Snell, Dean, Jr. and Lepak, (1996) recognize the difficulty in obtaining objective measures of performance and suggest that managers should assess their own firm's performance relative to others in the same industry or sector. Researchers have suggested the use of multiple items to assess performance as a way of minimizing the effects of random errors. Given this scenario, the researcher in this study opted to use multiple items in order to assess the performance of the organizations that were studied. These items are related to organization growth, service delivery, and the number of employees.

2.5 Empirical Review

Extant studies have been conducted on the relationship between strategic leadership and organizational performance of different firms and companies. Jooste and Fourie (2009) conducted a research on the role of strategic leadership in effective strategy implementation: perception of South African strategic leaders. The primary objective of the research was to carry out an investigation on the perceived role of strategic leadership on strategy implementation in South African organisations. The universe of this study was all the strategic leaders in South Africa. The target population was the strategic leaders of the South African *Financial Mail* Top 200 companies while the sample was five randomly selected directors of these organisations. A structured, self-administered mail questionnaire was the research instrument which was adopted. The 930 randomly selected directors of the *Financial Mail* Top 200 companies were e-mailed the structured questionnaire. The researcher concluded that a level of uncertainty and doubt was paramount with regard to, the effectiveness of strategy implementation in addition to whether formulated strategies are actually implemented to their full potential and that Strategic leadership was perceived as the most important driver of strategy implementation from the given list of factors. The research however had yielded a very low response rate of 7.8%, to the mail administered questionnaire to the company directors of the various organisations that were identified; this low response casts doubt on the conclusions of the research.

Mapetere, Mavhiki, Nyamwanza, Sikomwe and Mhonde (2002) looked at the strategic role of leadership in strategy implementation in Zimbabwe state owned enterprises. The study aimed to explore the link between active leadership involvement and strategy implementation success in State Owned Enterprises in Zimbabwe. The study was conducted with a total of 188 respondents who were randomly selected from four State Owned Enterprises within Zimbabwe. The data was gathered through a self-administered open-ended questionnaire and an interview. The study found out that there was a relatively low leadership involvement in strategy implementation that leads to partial strategy success. Leadership has been failing to role model the ideal behaviour necessary for a strategy implementation that is deemed successful. The findings of the study also identified the absence of a well-crafted strategic vision and the lack of communication. The study concluded that for there to be a consistency with new strategies, leadership should be able to craft a vision for any strategic programme, design effective communication strategies as well as to role model behaviour changes.

Lear (2012) examined the criterion that is important for critical leadership and the degree of alignment in high-performing organisations in South Africa. A quantitative research design was used in this study for the purpose of assessing the impact of strategic leadership on strategic alignment of business organisations in South Africa. The research instruments to test the research questions that were used comprised of two questionnaires. The first questionnaire was used to establish the value that top leadership place on selected critical leadership criteria, and the second questionnaire was used to establish the level of alignment in the organisations under investigation. The population selected for this study consisted of the companies included in the 200 top-performing organisations which appeared in the 2007 *Financial Mail*. Six companies participated in the research. The data was electronically collated into a database and the results were then analysed using the statistical inferential techniques of correlation and linear regression analysis. The study proposed that strategic leadership can positively influence strategic alignment which, in turn, can have a beneficial effect on the organisational performance. The companies investigated in this study represent diverse industries and economic sectors in the private sector such as manufacturing, transportation, construction, communication and industrial, there is a high probability that if the investigation was carried out in government agencies it would have yielded different results.

Azhar, Ikram, Rashid, and Saqib (2013) conducted a study on the role of leadership in strategy formulation and implementation. It was found that leadership had significant impact on strategic management process more specifically by helping managers to determine the vision and mission of the organization. Further, it facilitated the organization to execute effective strategies aimed at achieving their vision. The study also revealed that leadership served as a link between the soul and the body of an organization. During the strategic management process leadership performs various roles such as being innovators, strategists, care takers, analysts, guides, organizers, motivators, developers, change enablers or change drivers, decision makers, collaborators, risk managers, debtors, and evaluators. In the recipe of strategic management process the most important ingredients noted included leader’s responsibility, loyalty, power, motivation, awareness, articulacy (clarity), consistency and reliability.

Schaap (2012) investigated the relationship between effective leadership behaviour and successful strategy implementation in the Nevada casino industry. The survey findings were similar to earlier studies done on strategic actions of organizations and the factors affecting implementation of strategies. Further the survey showed that frequent communication promotes an understanding that is common and strategic consensus. In addition, it reaffirms the concept that an organization which ties rewards to the success of the strategy employed is rewarded with higher levels of organizational performance and concludes that strategy implementation plans must be clearly developed, and they should indicate particular tasks for specific individuals, with very clear-cut time frames as well as identifying the people responsible for task completion.

Sirorei (2012) conducted a study to determine whether strategic direction, a component of strategic leadership had been operationalized at KCB. The study investigated whether aspect of strategic leadership such as the vision, mission and core values had been implemented. The study used questionnaire and interview guide to collect data for analysis. The study found that components of strategic direction had been implemented to a large extent using balanced score card model. A study by Makori (2014) sought to investigate how CEOs of companies listed in NSE formulated their individual strategic intent. The study also investigated whether commanders' appreciation process in military could be applied by CEOs in business environment. The study used questionnaire and interview guide to collect data from the organizations. The study found that CEOs never used any formal model when formulating strategies and intent.

Kahiga (2017) studied the role of strategic leadership practices at National Bank of Kenya's competitive advantage. The strategic leadership practices included setting strategic direction and targets, organizational culture, code of ethics, regular trainings and development as well as maintaining core competencies. These practices strengthened the unity of the employees in working towards the same direction. The practices enabled the leaders to make decisions faster and increased value for bank products and reduce incidences of customer dissatisfaction. The study recommended that the bank invests in training to shape leaders and build their competencies which gives good strategic direction in the organization.

Nzioka (2017) studied the adoption of strategic management practices by the health department in Nairobi County government and how they influenced the service delivery. The study found that the department had established a good strategic direction with vision, mission and core values to guide and enhance delivery of services to people. The study also found that the strategic direction had influenced positively the provision and quality of services rendered by the department.

Chepkirui (2012) conducted a research with the objective of establishing the role of strategic leadership in strategic management implementation at Agricultural Development Corporation. The study adopted a case study approach and Data was collected from primary sources, through interviewing two head of departments in 3 departments spearheading strategy implementation in the organization. Content analysis method of data analysis was applied as the research concentrated mainly on qualitative responses. The researcher concluded that strategic leadership was vital in implementation of strategy. However, the methodology used by the researcher was very limiting as only qualitative methods of data analysis were applied thus leaving room for subjectivity. Secondly the sampling procedure for the research was not elaborated, even though it is stated that only three departments were involved in the research.

Nthini (2013) conducted a research with the objective of finding the effect of strategic leadership on the performance of financial and commercial state agencies. The study used a descriptive survey design. The target population consisted of all the forty eight (48) commercial and financial State Corporations in Kenya, and the response was 77.1% from the strategy and human resource departments, primary data was used. The data was collected through semi-structured questionnaire. The questionnaire contained likert scale and closed questions. Descriptive statistics was used to analyze data. They included frequency distribution, measures of central tendency (mean) and measures of variation (standard deviation). The results were presented in tables and charts. The research concluded that effective strategic leadership promotes organization performance. Only one respondent was targeted from the organization identified in the research, use of more respondents per organization would have yielded different results. Secondly, the link between the various effects of strategic leadership to the performance was not clearly elaborated in the literature review, the indicators of the various effects of strategic leadership were not explained in a conceptual framework. Lastly, the population of the study was wide and spread over different institutions that specialize in various sectors of the country.

A study by Kemboi (2011) sought to determine the role of strategic management in allocation of resources in a case study of Kenya Pipeline Company limited. The study used both primary and secondary data. Secondary data was collected on corporate plan, past resource allocation schedules, management decisions on past resource allocation process and government circulars on resource allocation. The study found that resource allocation process was faced with several challenges such as failure by leaders to accurately determine revenues and expenditures, dynamic environment and changes in business environment such as inflation and scarcity of resources. The study found that the process was time consuming and needed streamlining through automation. The study noted that strategic management determined how resources were allocated. This was mainly determined by the objective of the company as stated in the corporate plan.

Moindi (2014) studied strategies used by leaders to allocate resources in devolved system of governance in selected counties in Kenya. The study sampled 90 respondents from the selected counties and the data was collected through use of questionnaires. The study found that resources were allocated to optimize some of the objectives of the county and also maximize the efficiency of such counties. The study found that allocation of resources was largely influenced by government policies and the strategic objectives and issues arising from the operating environment

Waiheya (2014) investigated the factors influencing the adoption of strategic planning by SMEs among the hardware shops in Nakuru town. The study found that allocation of resources formed a critical part of strategic planning and implementation. It found that how resources were allocated influenced strategic planning to a great extent. The study concluded that strategic leadership played a significant role and was a major driver of strategic adoption and implementation.

Ngonyo (2014) investigated factors that affect choice of strategies among commercial banks in Kenya. A key factor considered in this study was to establish how organizational culture influenced choice of strategy among the banks. The study collected the data for analysis from a sample of 252. The findings indicated that organizational culture was key in influencing the effectiveness of the operations of the organizations and had an enormous influence on the choice of strategy taken by organizations.

In her study on the factors influencing successful implementation of strategic plans of public Saccos Societies within Nairobi region, Wambui (2012) found that organizational culture heavily influenced the extent of strategy implementation among the SACCO Societies in Kenya. The study recommended that SACCO Societies initiate a culture change processes to address all aspects of culture which hindered implementation of strategies among the SACCOs.

Galgalo (2012) studied the factors affecting the choice of strategies used for growth by selected banks in Kenya. The population of the study was 1919 out of which a sample of 191 was selected for the study. The data was collected using a structured questionnaire and was administered through hand delivery to the respective respondents. The study revealed that culture supported organizational practices and could be utilized as a source of competitive advantage. The scholar recommended that organizational culture be aligned with the chosen strategy for growth to enhance effectiveness of the strategy in achieving the proposed growth.

A study by Kiiru (2014) assessed how cultural aspects such as values, employee attitudes towards work and cultural traits influenced performance of the hospitals in Kenya. Data for the study was collected using semi-structured questionnaire. It was found that organizational culture affected the satisfaction of the employees, their attitude, the quality of services they rendered, the revenue generated and the annual performance of the hospitals. This shows that strategic leaders had a role in managing the culture. As a result Kiiru (2014) recommended use of organizational culture development and management programmes to foster a cohesive flexible culture.

Several studies have been done on the relationship between external factors and the performance of organizations. A study by Njoroge (2013) investigated the factors which influenced the growth of indigenous firms in Muranga County in Kenya. The study investigated how external factors such as politics, policies, technology as well as internal factors such as age and size of the firm and access to finance influenced the growth of indigenous firms. A census approach was undertaken and data collected through questionnaires. The study collected information from directors, managers and staff members. The study used a sample of 193 and was stratified into several strata as per the factories covered. The study found that growth of indigenous firms was influenced by product and market development strategies, future planning by the management, the style of setting goals, and the perception of the management on the macro-economic conditions. A similar study by Etemesi (2011) analysed the effect of process operations on service delivery in selected insurance firms in Kenya. The study selected 8 insurance firms in Kenya and collected data using questionnaires from the managers. The study concluded that performance of insurance firms was highly influenced by internal and external factors especially organizational policies, resources available, government policies and regulations, competition from other firms, economic factors and level of advancement in technology.

Nyongio (2013) did a study on the choice of operational strategies among deposit taking financial institutions in Kenya using a case of post bank. A descriptive research design was employed and a total of 28 branch heads identified. It found that some internal aspects such as resources, product and structure influenced how the branches performed. Similarly, the performance of such branches was also influenced by external factors; political environment, legal and technological factors also determined the extent of the branch performance. This further underscores the role of external environment on the organizational performance.

2.6 Critique of the existing literature

The role of strategic leadership in an organization has been widely studied both locally and internationally. While the scholars have contributed immensely on the discipline, several weaknesses emerge from the reviewed empirical literature. A study by Jooste and Fourie (2009) focused on studying the perceived role of strategic leadership on implementation of strategies. Though the study was well purposed, it targeted a large scale of respondents but received very low response rate rendering the results less credible and reliable. The study by Mapetere et al. (2002) on the perceived role of strategic leadership on strategy implementation suffers from an unclear conclusion as it did not report clearly the role of strategic leadership but rather reported on the extent of involvement of the leaders in implementation of strategic plans.

The reviewed literature by Schaap (2012); Sirorei (2012); Azhar et al. (2013) and Kahiga (2017) inclined more on strategic leadership and its effect on the implementation of strategies. Although the literature varied among banking industry, casino industry and not for profit organizations; they focused more on the strategic direction component of strategic leadership and ignored other aspects of leadership such as organisation culture and resources.

The studies by Chepkirui (2012) on the role of strategic leadership on the implementation of strategies at Agricultural Development Corporation, Kemboi (2011) role of strategic management in allocation of resources in Kenya Pipeline Company and Waiheya (2014) adoption of strategic planning by SMEs among the hardware shops in Nakuru town contributed largely and generated more knowledge on the field of strategic leadership. However, the studies focused on case points and only one organization in an industry rendering the results invalid for generalizations.

2.7 Research gaps

The various studies reviewed have mostly been carried out in a cross section of sectors and none have focused on the tourism sector. Nthini (2013) however did sample some of the state corporations in the tourism sector but the researcher's findings were not specific to the industry but to all state corporations in Kenya. This study was useful although more general and difficult to apply the findings in public tourism agencies in Kenya for ease of decision making.

Various studies have been done in South African countries and the developed countries but few have covered other parts of Africa. Lear (2012) examined the importance of critical leadership criteria and the degree of alignment in high-performing organisations in South African countries. Mapetere et al. (2002) looked at the strategic role of leadership in strategy implementation in Zimbabwe state owned enterprises. Jooste and Fourie (2009) conducted a research on the role of strategic leadership in effective strategy implementation: perception of South African strategic leaders. Chepkirui (2012) conducted a research with the objective of establishing the role of strategic leadership in strategic management implementation at Agricultural Development Corporation in Kenya.

None of the studies addressed the context of tourism agencies in Kenya and more specifically on the perceived influence of the strategic leadership on organization performance. Thus little was known on the perceived relationship between strategic leadership and the organizational performance among the public tourism agencies in Kenya. This indicated that there existed a knowledge gap which this study sought to address. Lastly, the study populations had been very wide, and in some cases the responses were very limited thus creating a gap in the findings, making them very generalised. Therefore although much had been covered, there existed a gap in contextual findings of the studies on the perceived influenced of strategic leadership on public tourism agencies in Kenya.

2.8 Summary of literature reviewed

This chapter dealt with the theory and the empirical research findings that are related to the development of leadership themes and theories, which includes strategic leadership, and organisation performance. While leadership has been the focus of studies for the past years, and only recently there has there been evidence of an increasing focus on strategic leadership. The challenge faced by a strategic leader is on how normative values that guide corporate action and individual's behaviour can be instilled. In the final analysis, the use of organisational resources so as to obtain the benefits desired by legitimate stakeholders is due to ethical decision making processes.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section discussed the methods that were used in the collection and analysis of data and how presentation of findings was done. It also discussed how the objectives of the study were met. It specifically covered issues to do with the research design, definition of the population of study and how data was collected and analysed.

3.2 Philosophical orientation

Philosophical framework is used to stand for the established research tradition in a particular discipline (Collis & Hussey, 2009). It includes the conventionally recognised theories, approaches, models, traditions, research and methodologies or a model of observation and understanding (Babbie, 2011).

The study adopted a post-positivism approach. The approach challenges old notion of absolute and objective truth of knowledge in social sciences. Post-positivists argue that it is not possible to understand phenomenon through measurements (Graton & Jones, 2010). It is broader and more flexible compared to positivism and accommodates both qualitative and quantitative methods. It relies on multiple methods of capturing as much information as possible (Denzin & Lincoln, 2011). Post-positivism approaches accept that the natural sciences do not provide the only model for social research. The approach does not hold on the absolute truth and certainty but relies heavily on confidence.

3.3 Research design

A research design is a framework that guides the collection and analysis of the data which comes in form of a detailed plan for how research study is conducted based on the data that is required in order for the research questions to be investigated in an economical manner. It is also viewed as a presentation of the plan, the structure and strategy of investigation, with the aim of obtaining or answering various questions.

Corbetta (2003) describes a survey research design as a technique that is used for gathering information by questioning those individuals who have been selected as object of the research and belonging to a representative sample, through a standardized questioning procedure with the aim of studying the relationship among the variables. According to Kothari (2010), surveys are conducted in case of descriptive research and their main concern is to record, describe, analyse and interpret conditions that either exist or existed. Surveys are also concerned with opinions that are held, the on-going processes, trends that are developing or effects that are evident.

The study used both quantitative and qualitative data. The emphasis of quantitative approach is to measure and analyse data in a numerical form so as to give a precise description. According to Mugenda and Mugenda (2003), quantitative approach is a scientific method which has been traditionally considered as the traditional mode of inquiry in the field of both research and evaluation. This mode of inquiry follows several logical and distinct steps from identifying and stating research problem to making appropriate conclusions and inferences to the population.

According to Berg (2001), qualitative research helps in analysing information in a more systematic way in order for some useful conclusions and recommendations on the social settings can be made and those characteristic of individuals can be portrayed. Qualitative research is typically rich with detail and insights into participants 'experiences of the world and thus more meaningful .It plays a big role in helping gain new perspectives on things about which much is already known (Hoepfl,1997).

The study adopted a survey research design and took a cross sectional approach of studying the phenomena at the time of the study. This design was adopted to enable the researcher gather and report on the respondent's opinions, processes ongoing, trends developing as well as their perception about the effect of strategic leadership on the organizational performance of the government tourism agencies.

3.4 Target population

A population is the total collection of elements about which inferences are made and refers to all possible cases which are of interest for a study. Mugenda and Mugenda (2003) describe population as, the entire group of individuals or items under consideration in any field of inquiry and have common attribute. The target population for this study was 1525 employees working in the six government agencies in the tourism industry, namely; the Department of Tourism, Tourism Fund, Kenya Tourism Board, Kenyatta International Convention Centre, Tourism Finance Corporation, and Kenya Utalii College.

The respondents were management and non-management staff in each of the selected organisations, this was informed by the fact that Strategic leadership focuses on top managers because they have been tasked with decision-making responsibilities that affect the entire organization—including the employees—and its overall performance (Daft, 2005). However in order to determine the nature of leadership it is important to get information on leadership from those being led. The rationale in the selection of these organisations was based on the fact that these were the few organisations in the industry that had a strategic plan in place, and were fully constituted and hence allowed the researcher to look into the perceived influence of strategic leadership on organisation performance in tourism government agencies.

3.5 Sample frame

A sampling frame consists of all the list of the items where a representative sample is drawn, for the purpose of research. In this study the sample frame included management and non-management staff in six organisations that were under the docket of tourism. These organisations were: Tourism Fund, Kenya Utalii College, Tourism Finance Corporation, Department of Tourism, Kenya Tourism Board and Kenyatta International Convention Centre. The sampling frame was obtained from Human Resource departments of each and every organisation selected for the research. The frame included 147 management and 1373 non-management staff of the selected tourism agencies in Kenya.

3.6 Sample and sampling technique

Sampling is the process that is used to select a number of individuals who fit the study in such a way that the selected individuals acts as representative on behalf of the large group from which they are selected. The researcher used stratified random sampling which according to Mugenda and Mugenda (2003) is aimed at achieving desired representation from various sub groups in the population. To use stratified sampling one must determine the criterion under which the population and hence the sample will be stratified. For purposes of this research the stratification was based on level, either management or non-management. According to Kothari (2004), a population is stratified based on different kind of features of the population under study and a random sample is picked from each stratum. Sampling error is considerably reduced while using a sampling method. Saunders, Lewis, and Thornhill, (2007) state that descriptive statistics should have a minimum sample size of 10%. In this study, the sample size determination formula below was used to calculate the sample size.

$$n= N / [1 + N (e)^{2}$$

Where:

N= Target Population

n=required size

e= error term

For management staff, the total number of management staff was 143. The sample size was calculated as shown

$$n= N / [1 + N (e)^{2}$$

$$n= 147 / [1 + 147*0.05]^{2}$$

$$n= 108.03$$

This was approximated to be 109.

For non-management staff, the total approximated population was 1378.

$$n= N / [1 + N (e)^{2}$$

$$n= 1378 / [1 + 1378*0.05]^{2}$$

$$n= 310.01$$

Thus the total sample size for the non-management staff was approximated to be 311.

Table 3.1: Computation of management sample size

Organisation	Number of management staff	Sample size
Department of Tourism	33	25
Kenya Tourism Board	19	16
Kenya Utalii College	57	34
Tourism Fund	15	13
Tourism Finance Corporation	10	9
Kenyatta International Convention Centre	13	12
Totals	**147**	**109**

Source: Respective Human Resource Departments

Table 3. 2: Computation of non-management sample size

Organisation	Number of non management staff	Sample size
Department of Tourism	120	54
Kenya Tourism Board	53	34
Kenya Utalii College	594	83
Tourism Fund	185	63
Tourism Finance Corporation	32	24
Kenyatta International Convention Centre	118	53
Totals	**1378**	**311**

Source: Respective Human Resource Departments

3.7 Data collection instruments

The data was gathered through questionnaires and document analysis guide. Gall and Borg (1996) points out that, questionnaires are the best tools which are appropriate for studies since they collect information that is not directly observable as they inquire about feelings, motivation, attitudes, accomplishments as well as experiences of individuals and the participants are always free and confident in feeling the questionnaires as they remain anonymous. They further observe that questionnaires have the added advantage of being less costly and using less time as instruments of data collection. A questionnaire is a tool that is useful in obtaining objective data within the shortest time possible. This is largely because the participants are not manipulated in any way by the researcher.

3.8 Data collection procedure

The type of data collected in this study was both primary and secondary. According to Mugenda and Mugenda (2003), a survey is an attempt to collect data from members of a population so that the current status of that population with respect to one or more variables can be determined. This survey used quantitative methods of data collection through a self-administered questionnaire. The use of such questionnaires was very effective in clarifying the survey questions to the respondents.

The investigation predominantly used close ended questions which Mugenda and Mugenda (2003) refers to as the questions which are accompanied by a list of all possible alternatives from which respondents select the answer that best describes the situation. This is most effective as it limited responses that were irrelevant and at the same time enabled easier data analysis.

However a number a limited open ended questions, was utilised where need be, so that the accuracy in collection of information was increased. Open ended questions or unstructured questions are questions, which give the respondent complete freedom of responses. They permit an individual respond in his or her own words (Mugenda & Mugenda, 2003). Secondary data was also sourced from published materials available in journals, books, the internet and libraries.

3.9 Pilot testing

A pilot survey was done in the tourism Government agencies identified to determine the feasibility of the data collection instrument. A pilot survey brings out the weakness of (if any) the questionnaire and the survey techniques (Kothari, 2004) and enables the researcher to assess the questions validity and likely reliability of the data collected. It also helps in determining whether the methods of analysis are appropriate. The number of the people to pilot test the questionnaire depends on the research questions, the objectives and size of research project. Saunders, et al (2012) postulated that a number of 10 for a small survey was ideal. While Mugenda and Mugenda (2003) argue that the number should not be large and a pre-test sample of between 1% and 10% is good depending on the sample size. In this study, a 5% of the total respondents was taken which was approximately 22 respondents. Those who were selected for the pilot were not included in the main study to avoid bias in the study.

3.9.1 Reliability

A sample of 5% respondents was selected to pilot test the questionnaire for this research. The Cronbach alpha was used to test reliability of the data collection instrument. An alpha that is above 0.7 is normally accepted. The results of the pilot test indicated that, the internal consistency reliability of the variables used in this study was considered good; with Management questionnaire scoring Cronbach's Alpha of 0.827 and 0.715 for Non-management questionnaire respectively. According to Zinbarg (2005) an alpha coefficient of 0.70 or higher implies that the data is reliable and generalizable. Therefore the Cronbach Alpha model was adopted as it was deemed to be good and adequate for reliability and further analysis.

3.9.2 Validity

The researcher measured the validity of the instruments using content validity, which according to Mugenda and Mugenda (2003) is a measure of the degree to which data collected using a particular instrument represents a specific domain of indicators or content of a particular concept. Validity of the data was tested in terms of the adequacy of the sample and also the content validity. Adequacy of the sample was tested using Kaiser-Meyer-Olkin measures and Bartlett’s Test of Sphericity. Content validity of the study tool was established through use of experts, supervisors and statisticians who thoroughly reviewed the data tools and rated the extent of validity of the questionnaire. The ratings were then aggregated and averaged to arrive at a single index. The comments from the experts were also included in the study tool. This helped to remove any irrelevant question, any ambiguous or unclear sentences in the study tool. Their input was also used to modify the study tool to a language that could easily be understood and answered to increase response rate and also clarity of the tool to the respondents.

3.10 Data analysis and presentation

According to Mugenda and Mugenda (2003) data obtained from the field in raw form is difficult to interpret. Such data must be cleaned, coded, key punched into a computer and analysed. It is from the results of such analysis that researchers are able to make sense of the data. The first step in data analysis was to describe or summarize the data using descriptive statistics. The researcher used descriptive statistics so that it could enable her to meaningfully describe a distribution of scores or measurements using a few indices or statistics.

The research was both qualitative and quantitative in nature. Once the data was collected it was checked for completeness before it was ready for analysis. The collected data was then sorted first then coded in the data analysis software (SPSS version 22.0). The coded data was then analysed using statistical measures such as percentages, mean scores. The results were then presented using frequency tables.

Data analysis is done to generate answers to research questions. This was done using descriptive statistics, which is the use of frequency tables and percentage distribution. Frequency distributions examine the pattern of response to each of the independent and dependent variables under investigation, it shows the frequency of observations in each category of a variable.

Inferential statistics was also used in this research. Inferential statistics deals with inferences about population based on results obtained from samples. Inferring sample results to the population is necessary since most research in many fields deals with samples. The results obtained from a sample must be similar to the results expected from the entire population.

Multiple regression was used to determine whether the set of variables identified together predict a given dependent variable. The regression model was as follows:

$Y= \beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_1X_1Z+\beta_2X_2Z+\beta_3X_3Z+\varepsilon$

Where; Y=Organisation performance

β_0=constant

β_i is the coefficient for X_i (i=1, 2,3,4,)

X_1=Strategic direction

X_2=Organisation Culture

X_3=Organisation Resource Portfolio

$\beta_1 X_1 Z$ = Product term of the moderating variable with each of the independent variable.

X_1 Z= Interaction term organisation external environment with strategic direction

X_2Z=Interaction term organisation external environment with Organisation culture

X_3Z= Interaction term organisation external environment with Resource Portfolio

Z=Moderator variable that affects the causal relationship of X and Y

E = Error term

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

The chapter presented findings, interpretation and discussion of the results. The chapter provided the tests done, the variables tested and the findings. Firstly, the study showed the demographic information of the respondents who in this case are the management and the non-management staff. This was followed by some exploratory data analysis such as sample adequacy testing, the normality test, linearity test, multicolinearity tests, among others tests. There was also a discussion on the variables and specific test on the variables, with interpretation and lastly discussion of the chapter results.

4.1.1 Response rate

The researcher distributed a total of 420 questionnaires to the respondents in various tourist institutions and organizations. The 420 study tools administered had 109 tools for management staff and 311 for the non-management staff. Out of the total questionnaires distributed, the researcher collected 77 and 251 completely filled management and non-management questionnaires respectively. Thus the total number of fully filled questionnaires was 328 out of possible 420 giving a response rate of 78% as shown in table 4.1. According to Mugenda and Mugenda (2003), a response rate of 50% is adequate for a study. They further stated that a response rate of 60% was good while 70% was excellent. In this study, a response rate of 78% was thus considered reliable and satisfactory for the study.

Table 4.1: Response rate

Questionnaires	Frequencies Management	Non-Management	Total	Percentage
Questionnaires collected	77	251	328	78%
Unfilled/uncollected	32	60	92	22%
Total administered	109	311	420	100%

4.2 Demographic information

This section presents the results of the demographic information of the respondents. This is helpful in identifying the type of respondents that provided data for this study.

4.2.1 Organizations represented

The researcher collected data from six stakeholders in tourism sector in Kenya. The number of respondents corresponded with the population of each stakeholder organization or institution. Thus those organizations which had big number of population (N) had more questionnaires than those with small sizes so as to ensure the sample was representative of the characteristics of the larger population. The highest number of study respondents were from Kenya Utalii college representing 27.1% (n=89) of the total respondents, followed by those from department of tourism (18.3%, n=60) and thirdly those from tourism fund (16.5%, n=54). The least number of respondents were from Tourism Finance Corporation (n=27, 8.2%). as shown in table 4.2.

Table 4.2: Organizations represented

	Frequency	Percent
Kenya Utalii College	89	27.1%
Department of Tourism	60	18.3%
Tourism Fund	54	16.5%
Kenya Tourism Board	49	14.9%
KICC	49	14.9%
Tourism Finance Corporation	27	8.2%
Total	328	100

4.2.2 Years worked in the organization

The number of years worked in an organization determines the understanding and experience of a person in the organization. In this study, majority of the respondents (64.6%) had worked in their respective organizations and institutions for more than 5 years and very few had worked with their organizations for less than one year. This implies that they had good understanding of their organizations and could give reliable information about the performance and factors affecting such organizations performance.

Figure 4.1 Years worked in the organization

4.2.3 Designation of the respondents

The data was collected from all staff members working in any of the selected organizations. The respondents included managers, administrative assistants, research officers, assistants, accountants, head of departments, Tourism officers, IT technicians and support staff. This broadened the researcher's ability to get wide range of ideas and opinions.

Table 4.3 Designation of the respondents

Department	Frequency
HR and Admnistration	71
IT experts and technicians	28
Finance and accounting	25
Research and planning	25
HODs	26
Tourism department	19
Support staff	46
Sales and Marketing	18
PR and communication	12
Procurement	14
Operations	6
Others	4
Total	294

4.2.4 Management level of the respondents

The researcher collected information on the managerial level of the respondents. This was helpful to the researcher as it helped to understand the various management levels. From the findings, majority of the respondents (76.5%) were non-management staff members while only 23.5% held managerial levels. This is consistent with the numbers of managers to staff members in normal organizations where managers are less than their subordinate staff members. The results are shown in figure 4.2.

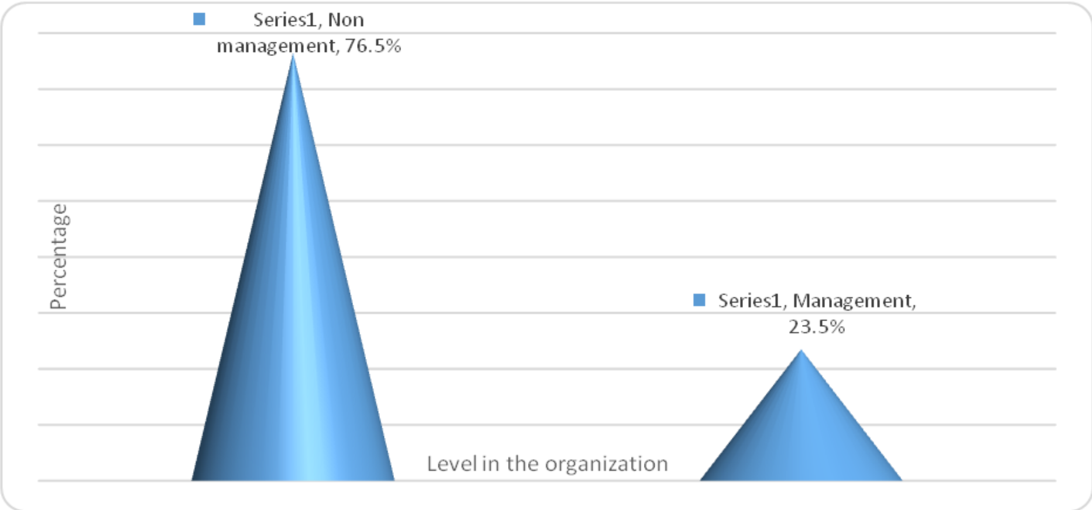

Figure 4.2: Management level of the respondents

4.2.5 Number of employees supervised by the managers sampled

The researcher asked the managers to indicate the number of employees they supervised in their respective jobs. The results showed that majority of the mangers supervised less than 10 employees in their organizations and only 7.8% (n=6) supervised more than 100 employees in their organizations. The less number of managers who supervised more than 100 employees can be explained by the fact that such managerial positions are mostly held by the top senior managers who are very few in an organization. This finding was key to understanding the extent a manager could influence the people through supervision.

Table 4.4: Number of employees supervised

Number of employees supervised	Frequency	Percent
Less than 10	54	70.1%
11-50	9	11.7%
51-100	8	10.4%
Over 100	6	7.8%
Total	**77**	**100.0**

4.3 Exploratory data tests

This section discusses the exploratory tests that were done to the data before it was subjected to further mathematical manipulation. This was done to test whether the data met the minimum assumptions and requirements of data before it was subjected to inferential statistics. The section also explained how the researcher treated missing values and outliers so as not to affect the findings of the study. Other tests were on the linearity, multicollinearity, validity and reliability.

4.3.1 Reliability and Validity

The study did reliability and validity tests to ascertain whether the information collected was reliable and could be used to for further analysis and produce reliable results.

4.3.1.1 Reliability

The study tested for the internal consistency of the questionnaire using a Cronbach Alpha. According to Sekaran and Bougie (2010) Cronbach Alpha coefficient indicates how well items in a questionnaire are positively correlated. Table 4.5 shows the range of Cronbach Alpha and their respective strength of association.

Table 4.5: Cronbach alpha decision matrix

Cronbach alpha coefficient	**Strength of association**
< 0.6	Poor
0.6>0.7	Moderate
0.7>0.8	Good
0.8>0.9	Very Good
0.9>	Excellent

Source: Zikmund, Babin, Carr, & Griffin (2010)

Cronbach Alpha values range between 0 and 1.0. A Cronbach Alpha value of 0.7 is most set as the threshold value for reliability. However, according to Hair, Anderson, Tatham and Black, (1998) a Cronbach Alpha of 0.6 is acceptable when the number of items is less.

Table 4.6: Reliability results

Variable	No. of Items	Cronbach's Alpha (á)	Decision
Strategic Direction	4	0.81	Accepted
Organizational Culture	6	0.75	Accepted
Resource Portfolio	5	0.79	Accepted
Political	4	0.68	Accepted
Economic	4	0.84	Accepted
Technology	3	0.90	Accepted
Ecological	4	0.83	Accepted
Social	3	0.78	Accepted
Organizational Performance	3	0.81	Accepted

The reliability result shown in table 4.6 indicates the respective Cronbach Alpha reliability of all the variables which were studied. According to Zinbarg (2005) an alpha coefficient of 0.70 or higher implies that the data is reliable and generalizable. However, Hair, Anderson, Tatham, and Black, (1998) state that a value of 0.6 to 0.9 is acceptable. They noted that less value of Cronbach is expected where the numbers of items are few. In this study all the variables shown in table 4.6 had values more than 0.6 and thus were all accepted since some had less than 5 items.

4.3.1.2 Validity

The study tested for the validity of the study tool by checking the adequacy of the sample and also testing the content of the study tools. Sample adequacy was tested using Kaiser-Meyer-Olkin and Bartlett’s tests. When using Kaiser-Meyer-Olkin, a factor is significant when the value of the index is between 0.5 and 1.0. For Bartlett’s Test of Sphericity, a factor is suitable for analysis if the significance of the index is less than 0.05.

Table 4.7: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.735
Bartlett's Test of Sphericity	Approx. Chi-Square	689.858
	Df	45
	Sig.	.000

Table 4.7 shows a Kaiser-Meyer-Olkin Measure of Sampling Adequacy value of 0.735 which was above 0.5 and less than 1.0 thus falling within the acceptable range. Similarly, the Bartlett's Test of Sphericity had a p -value of 0.000 which was less than 0.05. The result shows that the sample was significant and suitable for further analysis since they had significance correlation.

To check for content validity, the instrument was thoroughly reviewed by a group experts, strategic management supervisors and statisticians. The experts provided recommendations and ratings of all the items used in analysis. This was in line with the views of Burns and Grove (1993) that reviews and expert ratings can be used to check content validity. The study tool was checked for relevance, clarity, simplicity, objectivity and lack of ambiguity on five point likert scale. The results of the expert ratings are shown in table 4.8.

Table 4.8 Content validity test results

Raters (Experts)	Items	Valid Questions	Expert Index
1^{st} Expert	36	30	0.83
2^{nd} Expert	36	28	0.92
3^{rd} Expert	36	29	0.81
4^{th} Expert	36	25	0.86
5^{th} Expert	36	24	0.94
6^{th} Expert	36	26	0.83
7^{th} Expert	36	27	0.89
Average Total			**0.87**

Table 4.8 shows the ratings of the experts on each of the items. The expert index of the instrument was calculated as a fraction of the valid questions to the total number of items. The Overall Content Validity Index (CVI) was calculated using the following formula:

Overall Content Validity Index (OCVI)= $\frac{\sum EI}{n}$

Where EI is the Expert Index and the n is the total number of experts who rated the instrument. The overall content validity index after the calculation was 0.87. Yaghmale (2009) indicated that 0.80 was a good threshold for lower limit for acceptability of an item in an instrument. In this study, the overall value was 0.87 which was above the threshold. Thus the tool was considered as having met the validity there should to be used in the study.

4.3.2 Testing for completeness of data and treatment of missing values and outliers

The data collected for each variable was tested for completeness by running a detection of missing value test to the variables, cases and values. The test displays the number and the percentage of the variables, cases or values which have at least one case missing. From the results in figure 4.3, all the variables had at least one missing values. A total of 227 cases out of possible 328 had at least one missing values while 91.70% of the values were complete.

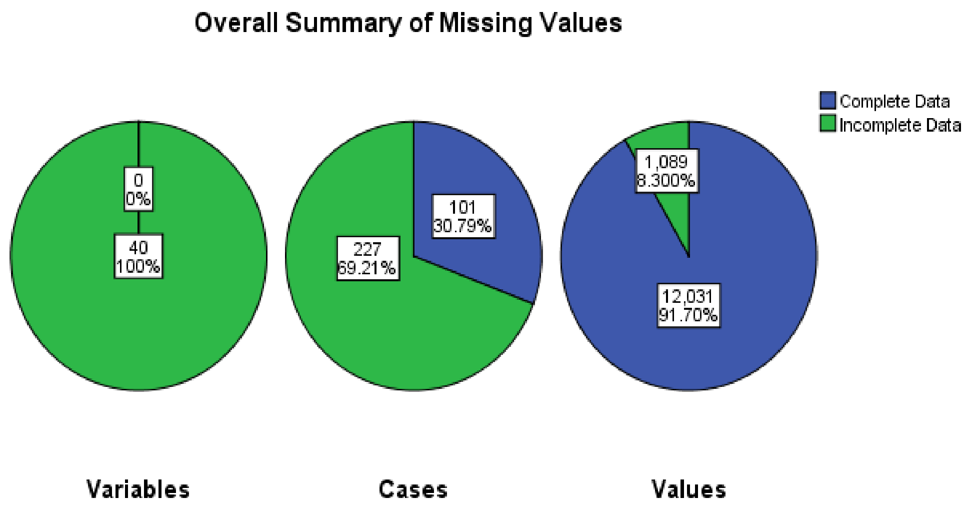

Figure 4.3: Overall summary of missing values

To overcome this limitation this could possibly affect the inferential analysis of the data. A randomness test of the missing values showed that the pattern of missing values was random in nature. The researcher treated the missing values through pair-wise deletion method. The researcher run an outlier detection procedure which included determination of trimmed mean, box plots and also detection of extreme values. The extreme values were treated as missing values and thus omitted in the analysis through pair wise deletion.

4.3.3 Data transformation and computation of variables for the study

To facilitate further mathematical manipulation on inferential statistics, the researcher averaged the scores of each aspect of a variable to get the average rating and score for each variable. This represented the average rating of each respond on a variable and its relation with the dependent variable. This way the study generated variable composite variables on strategic direction, organizational culture, resource portfolio and organizational performance. Similarly, the external environmental variables were computed using the same method to generate political, economic, social, technological, ecological and lastly legal factors. The variables generated assumed continuous variables characteristics which could allow inferential statistics to be performed.

4.3.4 Test of linearity

A linearity test was done at 95% confidence level to establish whether the study variables had a linear relationship with the dependent variables. A p value of less than 0.05 indicated a linear relationship between the study variables and the dependent variable. The results shows that strategic direction and organizational performance were linearly dependent (p<0.001). Similarly, organizational culture (p<0.001) and resource portfolio (p<0.001) were linearly dependent with organizational performance. Thus the study variables qualified for regression test and hypothesis testing as shown in table 4.9.

Table 4.9: Linearity test between Organizational Performance and independent variables

Variables		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Strategic direction	(Combined)	39.227	46	0.853	2.213	0.000
Managing organizaional culture	(Combined)	30.547	25	1.222	3.129	0.000
Resource portfolio	(Combined)	22.631	14	1.616	4.037	0.000

4.3.5 Test for multicollinearity

For a data variable to qualify for regression test, the variables in the model should not be highly correlated. A high correlation affects the regression and gives misleading results. Therefore, testing for multicolinearity is important before any analysis. This study tested multicolliearity through tolerance values and Variance Inflation Factor (VIF). The tolerance values give the proportion of the variable which cannot be estimated by other variables in the model while VIF gives the degree to which a variable explains the other. A tolerance value of more than 3.0 and a VIF of less than 5.0 are considered normal. In this case, the variable meet the minimum threshold for the tolerance and VIF values and thus allays the fears of the problem of multicolinearity among the variables in the model as shown in table 4.10.

Table 4.10: Multicollinearity test of the variables

		Collinearity Statistics	
Model		Tolerance	VIF
1	Strategic Direction	.754	1.325
	Managing culture	.830	1.205
	Resource Portfolio	.796	1.257
	Political	.609	1.642
	Economic	.390	2.563
	Technological	.747	1.340
	Ecological	.388	2.578
	Social	.541	1.849
	Legal	.721	1.387

a. Dependent Variable: Organizational performance

4.4 Descriptive statistics

4.4.1 Strategic direction and organization performance

The first objective of the study was to establish the perceived influence and contribution of strategic direction on the organizational performance of the tourism organizations in Kenya. This section presents the results on the strategies and attitude towards strategic direction of the organization, method of participation in strategic planning and management, implementation of the strategies and contribution of the strategic direction on the organizational mission, vision, values and goals. All the descriptive statistics have been analysed through mean, standard deviation and skewness as discussed under section 4.4.1.1

4.4.1.1 Descriptive statistics on strategic direction and organizational performance

The respondents provided information on the way in which strategies were formulated and communicated within the organizations. Table 4.11 shows that to a great extent senior managers used to agree on the organizational strategies of the organizations (M=4.08) and clearly communicated strategies to the staff members (M=3.96). This concurs with the views of the Pearce and Robinson (2009) that leaders set pace for change in companies and provide strategic intent. However, in the present study, there was some variability, as shown by the standard deviation, indicating that in some organizations the senior managers could not agree on the strategies for the organizations. The skewness was negatively indicating that despite the variability in responses, in most of the organizations senior managers agreed on the strategies and there was clear communication of strategies to the rest of staff members. The results further shows that laid down organizational strategies guided the identification of skills and knowledge needed by the staff members to a great extent (M=3.91). Lastly, the respondents indicated that in their organizations there was willingness to change when such changes arose (M=3.71). The results deviates from those of Jooste and Fourie (2009) who concluded that some level of uncertainty and doubt exist with regard to the effectiveness of strategy planning and implementation. The standard deviation showed lack of consensus among the responses. This means that in some organizations there was inertia to changes and the willingness to change was not welcomed. Despite the variations the distribution was negatively skewed implying that most of the organizations had positive attitude towards changes in their organizations as shown in table 4.11.

Table 4.11: Descriptive statistics-Strategy formulation and communication

	N	Mean	Std. Dev	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Senior managers agree on the organisational strategy	246	4.08	1.0	-0.92	0.155
Organisational strategies are clearly communicated to the staff	249	3.96	0.9	-0.87	0.154
Organisational strategies guide the identification of skills and knowledge needed by staff	245	3.91	0.8	-0.39	0.156
Willingness to change when new organisational strategies require such changes	249	3.71	1.1	-0.37	0.154

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

To determine the extent of participation of the staff members in the tourism organizations, the researcher collected information on the participation from the members of the management. The results shows that CEOs and managing directors (M=4.81) participated in the strategic planning and management to a great extent. This was common across the organization as evidenced by the value of standard deviation (SD<1.0) and the negative skewness of the distribution. The results also indicate that Board (M=4.48), all departmental heads (M=4.36) and all managers (M=4.32) participated in the strategic planning and management to a great extent. Guillot (2003) argued that strategic leadership is the ability of a leadership to create and execute plans and make consequential decisions. Thus their involvement is very important in the organizations. The results also showed that in some organizations few managers (M=4.10) and selected teams from departmental and managerial levels participated to a great extent in strategic planning and management. Further the supervisors and employees participated moderately in strategic planning and management. The distribution on the employees was positively skewed implying that most of the employees did not participate at all or participated to a little extent. The findings indicate that strategic planning in most of the organizations is mostly done by the CEOs, senior management and the board. The participation of the rest of the staff members is not much. Thus the strategies are in most organizations skewed towards the management thinking and opinions. According to Hitt, Ireland, and Hoskisson (2008) the primary responsibility for effective strategic leadership rests at the top of the organisation, in particular with the CEO, board, top managers and the general managers.

Table 4.12: Descriptive statistics- Participation in strategic planning

	N	Mean	Std. Dev	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
The CEO or Managing Director	73	4.81	.49039	-2.606	.281
The Board	62	4.48	.67	-.948	.304
All heads of departments	74	4.36	.90	-1.377	.279
All managers	76	4.32	.82	-.948	.276
A few selected managers	67	4.10	1.07	-1.345	.293
Selected team from departments and management levels	72	3.86	1.01	-.722	.283
The line Managers (Supervisors)	70	3.36	.93	-.341	.287
All the employees	74	2.68	1.11	.556	.279

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

After strategies had been formulated the next important activity is the implementation of the formulated strategies. The researcher sourced information on the extent to which various staff members implemented the strategies. The results shows that to a great extent top managers, departmental heads, middle level managers, CEOs, directors and supervisors do implement the formulated strategies. This shows that implementation of the strategies is majorly taken by all the managerial staff members and supervisors. This is key since by taking part in the implementation process, managers can use the strategic management approach to bring about strategic competitiveness and above average returns (Hitt, Ireland & Hoskisson, (2007).

The study found that other employees such as the subordinate and other lower cadre employees implement the strategies to a moderate extent (M=3.01). This was not in all the organizations as shown by the standard deviation (SD>1.0). The value of skewness was positive implying that in most of the organizations such staff members did not implement strategies and if they did it was only to a low extent. This could be explained by the fact that the support staff are sidelined from the strategy planning and formulation and thus are detached from the outcome of the strategies planning outcomes leading to low commitment to implement such strategies. This is contrary to the views of Chapman (2004) who argued that the objective of strategic leadership is anyone within the organisation should be in a position to understand the strategy and specifically how and what they are doing will make contribution to the overall delivery. Thus involvement of all staff members is critical.

Table 4.13 Descriptive statistics-Implementation of strategic plan

	N	Mean	Std. Dev	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Top managers	76	4.24	.83	-.903	.276
All heads of departments	77	4.21	.78	-.555	.274
Middle level managers	76	4.09	.84	-.599	.276
CEO and Directors	74	4.01	.99	-.556	.279
Supervisors	76	3.70	.89	-.275	.276
Others	60	3.02	1.21	.085	.309

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

The managers sampled provided information on their involvement in the formulation of the organization mission and values. The findings in table 4.14 show that the leadership contributed to a very great extent in setting up of organizational vision, mission and goals and objectives. Such strategies also led the organizational values to a great extent (M=4.47). In general, the strategic planning and formulation created the organizational visions, missions, goals and values which in turn aligns the people's actions across the whole organization (Prokesch, 1997).

Table 4.14: Descriptive statistics- Participation in formulation of strategic direction

	N	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Vision	76	4.59	.73	-2.514	.276
Mission	76	4.54	.70	-1.693	.276
Objectives/goals	76	4.50	.68	-1.289	.276
Values	76	4.47	.72	-1.443	.276

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

The researcher collected information on the overall rating of the effect of strategic direction on the organizational performance. According to most managers and other staff members (37.4%, n=111) strategic direction influences the performance of organizations to a great extent. A proportion of 37% (n=110) stated that strategic direction influenced the organizational performance to a very great extent. The findings showed that according to 74.4% of the respondents strategic direction affects the performance of tourism organizations in Kenya. The results concur with the findings of Mapetere et al (2002) which found that relatively low leadership involvement in strategy implementation lead to partial strategy success.

Table 4.15: Descriptive statistics-Perceived overall effect of strategic leadership on organizational performance

	Frequency	Percent	Cumulative Percent
Not at all	1	.3	.3
Low extent	10	3.4	3.7
Moderate extent	65	21.9	25.6
Great extent	111	37.4	63.0
very great extent	110	37.0	100.0
Total	297	100.0	

4.4.2 Organizational culture and organizational performance

This section discusses the findings of organizational culture within the tourism organizations in Kenya. The section has discussions on the types of cultures and the efforts by the leadership of organizations to improve their cultures. Lastly, there is a section on the hypothesis testing on the organizational culture on the performance.

4.4.2.1 Descriptive statistics

The staff members provided information on the features of cultures and major characteristic of culture in their organizations. The findings shows that in most of the organizations (31.3%, n=78), there were excellent policies and procedures and operational systems. Secondly, most of the organizations (29.7%, n=74), there existed strong organizational values, business principles and ethical standards. The culture of good interaction between managers and staff members was found in only 15.7% (n=39) of the organizations. Further, the spirit and climate that pervades work climate, manner in which companies deal with external stakeholders and a culture of good actions and reward by the management was in only few organizations implying that it was not common in tourism organizations. This shows that in most of the organizations there was a culture of professionalism and organizational principles and ethics but less of social interactive culture as shown in table 4.16. Thus there is need for the managers to take leading roles to promote certain enabling social interactive culture drivers such as a strong sense of involvement on the part of company personnel, emphasis on individual initiatives and creativity, respect for the contribution of individuals and groups, and having pride in doing things the right way (Gamble & Thompson, 2008).

Table 4.16: Descriptive statistics-Characteristics of organizational culture

	Frequency	Percent
Excellent policies and procedures and operation systems.	78	31.3
Strong organizational values, business principles, ethical standards.	74	29.7
The way the managers and employees interact with one another.	39	15.7
The spirit and atmosphere that pervades the work climate.	26	10.4
The manner in which the company deals with external stakeholders.	22	8.8
Good actions and behaviour are explicitly encouraged and rewarded by management	10	4.0
Total	**249**	**100.0**

The researcher separately sought information from the staff members and managers on the type of culture their organizations exhibited. According to most of the staff members (33.2%, n=83), their organizations had role culture where authorities were delegated within highly defined structures. A proportion of 32.8% (n=82), said that their organizations had power culture where power was concentrated among a small group and central figures. According to 23.2% (n=58) task culture was exercised in their organizations and lastly 10.8% of the respondents agreed that their organizations had some personal cultures where certain individuals believed they were superior to the organizations. The findings shows that different organizations had different types of cultures, however role culture and power types of culture were common in the organizations. This agrees with the earlier findings where the culture was confined to authority and compliance with ethical standards and business principles which reflects the inherent power culture and role culture as defined by Handy (1985) which are very common in public organizations. The findings on the types of culture according to the staff members are shown in table 4.17.

Table 4.17: Types of culture-staff opinions

	Frequency	Percent
Role Culture (authorities are delegated within a highly defined structure)	83	33.2
Power Culture (power is concentrated among a small group or central figure)	82	32.8
Task Culture (Teams are formed to solve particular problems)	58	23.2
Person Culture (Certain individuals believe themselves superior to the organization	27	10.8
Total	250	100.0

On the side of the management, the majority of the managers (62.5%, n=40) cited that their organizations exhibited hierarchical culture where the focus was internal and very much controlled. A proportion of 18.8% (n=12) stated that their organizations practiced adhocracy culture where the focus was external and and the workplace was dynamic and leaders stimulated innovation. Approximately 10.9% (n=7) of the managers sampled stated that their organizations had adopted market culture and leaders were seriously focused on external marketing and competition. A small proportion of 7.8% of the managers agreed that their organizations had clan culture where the workplace was friendly and leaders approached organizational matters from a fatherly perspective as shown in table 4.18. The results are in harmony with the staff views on types of culture in organizations, where most of the organizations are focused on performance and thus the culture is result oriented culture and strict compliance to regulations and procedures and organizational performance. This type of culture is both role and hierarchical where is derived from a person positions and control is made through procedures because of the high level of bureaucracy (Handy 1985).

Table 4.18: Types of culture-Managers' opinions

	Frequency	Percent
Hierarchy culture (internal focus and controlled)	40	62.5
Adhocracy culture (external focus and flexible) - A dynamic workplace with leaders that stimulate innovation.	12	18.8
Market culture (external focus and controlled) - A competitive workplace with leaders like hard drivers	7	10.9
Clan culture (internal focus and flexible) - A friendly workplace where leaders act like father figures.	5	7.8
Total	**64**	**100.0**

Both staff and managers provided views on the extent to which their leaders moulded the culture of their organizations. Thomas, et al (2012) observed that the single most visible factor that distinguishes successful culture change efforts from failed attempts is competent leadership at the top. The results showed that to a great extent training was adopted by leaders to change the culture of their respective organizations. However, the standard deviation indicated wide variations of the responses implying that this was common in some organizations and uncommon in others. Other methods such as recruitment, transfers and restructuring of the organizational designs were used by some leaders to moderate extent to change the culture of the organizations. Role modelling and promotions were other methods used moderately by leaders to change the culture of their organizations. This ties closely with the suggestion of Montgomery (2008) that leaders should give direction to every part of the organization, from the corporate office to the loading dock. This was however not common to all the organizations as shown by the standard deviation and positive skewness. The values showed that generally leaders moderately applied the shown methods to change the culture of the organizations they head.

Table 4.19: Descriptive Statistics-Moulding of organizational culture by the leaders

	N	Mean	Std. Dev	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Training	315	3.73	1.04	-.653	.137
Recruitment	302	3.23	1.16	-.461	.140
Transfers	307	3.11	1.23	-.132	.139
Restructuring of the organization design	308	2.93	1.23	-.027	.139
Role modelling	296	2.84	1.21	.040	.142
Promotion	300	2.79	1.21	.090	.141

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

The staff members and managers provided an overall rating of the effect of organizational culture on the performance of the tourism organizations. The results shows that most of the respondents (46.1%, n= felt that organizational culture affected the performance of their organizations to a very great extent. A proportion of 37.6% (n=102) stated that culture affected the performance of their organization to a great extent and lastly, a proportion of 16.2% (n=44) indicated that culture affected the performance of their organization moderately. The results shows staff of the tourism organizations felt that culture influenced the performance of their organizations to great extent. Panico (2004) observed that culture is a powerful influence that is able to create and sustain organisational performance, but it is not always given the focus that will achieve such transformation.

Table 4.20: Descriptive statistics-Perceived overall effect of culture on organizational performance

	Frequency	Percent
Very great extent	125	46.1
Great extent	102	37.6
Moderate extent	44	16.2
Total	271	100.0

4.4.3 Resource portfolio and organizational performance

This section discusses the findings on the resource portfolio of organizations and their perceived effect on the performance of the tourism organizations and institutions. The section also has findings on the hypothesis testing towards the end.

4.4.3.1 Descriptive statistics

The respondents were asked to indicate the extent to which each of the following factors on resource portfolio would affect their organization performance. The results showed that financial resources (M=4.65), organizational capabilities (M=4.62) and human resources (M=4.61) would affect organisation performance to a very great extent. All these types of resources were identified by David (2007). The responses were common across the respondents (SD<1.0) and the distribution were skewed negatively. Technological resources (M=4.48) and physical resources (M=4.23) affected the strategic plans of the organizations to a great extent across the organizations as shown by the values of standard deviation and the negative skewness of the distributions. Robinson (2009) states that resources constraint the firm's set of production possibilities and impact on its cost position. Therefore, managers should manage resources efficiently to enhance the performance of their organizations.

Table 4.21: Descriptive Statistics-Resource portfolio

	N	Mean	Std. Dev	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Financial Resources	321	4.65	.62	-1.880	.136
Organisation capabilities (Skills-people, processes)	322	4.62	.69	-1.905	.136
Human Resources	319	4.61	.62	-1.560	.137
Technological Resources	308	4.48	.64	-.825	.139
Physical Resources	312	4.23	.73	-.394	.138

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

Others necessary factors which were stated by the respondents which influence attainment of organizations strategic plan included political stability, leadership, justice in distribution of resources and duties, work environment among others as shown in table 4.22. This means that the availability of resources also needs to be backed up by others factors for an organization to achieve performance.

Table 4.22: Others necessary factors

Others necessary factors	n	Percent
Political stability/good governance	5	13.9%
Strong leadership	5	13.9%
Justice to all in allocation of duties- gender, ethnic and regional parity	4	11.1%
Conducive working environment	3	8.3%
Legal factors	3	8.3%
Transport and communication	3	8.3%
Change of personnel attitude	2	5.6%
Complying to the set budgetary level	2	5.6%
Creating team spirit-through team building	2	5.6%
Degree of employee autonomy	2	5.6%
Goodwill	2	5.6%
Interpersonal relationship	2	5.6%
Organizational culture, values and morals	2	5.6%
Government influence	1	2.8%
Time management	1	2.8%
Total	**39**	**108.3%**

The respondents gave an overall rating of the effect of resources on the strategic plans of the organizations. The results shows that majority of them (60.1%, n=169) felt that resources influenced the organizational performance to a very great extent. A proportion of 29.5% (n=83) indicated that resources influenced the performance of their organizations by a great extent and lastly a 10.3% (n=29) of the respondents felt that resources influenced their organizational performances moderately as shown in table 4.23. Rowe (2001) held that it was critical that managers exploit and maintain core competencies in terms of resources so as to gain and maintain a competitive edge (Rowe, 2001).

Table 4.23: Descriptive statistics-Perceived overall effect of resources on organizational performance

	Frequency	Percent
Very great extent	169	60.1
Great extent	83	29.5
Moderate extent	29	10.3
Total	281	100.0

The researcher probed information on the challenges facing organizations in their efforts to acquire resources. The most common challenge stated was limited financial resources budgeted and received by the organizations from the government, bureaucracy of the procedures, processes which delayed performance and execution of activities, unnecessary delays due to lengthy procedures for approval, lack of funds, lack of working tools, challenging procurements processes which led to delays in delivery and purchases and shortage of other resources in the organizations as shown in *Appendix 4.*

4.4.4 Analysis of the external environment

An analysis of the external environment where the tourism organizations and institutions operate is done in the following sections.

4.4.4.1 Description of the external environment

In this section, the respondents were asked to indicate the extent to which the stated sub-factors affected their organizational performance. The influence of an external environment is much more subject to a firm's influence as compared to the remote environment (Pearce & Robinson, 2009). In this study, the responses were then collected on a 5-point likert scale and analysed through mean. A mean values between 4.5-5.0 indicated 'very great extent', 3.5-4.4 represented 'great extent', 2.5-3.4 represented 'moderate', 1.5-2.4 'little extent' and values below 1.5 represented 'no extent at all'. Standard deviation was used to measure the extent of variability of the responses. A value of more than 1.0 indicated wide dispersion and a value of less than 1.0 indicated less dispersion of the responses. A less dispersed responses shows consensus in the responses while a highly dispersed one shows lack of consensus. Skewness was included in the analysis to show the position of the distribution of the data along the horizontal axis. A negative value indicated negative skewness and a positive value a positive skewness.

a) Political factors

The political environment is a key consideration in tourism sector. The change in political environment of an economy determines greatly the gains and losses in the tourism sector. A conducive political environment attracts tourists and guests while an unstable one scares them away generating profits and losses respectively. In this study, the respondents indicated that terrorism and piracy (M=4.63), travel advisories (M=4.59) and political and election violence (M=4.54) affected the organizational performance of the tourism organizational to a very great extent. The status of political stability also affected the performance of the tourism organizations to a great extent (M=4.46). All the values had a standard deviation value of less than 1.0 indicating that there was consensus on the above results. All the distributions of the sub factors were negatively skewed as shown in table 4.24. The results concur with those the views of Dess, Lumpkin and Eisner (2008) that the environmental regulations with which industries must comply are majorly influenced by political processes and legislation.

Table 4.24: Descriptive statistics-Political factors and organizational performance

	N	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Terrorism and piracy	298	4.63	.62	-1.458	.141
Travel advisories	304	4.59	.66	-1.395	.140
Political/election violence	301	4.54	.68	-1.185	.140
Political Stability	298	4.46	.72	-.958	.141

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

b) Economic factors

The economic status of a country or an economy determines the extent to which such an economy would meet her needs and even have surplus for expansion. According to the respondents, the performance of the tourism organizations in Kenya to a great extent influenced by budget/resources (M=4.46). This is because the extent of the resources determines by how much the organization can invest or improve the existing processes and tourism activities. The performance was also affected by the global economic crisis (M=4.12) this was due to the fact that global economic crisis affects the local exchange rates. If the currency depreciates in value, the profit gains per tourist declines leading to an aggregate decline in profits of the organization. The economic growth rates (M=4.01) were reported to affect the organizational performance to a great extent possibly due to the fact that low economic growth rate signifies reduced economic activities and low levels of cash in circulation thus little money is left for local people to engage in local tourism. Lastly, the global fluctuations of the currency exchange rates (M=3.97) was listed as affecting the performance of tourism sector. This is due to the fact that such fluctuations often destabilize the strength of the domestic currency and fetches low profits from the tourists coming into the country. The results had consensus (SD<1.0) and the distribution was negatively skewed (skewness is negative) as shown in table 4.25. The results shows that, managers must consider the general availability of credit, the level of disposable income and the propensity of people to spend, interest rates inflation rates and trends in growth of the gross national product are other economic factors that they should monitor.

Table 4.25: Descriptive statistics-Economic factors and organizational performance

	N	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Budget/resources	292	4.46	.72	-.955	.143
Global economic crisis	312	4.12	.93	-.878	.138
Economic growth rate	319	4.01	.92	-.646	.137
Global fluctuating foreign currency exchange rates	319	3.97	.98	-.611	.137

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

c) Social factors

The respondents provided information on the social factors and how they contribute or influence the organizational performance of the tourism organizations. From the results the respondents indicated that negative social effects of tourism such as sex tourism and drug use affected the organizational performance to a great extent (M=3.66). However, the standard deviation indicated lack of consensus meaning that in some organizations it did not affect their performance. However, the distribution was negative indicating most of the organizations were affected by the vice. The influence of different cultures (M=3.44) and population demographics (M=3.36) affected the performance of the organizations moderately. The distribution was positively skewed showing the scores were less than the mean. This shows that the effect was little or did not have effect at all on the performance of the organization. The result shows that diversity of cultures and population demographics are not strong influencers of the organizational performance of the tourism organizations and institutions as shown in table 4.26. However, social factors are dynamic, with constant changes that in the end results from the efforts made by individuals so as to satisfy their desires and needs by controlling and adapting to environmental factors (Pearce & Robinson, 2009).

Table 4.26: Descriptive statistics-Social factors and organizational performance

	N	Mean	Std. Dev	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Negative social effects of tourism for example- sex tourism and drug use	310	3.66	1.01	-.098	.138
Influence of different cultures	298	3.44	.96	.172	.141
Population demographics	296	3.36	.95	.283	.142

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

d) Technological factors

The level of technological advancement in an organizational processes influences speed, productivity and efficiency. Thus technology is key in organizational processes. There is an urgent need for the firms to work hard in ensuring that there a proper understanding of both the existing technological advances and the probable future advances that can easily affect their products and services (Pearce & Robinson, 2009). In this study the respondents indicated that adopting advanced technologies (M=3.89) and internet accessibility (M=3.81) influenced the performance of the tourism organizations to a great extent. The standard deviation indicated that there was consensus among the responses (SD<1.0) and the distributions of the two factors was negatively skewed meaning most of the respondents indicated higher score than that of the mean. This implies that use of advanced technologies and availability of internet was key in the tourism sector. The speed of technology transfer influenced the performance of tourism organizations to a great extent (M=3.76). A firm must be aware of technological changes that might influence its industry so that it can be in a better position to avoid obsolescence and promote innovation (Pearce & Robinson 2009). The distribution was negatively skewed showing that most of the scores were more than the mean values. However, the distribution had no consensus meaning that not all organizations were affected by the speed with which technology transferred around the globe as shown in table 4.27.

Table 4.27: Descriptive statistics-Technological factors and organizational performance

	N	Mean	Std. Deviation	Skewness	
	Statistic	**Statistic**	**Statistic**	**Statistic**	**Std. Error**
Advanced technology	322	3.89	.97	-.479	.136
Internet accessibility	322	3.81	.97	-.463	.136
Speed of technology transfer	308	3.76	1.06	-.502	.139

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

e) Ecological factors

The respondents provided information on the ecological factors and the influence such factors had on the organizational performance of the tourism sector players. According to the respondents, mass tourism (M=3.82) and congestion or traffic (M=3.73) influenced the performance of the tourism organizations to a great extent. Mass tourism widens the opportunity for such organizations to make more profits while congestion discourages and fails to attract tourist from visiting. The responses had no consensus showing that some organizations were affected moderately or not influenced by the two factors. The results shows further that global warming (M=3.36) and poor waste disposal (M=3.36) influenced the performance of their organizations moderately. According to Thomas, et al (2012) ecological factors can directly impact negatively on industries such as farming, energy and tourism and firms need to take cognizance of that. In general, all the ecological factors had negative distributions showing that most of the organizations were affected by changes in ecological factors in the country as shown in table 4.28.

Table 4.28: Descriptive statistics-Ecological factors and organizational performance

	N	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Mass tourism	313	3.82	1.10	-.593	.138
Congestion and traffic	325	3.73	1.11	-.346	.135
Global warming	324	3.36	1.16	-.091	.135
Poor waste disposal	320	3.36	1.12	-.034	.136

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

f) Legal factors

The results showed that the legal environment and factors such as: news laws and legislation, new constitution, labour laws and legislations influenced the performance of the organizations to a great extent (M=4.33). The distribution was negatively skewed and had consensus showing that most of the respondents indicated that the legal factors affected their performances to a very great extent. This could be explained by the fact that some laws create long bureaucratic systems which affect operations, while others produce conducive environment for the sector among other effects. According to Thomas et al. (2012) legal factors include political policies and processes, as well as the regulation laws with which companies must comply. This can in turn affect the performance of the business. The results are shown in table 4.29.

Table 4.29: Descriptive statistics-Legal factors and organizational performance

	N	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
New laws and legislation - New constitution, labour laws and tourism act	285	4.33	.728	-.585	.144

Key: Very great extent=5, Great extent=4, Moderate extent=3, Little extent=2, No extent =1

4.4.5 Organizational performance

The researcher collected information on the performance of the organizations sampled. This section shows the findings on the performance of the organizations for a period of the 3 years.

4.4.5.1 Descriptive statistics

Firstly, the researcher collected data on the employee numbers and customer satisfaction data. The total number of employees in the tourism organizations was between 1,236, 1,242 and 1,249 for the three years. It was noted that the Department of Tourism had undergone a decline in the number of staff, from 2014, due to the formation of a new parastatal, Tourism Regulatory Authority, some of the staff of the Department had been deployed to assist in the formation of the organisation, however they remained in the organisation’s pay roll system.

Table 4.30: Employee numbers (2012-2014)

Employees	**Numbers**
Employees in 2013	1236
Employees in 2014	1242
Employees in 2015	1249

To ascertain the growth of the organizations, the information on the growth of the organizations was collected and tabulated in table 4.31. From the results, the growth rates of the organizations had been increasing over the years from 15.46% in 2013 to 18.53% in 2014. The value of the skewness was positive in all the years implying that the growth rate in most of the organizations was less than the average growth rates.

Table 4.11: Growth of the tourism organizations

	N	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Std. Error
Growth in 2012	19	15.46	16.50	0.781	0.524
Growth in 2013	19	16.86	19.30	0.916	0.524
Growth in 2014	19	18.53	19.82	1.02	0.524

The perceived performance of the public organizations and agencies was measured by analysis of the rating on satisfaction of the services rendered by such organizations. In this study, the responses were then collected on a 5-point likert scale and analysed through mean. A mean values between 4.5-5.0 indicated ‘very satisfied, 3.5-4.4 represented ‘satisfied, 2.5-3.4 represented ‘neutral’, 1.5-2.4 ‘dissatisfied ’and values below 1.5 represented ‘very dissatisfied. Standard deviation was used to measure the extent of variability of the responses. A value of more than 1.0 indicated wide dispersion and a value of less than 1.0 indicated less dispersion of the responses.

From table 4.32, in 2012 the services rendered were satisfactory to the customers with a mean of 4.1678. In year 2013 the level of satisfaction declined slightly while in 2014 it went up again to 4.1489. In all the years, the perceived level of satisfaction among the customers was satisfactory. However, the values of standard deviation were more than 1.0 indicating that in some agencies, the services rendered were not satisfactory as the composite value denotes.

Table 4.32: Perceived service delivery of the tourism organization for three years (2012-2014)

Years	N	Mean	Std. Dev	Skewness	Std. Error
2012	304	4.1678	1.05999	-1.210	.140
2013	304	3.9934	1.08999	-.941	.140
2014	309	4.1489	1.12981	-1.152	.139

4.4.5.2 Assessment of performance of the tourist organizations

Appendix 5 shows the various approaches the public tourism organizations use to measure and assess their organizational performance. From the results, most of the organizations performance was measured through the revenue the organization collected, the performance contract, the number of tourist arrivals both from Kenya and from other countries, the use of balanced scorecard, and customers' feedback among others. The results show that performance in the organizations is a key aspect and each organisation had devised different methods of assessing it.

4.4.5.3 Suggestions for improvement of performance

The respondents admitted that their organizations full potential had not been realised and there was room for improvement. Some had not fully implemented their strategic plan and thus there was need for the organizations to have measures in place to achieve optimal performance. From the results in *Appendix 6*, most of the respondents suggested training and development of the human resources, mentorship programs, motivation of the staff members, employee welfare improvement of the staff such as fairness in promotions, reasonable remuneration, reward and recognition for exceeding expectations, job security among others job related features as some of the ways of improving organisation performance.

The respondents also highlighted the availability of financial resources channelled in a consistent manner to enable the organizations to make realistic budgets as well as the non-financial resources such as materials, equipment, facilities, office space among others. The respondents also suggested teamwork as major boost of organizational performance. Others included exposure to international trends, benchmarking, embracing new technologies in the organizations, effective communication of strategies, plans and policies of an organization and recruiting of competent and skilled staff.

4.4.6 Leadership challenges facing organizations

The study found that most of the organizational leadership suffered from a variety of challenges: Leadership that was unprofessional had not embraced clear communication channels and which made it difficult even to delegate duties. The organizations were also experiencing succession politics, political interferences, financial challenges, leadership wrangles, bureaucracy among others (*Appendix 7)*

4.4.6.1 Possible leadership solutions

Several solutions were suggested by the staff members on how the leadership challenges could be addressed. The staff felt that there was need for equity and fairness to all staff members when allocating resources and duties. This would promote a sense of satisfaction and employee commitment. Secondly, the leaders needed to work in teams, have clear channels of communication so that the employees were aware and sensitised about the policies, products and processes. There was also a need to motivate and inspire employees as well as adopting accountable, open, and transparent leadership solutions among other solutions *(Appendix 8).*

4.5 Inferential statistics

4.5.1 Hypothesis testing –Strategic direction

The first hypothesis wanted to determine the effect of strategic direction on the performance of the tourism organizations. The hypothesis was stated as shown:

H_{01} Strategic direction has no significant perceived influence on organisation performance in tourism government agencies

H_{a1} Strategic direction has significant perceived influence on organisation performance in tourism government agencies

To test the hypothesis a regression test was done to establish the perceived influence of strategic direction on the organizational performance of the tourism organizations. The test was done at 95% confidence level and thus the level of significance was 0.05. The results are discussed in the following sections.

Table 4.33: Model Summary-Strategic direction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.317[a]	.100	.097	.77227
2	.473[b]	.224	.202	.72606

a. Predictors: (Constant), strategic.direction

b. Predictors: (Constant), strategic.direction, economic, legal, technological, political, social, ecological

The model summary in table 4.33 shows an R value of 0.317 and R square value of 0.100 when strategic direction was regressed on organizational performance without the inclusion of the external environment. This shows that strategic direction could explain 10.0% of the variations in the organizational performance without the external environment. After including the external environment factors (moderating variables) the R value changed to 0.473 and R square to 0.224. This showed that external environment and strategic direction accounted for 22.4% of the changes in organizational performance of the tourist related organizations in Kenya.

Table 4.34: ANOVA-strategic direction

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	16.814	1	16.814	28.193	.000[b]
	Residual	150.888	253	.596		
	Total	167.702	254			
2	Regression	37.492	7	5.356	10.160	.000[c]
	Residual	130.210	247	.527		
	Total	167.702	254			

a. Dependent Variable: Operational Performance

b. Predictors: (Constant), strategic.direction

c. Predictors: (Constant), strategic.direction, economic, legal, technological, political, social, ecological

Table 4.34 shows the analysis of variance (ANOVA) results of the model. ANOVA test the goodness of fit of a model and is used to indicate the statistical significance of the predictors in a model. In this model, the F statistics without external environment factors was F (1,253) =28.193, p<0.001. When external environment was included in the model, the F statistics changed to F (7,247) =10.160, p<0.001. This shows that with and without the external environment the models were statistically significant in explaining the variation in organizational performance. Table 4.34 shows the actual perceived influence of the changes in strategic direction on the performance of the tourism organizations in Kenya.

Table 4.35: Coefficients-strategic direction

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	2.852	.255		11.198	.000
	strategic.direction	.342	.064	.317	5.310	.000
2	(Constant)	.254	.518		.490	.624
	strategic.direction	.343	.066	.318	5.212	.000
	Political	.590	.113	.365	5.220	.000
	Economic	-.145	.102	-.122	-1.422	.156
	Technological	.010	.058	.011	.170	.865
	Ecological	.072	.090	.070	.799	.425
	Social	-.022	.078	-.021	-.283	.777
	Legal	.068	.074	.060	.916	.360

a. Dependent Variable: Operational performance

The results showed the regression output of strategic direction on performance. The resulting regression models shown represents one with external environment factors and the other one without external environment.

OP =2.852+0.342 STR.DIR ………………………………………………….... (i)

OP=0.254+ 0.343STR.DIR+0.590POL-0.145ECO 0.010TECH +0.072ECOL-0.022SOC-0.068LEG…………………………………………………………….. (ii)

Where OP= organizational performance, STR.DIR= strategic direction, POL= political factors, ECO=Economic factors, ECOL=Ecological factors, SOC=social factors and LEG=legal factors.

From equation (i), holding other factors constant, a positive change in strategic direction by one unit would increase the organizational performance by 0.342 units.

In equation (ii) (after factoring in the external environment) a unit change in strategic direction holding other factors constant would improve the organizational performance of the tourism organizations by 0.343 units. This shows that external environment had an effect on how strategic direction affected the performance of the tourism organizations.

Further, the results showed that strategic direction had perceived statistical significance effect ($p<0.001$) on the organizational performance without considering the external environment. After including the external environment in the model, the perceived effect of strategic direction on performance was still significant ($p<0.001$). This shows that strategic direction was perceived to have significantly influenced the performance of the tourism organizations in Kenya. Similar results were arrived at by Lear (2012) who held that effective leadership positively influence strategic alignment which, in turn, had a beneficial effect on organisational performance. Thus, the null hypothesis was rejected and the alternative hypothesis adopted that strategic direction of an organization had a perceived influence on organizational performance of the tourism organizations.

4.5.2 Hypothesis testing – Organization Culture

The second hypothesis aimed at testing the effect of culture on the performance of the organizations. The hypothesis was stated as shown:

H_{02} Managing organisation culture has no perceived significant influence on organisation performance in tourism government agencies

H_{a2} Managing organisation culture has perceived significant influence on organisation performance in tourism government agencies

The hypothesis was tested using linear regression test at 95% confidence level. Thus the significance level was at 0.05. Thus the null would be rejected if the value of p was less than 0.05 and fail to be rejected if the p value was more than 0.05. The findings are discussed in the following sections.

Table 4.36: Model Summary-Organizational culture

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.120[a]	.014	.010	.72730
2	.237[b]	.056	.028	.72092

a. Predictors: (Constant), managing.O.culture

b. Predictors: (Constant), managing.O.culture, economic, technological, legal, political, social, ecological

Table 4.36 shows the model summary of the regression test. From the table, the R square value was 0.014 without the inclusion of the external environment factors. This shows that management of organizational culture accounts for 1.4% of the variations in performance of tourist organizations. After including the external environment in the model the R square value became 0.056 indicating that both external environment and management of organizational culture accounted for 5.6% of the variation in performance of the tourism organizations.

Table 4.37: ANOVA-Organizational culture

Model		**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**
1	Regression	1.819	1	1.819	3.439	.065[b]
	Residual	124.308	235	.529		
	Total	126.127	236			
2	Regression	7.108	7	1.015	1.954	.062[c]
	Residual	119.019	229	.520		
	Total	126.127	236			

a. Dependent Variable: Operational performance

b. Predictors: (Constant), managing.O.culture

c. Predictors: (Constant), managing.O.culture, economic, technological, legal, political, social, ecological

The ANOVA results shows a F statistic F (1,235) =3.439, p=0.065 without the external environment factors. This shows that organizational culture was not statistically significant in predicting the organizational performance of the tourism organizations. When the external environment was included in the model, the F (7,229) = 1.954, p=0.062. This implied that managing organizational culture and external environment had significant effect on the organizational performance of the tourism organizations.

Table 4.38: Coefficients-Organizational culture and organizational performance

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	4.645	.190		24.459	.000
	Managing.O.culture	-.107	.058	-.120	-1.854	.065
2	(Constant)	3.189	.505		6.321	.000
	Managing.O.culture	-.105	.060	-.118	-1.750	.081
	Political	.201	.118	.140	1.699	.091
	Economic	.015	.110	.014	.137	.891
	Technological	.052	.065	.061	.809	.419
	Ecological	-.035	.088	-.038	-.398	.691
	Social	.028	.084	.029	.331	.741
	Legal	.070	.077	.069	.910	.364

a. Dependent Variable: Operational Performance

The regression test output is shown in table 4.38. According to the results, the resulting regression models for the two tests done are shown:

OP =4.645-0.107MOC ………….……………………………………………….... (iii)

OP=3.189-0.105MOC+0.201POL+0.015ECO+0.052TECH-0.035ECOL+ 0.028SOC+ 0.070LEG……………………………………….…………………... (iv)

Where OP2= organizational performance, MOC = Management of organizational culture, POL= political factors, ECO=Economic factors, ECOL=Ecological factors, SOC=social factors and LEG=legal factors.

The results mean that when the external environment is not included in the model and the rest of the factors are held constant, a unitary effort by the management to change culture decreases the performance of organizations by 0.107 units. When the external environment is included in the model and all factors held constant, a unitary effort by the leaders to change culture in their organizations decreases the performance by 0.105. The results showed that the influence of external environment on the influence of managing organizational culture on performance was negligible.

To test the hypothesis, the corresponding values of p were considered. From the results, without the external environment the p value of managing organizational culture was 0.065 and 0.081 when external environment was considered. In both models the values of p were greater than 0.05 showing that the effect was not statistically significant. Eventually, the researcher failed to reject the null hypothesis that managing organizational culture had no significance influence on the performance of the organizations. This could be explained by the fact that managing organizational culture was always met with resistance to change from people used to a certain culture. Also managers do not pay much attention to management of culture in the organizations (Panico, 2004).This would make such process to have no positive effects on the performance.

4.5.3 Hypothesis testing –Resource Portfolio

The third hypothesis of the study was on the resource portfolio and organizational performance of the tourism organizations. The hypothesis was stated as shown:

Ho3 Organisation resource portfolio has no significant perceived influence on organisation performance in tourism government agencies

Ha3 Organisation resource portfolio has significant perceived influence on organisation performance in tourism government agencies

The hypothesis was tested using linear regression test at 95% confidence level. The decision rule was based on the p value. The null hypothesis would be rejected if the value of p was less than 0.05 and fail to be rejected if the p value was more than 0.05.

Table 4.39: Model Summary- Resource portfolio

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.480[a]	.230	.227	.58639
2	.555[b]	.308	.288	.56287

a. Predictors: (Constant), Res.portfolio

b. Predictors: (Constant), Res.portfolio, social, political, technological, legal, ecological, economic

The R square value when the resource portfolio was regressed without external factors was 0.230. This showed that resource portfolio accounted for 23.0% of the variations in the organizational performance. After including the external factors in the model, the R square changed to 0.308. This showed that the predictors explained 30.8% of the variations in organizational performance and the rest 69.2% were explained by other factors not in the model.

Table 4.40: ANOVA-Resource allocation

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.213	1	25.213	73.325	.000[b]
	Residual	84.244	245	.344		
	Total	109.457	246			
2	Regression	33.738	7	4.820	15.213	.000[c]
	Residual	75.720	239	.317		
	Total	109.457	246			

a. Dependent Variable: Operational Performance

b. Predictors: (Constant), Res.portfolio

c. Predictors: (Constant), Res.portfolio, social, political, technological, legal, ecological, economic

The ANOVA results shows that resource portfolio had a F value of F (1,245) = 73.325, p<0.001 excluding the external environment and F (7,239) =15.213, p<0.001 when external environment was included in the model. This shows that the resource portfolio was perceived to be statistically significant in predicting the organizational performance in tourism sector with and without the influence of the external environment. This could be improved by integrating resources to create capabilities and leveraging those capabilities through strategies so that competitive advantages can be built and the results to be achieved by the organisation will be high performance (Ireland & Hitt, 2002).

Table 4.41: Coefficients-Resource portfolio

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	1.534	.352		4.352	.000
	Res.portfolio	.663	.077	.480	8.563	.000
2	(Constant)	.682	.433		1.576	.116
	Res.portfolio	.506	.083	.366	6.069	.000
	Political	.236	.088	.180	2.670	.008
	Economic	.195	.081	.200	2.405	.017
	Technological	.062	.048	.080	1.278	.202
	Ecological	-.077	.068	-.093	-1.142	.255
	Social	-.118	.064	-.136	-1.835	.068
	Legal	.035	.059	.037	.591	.555
a. Dependent Variable: Operational Performance						

The resulting coefficients from the regression test were as shown in table 4.41. The table shows findings when the resource portfolio was regressed without the external factors and with the external factors. The resulting regression equations are shown:

OP =1.534+0.663 RES.PFL ………………………………………………….. (v)

OP=0.682 + 0.506RES.PFL + 0.236POL+0.195ECO+062TECH-0.077ECOL-0.118SOC +0.035LEG…… ……………………………..……... (vi)

Where OP= organizational performance, RES.PFL = resource portfolio, POL= political factors, ECO=Economic factors, ECOL=Ecological factors, SOC=social factors and LEG=legal factors.

Equation (v) represents the resulting model when resource portfolio was regressed without external factors. The results imply that when all factors held constant an increase in resource allocation would increase the organizational performance by 0.663 units. After considering the external environment, holding other factors constant, an increase in resources allocated by one unit would increase the organizational performance by 0.506. Thus the external environment changes the amount of effect from 0.663 to 0.506. This shows that external environment had some effect on the resource portfolio and reduces the effect of resource portfolio on the performance. This agrees Bamberger and Meshoulam (2000) that cross-industry organizational performance is influenced based on external economic factors The output above demonstrated that resource portfolio had some perceived positive effect on the performance of the organizations, the corresponding p values were less than 0.05 ($p<0.001$). This shows that such influences were significant and could not have been as a result of a chance. Therefore, the researcher rejected the null hypothesis and adopted the alternative hypothesis that that resource portfolio had significance influence on the performance of the tourism organizations. This could possibly be due to the fact that allocation of resources enables the organization to do a variety of productive activities such as training, improving technology, expansion, marketing of the organizations products which largely contribute to good performance of the organizations.

4.5.4 Hypothesis testing- Organization external environment

The last hypothesis was on the moderating influence of the external environment on strategic direction, organization culture and resource portfolio towards organizational performance of the organizations. The hypothesis was stated as:

Ho4 Organisation external environment has no significant perceived moderating influence on the relationship between strategic leadership and organisation performance in tourism government agencies

Ha4 Organisation external environment has significant perceived moderating influence on the relationship between strategic leadership and organisation performance in tourism government agencies.

Similarly, the hypothesis was tested using multiple linear regression test at 95% confidence level. A p value of less than 0.05 would lead to rejection of the null hypothesis and a p value greater than 0.05 would fail to reject the null hypothesis.

Table 4.42: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.437[a]	.191	.181	.55170
2	.510[b]	.260	.233	.53406

a. Predictors: (Constant), Res.portfolio, strategic.direction, managing.O.culture

b. Predictors: (Constant), Res.portfolio, strategic.direction, managing.O.culture, social, political, technological, legal, economic, ecological

The model summary shows a R square value of 0.191 when strategic direction, organizational culture and resource portfolio were regressed on performance. This showed that the three factors accounted for 19.1% variations in performance of the organizations. The R square was 0.260 when the external factors were included in the model implying that all the variables and the external environment accounted for 26.0% of variations in performance of the organizations.

Table 4.43: ANOVA- Combined effect strategic direction, culture and resource portfolio

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17.837	3	5.946	19.534	.000[b]
	Residual	75.484	248	.304		
	Total	93.321	251			
2	Regression	24.297	9	2.700	9.465	.000[c]
	Residual	69.024	242	.285		
	Total	93.321	251			

a. Dependent Variable: Operational performance

b. Predictors: (Constant), Res.portfolio, strategic.direction, managing.O.culture

c. Predictors: (Constant), Res.portfolio, strategic.direction, managing.O.culture, social, political, technological, legal, economic, ecological

The resulting F values of the three study variables (Res. portfolio, strategic. direction, Managing organisational. culture) was $F(3,248) = 19.534$, $p<0.001$. The F values of all the predictors in the model including the external factors was $F(9,242) = 9.465$, $p<0.001$. This shows that with and without the external factors, the model were significant in predicting the organizational performance of the organizations.

Table 4.44: Coefficients-All variables

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	1.752	.397		4.418	.000
	Strategic.direction	.232	.050	.284	4.664	.000
	Managing.o.culture	-.108	.044	-.149	-2.440	.015
	Res.portfolio	.441	.074	.340	5.937	.000
2	(Constant)	.500	.470		1.065	.288
	Strategic.direction	.244	.052	.299	4.692	.000
	Managing.o.culture	-.105	.044	-.145	-2.381	.018
	Res.portfolio	.371	.080	.286	4.621	.000
	Political	.325	.086	.266	3.760	.000
	Economic	-.096	.080	-.105	-1.189	.235
	Technological	.024	.044	.035	.553	.581
	Ecological	-.048	.068	-.062	-.703	.483
	Social	.047	.059	.059	.785	.433
	Legal	.082	.055	.097	1.482	.140

a. Dependent Variable: Operational Performance

The resulting regression coefficients from the multiple regression test are shown in table 4.44. The corresponding equations were given as:

OP = 1.752+0.232STR.DIR -0.108MOC+0.441RES.PFL ……………………... (vii)

OP=0.500 + 0.244STR.DIR-0.105MOC+0.371RES.PFL+325POL-0.096ECO +0.024TECH -0.048ECOL+0.047SOC+082LEG …………………………….. (viii)

Where OP= organizational performance, STR.DIR=strategic direction, MOC=managing organizational culture, RES.PFL = resource portfolio, POL=

political factors, ECO=Economic factors, ECOL=Ecological factors, SOC=social factors and LEG=legal factors.

Equation (vii) shows the study variables excluding the externals factors in the model. Holding other factors constant, a unit improvement in strategic direction increases the organizational performance by 0.232 units. Similarly, holding other factors constant, a unit increase in efforts by the leaders to change the organizational culture decreases the performance by 0.108 and lastly holding other factors constant, a unit increase in resource portfolio increases the performance of the organizations by 0.441 units. When external factors were factored in the model, strategic direction could increase performance by 0.244, managing organizational culture would decrease performance by 0.105 and resource portfolio would increase performance by 0.371. This shows that external factors were perceived to have affected the way in which the strategic direction, culture management and resource portfolio influenced the organizational performance of the tourism organizations.

An analysis of the external environment shows that political environment reduced the performance of the organizations by 0.063 units, economic factors increased the performance by 0.207 units and technological factors by 0.017 units. The ecological factors would decrease the performance of the organizations by 0.257 units while legal factors also declined the performance by 0.112 units. The contribution of social factors was positive and increased the performance of the organizations by 0.019 units.

A close reference to the p values of the coefficients in the above models, showed that strategic direction had p value ($p<0.001$) without external environment and a p value of 0.000 when external environment was factored in the model. Resource allocation had a p value of 0.000 with and without external factors. The p values of managing culture was greater than 0.05 ($p>0.05$) and its contribution to the performance of the organizations was insignificant. The change of strategic direction from 0.232 to 0.244 was attributable to the effect of the external environment. Since the p values in both with and without the external factors were significant, the effect of external environment on the strategic direction was thus significant in influencing the contribution of strategic direction on the organizational performance of the tourism organizations. Thus null hypothesis was rejected and the alternative hypothesis adopted that moderating environment had significant effect on strategic direction.

4.6 Discussion of the findings

The study sought to establish the perceived effect of strategic direction, organizational culture and resource portfolio on the performance of the tourism organizations under an external environment characterised by political, economical, social, technological ecological and legal forces. The findings on each objective are analysed in the following discussions.

The first objective was to determine the perceived effect of strategic direction on the performance of the tourism organizations in Kenya. Strategic direction was used to refer to the process of developing vision, mission and objectives of an organization. The study found that strategies were agreed upon by senior managers in most of the organizations and were then communicated clearly to the staff members. This shows that managers played a big role in strategic formulation in most of the organizations. The aspect of communication which is a key element in strategic implementation was also well done in most of the organizations as shown by the negative skewness. The findings agree with the views of Guillot (2003) that strategic leadership is the ability of a senior leader who has immense experienced, wiadom and vision and is capable of creating and executing plans while at the same time making decisions that are consequential in the volatile, uncertain, complex and ambiguous strategic environment Thus in most of the organizations the key work of the leaders seen in their efforts to develop strategies for their organizations.

The setting of such strategies helped the organizations to identify skills and knowledge needed by the staff members and turn the training needs of the staff members for capacity building programmes. Also the study established that in most of the organizations, there was willingness to change to adopt new organizational strategies when such changes become due. However, some of the staff members held that the organizations experienced varying degrees of willingness to change and some resisted change which could negatively affect the performance of the organizations.

The study found that in most of the organizations, the CEOs, managing directors, the members of the board, departmental heads and managers participated to a great extent in strategic planning and formulation. This concurs with the Hitt, Ireland, and Hoskisson (2008) argument that the primary responsibility for effective strategic leadership rested at the top of the organisation, in particular with the chief executive officer and other recognised strategic leaders. In some organizations, strategic planning and formulation was left to a few managers and others selected teams from departmental and managerial levels. The staff members in the lower cadres such as supervisors and ordinary employees participated moderately while other did not participate at all in strategy planning and formulation. This shows that strategic planning in most of the organizations was left to the management.

Although the process of strategic planning and formulation was done to a great extent by the members of the management, the study found that implementation of such strategies was undertaken by all the employees except the subordinate staff who moderately implemented or hardly participated in implementing such strategies. This could be explained by the lack of ownership of strategies laid down occasioned by partial participation in strategic decision making. According to Chapman (2004) it is very important that everyone understands the strategy and specifically how or what they are doing will contribute to overall delivery within the organisation. Thus side-lining the lower cadre staff members the organization may not achieve full commitment and implementation from all the stakeholders.

Further the study found that strategic planning and formulation in organizations was very key in developing the guiding principles of the organization towards setting the future direction of the organizations. Through the strategic planning process, the organization developed the visions, missions, organizational goals and even values for the organizations. Generally, most of the respondents indicated that strategic direction in their organizations influenced the organizational performance of the organizations to a great extent. The results shows that

The regression test showed that strategic direction was perceived to have contributed positively to the organizational performance of the organizations sampled. A unit increase in strategies developed increased the performance by 0.343 units. The effect of strategic direction on the organizational performance was significant ($p<0.001$) and the alternative hypothesis was adopted that strategic direction had significance influence on the performance of the tourism organizations. The results agree with the results of Nthini (2013) who found that that effective strategic leadership promoted organization performance.

The second objective was on the perceived influence of managing culture in organizations on the performance. According to Thompson, et al (2012) a company's corporate culture is mirrored in the character of personality of its work environment. The study explored the characteristics of culture within the organizations and found that it was rather rigid, controlled and result-oriented. The culture entailed developing policies, procedures and operational systems and strictly adhering to the organizational values, business principles and ethical standards. The culture of friendliness, good interaction and reward by the management was only in few organizations.

The organizations had different types of cultures. Most of them had role and power culture where authorities delegated were within defined structures and power was concentrated among small group of people. From the managerial perspective, most of the organizations had hierarchical culture where the focus was internal and controlled while others had adhocracy culture where the focus was external and workplace was dynamic and leaders stimulated innovation. The study noted that culture was found to be rigid and result-oriented with little flexibility for friendly interaction. The results concur with Handy (1985) views that controlled culture is characterized by procedures (which are highly valued), strict roles descriptions and authority definitions.

Changing the culture of an organization is a key priority to the managers. According to Rowe (2001) for a firm to be allowed to be more competitive, strategic leaders must learn on how to shape a firm's shared values and symbols. In this study, different organizational leadership used different methods to change the culture of the people. This was mostly done through training, recruitment new people with different cultures, transferring people to other places and also through restructuring of the organizational designs. Role modelling and promotions were other methods but rarely used to change the culture of organizations. Strickland, et al (2008) argued senior executives have to take lead in promoting certain enabling culture drivers such as a strong sense of involvement on the part of company personnel. The efforts to manage and change culture are thus welcome and strategic.

The regression test done to test the hypothesis found that managing organizational culture was perceived to have insignificantly decreased the performance of the organizations by 0.105 units. This was possibly due to the resistance to change to adopt new changes in the organization, lack of involvement in culture management processes among others things. However, the corresponding p value of the model was 0.081 ($p>0.05$). Therefore, the null hypothesis was not rejected that the management of organizational culture was not significant in influencing the performance of the tourism organizations. Many researchers have given their conclusion that there exists no link between organizational culture and firm performance lacks consistency and compelling support (e.g., Detert, Schroeder, & Mauriel, 2000; Hartnell, Ou, & Kinicki, 2011). In an effort to resolve these inconsistencies, some researchers have suggested that the relationship between culture and organizational performance is contingent on environmental conditions. One argument is that because of the corresponding social control that promotes conformity among members, strong-culture firms may gain advantages in stable environments but, they may perform worse or less reliably in dynamic environments and during periods of change (Sørensen, 2002; Van den Steen, 2005). Strong cultures may reduce a firm’s performance because many organizations operate in dynamic environments. Rousseau (1990) studied to overcome some of the limitations in measuring the culture of organization. The results indicated that there is no positive correlations between culture and employees performance.

The third objective of the study was to determine the perceived effect of the resource portfolio on the performance of the tourism government organizations. According to the results, the financial resources were the most important, followed by organizational capabilities and human resources. Technological and physical resources were stated to contribute to strategic planning to a great extent. David (2007) argued that financial, human, physical and technological resources are the major resources which could be used to achieve the organisation's objectives.

The study found that majority of the respondents felt that resource portfolio contributed to performance of the organizations to very great extent. A regression test of the resource portfolio on the performance of the tourism government agencies showed that unit increase in resources significantly increased the performance of the organizations by 0.506 units. Since the p value was significant ($p<0.001$) the null was rejected and the alternative hypothesis adopted that resource portfolio had significance effect on the performance of the tourism organizations for the government. The findings are in line with the concept of Resource based view (RBV) that a firm's strategic advantages are based on its distinct combination of assets, skills, capabilities and intangibles.

The respondents felt that external environment affected the way organizations performed. According to Thomas, et al (2012) seven principle components of macro environment are: population demographics; societal values and lifestyles; political, legal and regulatory factors; the natural environment and ecological factors, technological factors; general economic conditions; and global forces and that every company operates under this macro environment that goes well beyond just the industry in which it operates from. In this study, the political climate such as political violence, terrorism, travel advisories had a negative effect of the performance. On the contrary, political stability had positive influence on the performance. The economic factors such as economic crisis, low economic growth rates, and fluctuation of global currencies negatively influenced the performance of the organizations. The social environment was not so powerful in influencing the performance of the tourism organizational agencies. From a technological angle, advances in technology, internet accessibility and speed of technology transfers affected the degree to which organizations could perform. The ecological environment also moderated the activities of the tourism organizational agencies in Kenya. Lastly the legal environment was also found to be a key aspect in tourism sector. A highly regulated environment discouraged malpractices which otherwise decrease the performance of the tourism organizations in the Kenya.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the major findings of the study and also draws conclusions, recommendations for practice and suggestions for further research based on the results of this study.

5.2 Summary

The general objective of the study was to investigate the perceived influence of strategic leadership on organizational performance in tourism government agencies. In particular the study sought to determine the perceived influence of strategic direction, organisation culture and resource portfolio on the organisational performance of tourism government agencies in Kenya. Since the factors could be controlled internally, the study took cognisance of the perceived moderating influence of organisation external environment on the relationship between strategic leadership and organisation performance of tourism Government agencies in Kenya. The summary is organised as per the specific objectives in the following sections.

5.2.1 Perceived influence of strategic direction on organization performance

The study studied the perceived influence of strategic direction on the performance of the organization to establish how the roles and guidance of the leaders were perceived to have influenced the performance of the tourism agencies in Kenya; the results found that top managers had a variety of functions and roles on performance of the tourism agencies in Kenya. Firstly, the results indicated that to a great extent senior managers agreed on the organizational strategies of the organizations and clearly communicated the strategies to the staff members. The results further showed that laid down organizational strategies guided the identification of skills and knowledge needed by the staff members to a great extent. The respondents indicated that in their organizations there was willingness to change when such changes arose; however, there was lack of consensus among the responses. This means that in some organizations there was inertia to changes and the willingness to change was not welcomed. Strategic planning in most of the organizations was mostly done by the CEOs, the directors and the board. The participation of the rest of the staff members was limited. Thus the strategies in most organizations were skewed towards the management thinking and opinions. The results also pointed to some lack of involvement of the lower level staff members in strategic planning. This showed that in most of the public tourism related agencies, strategic planning was highly dominated by the senior managers.

In terms of implementation, the top managers, departmental heads, middle level managers, CEOs, directors and supervisors were the ones, to a great extent who implemented the created strategies in tourism related agencies in Kenya. However, other employees such as the subordinate and lower cadre employees implemented the strategies to a moderate extent. This similarly shows that strategic planning and implementation was mostly done by the senior managers. This could be the reason for the little implementation efforts of the strategies by the lower staff members. Majority of the managers felt that strategic direction influenced the performance of the tourist related agencies in Kenya to a great extent. A regression test further found that strategic direction with and without influence of external environment had significant perceived effects on the performance of the tourism related agencies in Kenya.

5.2.2 Perceived influence of organization culture on organization performance

The second objective of the study was on the perceived influence of organizational culture on the performance of the tourism related government agencies. The study found that culture was regulated by policies and procedures and operational systems. Secondly, most of the organizations had strong organizational values, business principles and ethical standards. However, the culture of interaction between managers and staff members was found in only few organizations. Further, most of the organizations did not have a good work climate, and reward system by the management.

According to most of the staff members the type of culture in most of the organizations was role culture where authorities were delegated within highly defined structures. At the same time power culture where power was concentrated among a small group and existence of some key central people. The organizations were characterized by task oriented culture where there was much focus on the tasks rather than the welfare of employees. On the other hand the management opined that their organizations exhibited hierarchical culture where the focus was internal and very much controlled within a bureaucratic structure.

The staff and managers provided views on the extent to which their leaders moulded the culture of their organizations. The results showed that to a great extent training was adopted by leaders to change the culture of their respective organizations. However, there was a wide variation of the responses implying that this was not common in all the organizations. Other methods such as recruitment, transfers and restructuring of the organizational designs were used by some leaders to a moderate extent to change the culture of the organizations. Role modelling and promotions were other methods used moderately by leaders to change the culture of their organizations. This was however not common to all the organizations.

In a nutshell, the results showed that most of the tourism related public agencies were perceived to be highly regulated by policies and procedures which was common in government organizations. The culture of the agencies was task oriented and highly focused on the roles of the organizations. The organizations had a hierarchical culture where the structure of the agencies was very tall and power was within the top managers of such agencies. The staff members and managers provided an overall rating of the effect of organizational culture on the performance of the tourism organizations. The results showed that most of the respondents felt that organizational culture affected the performance of their organizations to a great extent, however the hypothesis test indicated that culture did not have a significant influence on organisational performance.

5.2.3 Perceived influence of organization resource portfolio on organization performance

The third objective of the study was to determine the perceived effect of resource portfolio on the performance of tourist organizations. Several types of resources were considered in the study. The managers and staff members felt that that financial resources, organizational capabilities and human resources affected the performance of the organisation to a very great extent while technological resources and physical resources affected the performance of the organizations to a great extent across the organizations. The respondents also stated other factors that are necessary in attaining organisation performance; political stability/good governance, strong leadership, justice to all in allocation of duties- gender, ethnic and regional parity, conducive working environment, legal factors, transport and communication, change of personnel attitude, complying to the set budgetary level, creating team spirit-through team building, degree of employee autonomy, goodwill, human resources, interpersonal relationship, organizational culture, values and morals, government influence, and time management. This means that the availability of resources also needed to be backed up by other factors for an organization to achieve the stated organizational plans. The results affirmed the need for management to adopt a holistic approach to resource management taking all factors into consideration.

The respondents gave an overall rating of the effect of resources on the performance of the organizations. The results showed that majority of the respondents felt that resources influenced the organizational performance by a very great extent. A regression test showed that resource portfolio significantly influenced the performance of the tourism related public agencies in Kenya.

The researcher probed information on the challenges facing organizations in their efforts to acquire resources. The challenges stated were; Limited financial resources- The funds received/budgeted are inadequate, bureaucracy in procedures/processes-too many signatories leading to delays/long processes/ procedures/delayed funding/deliveries, lack of working tools-photocopiers, scanners ,cartridges, aged computers/offices, lengthy procurement process, Shortage of non-financial resources-goods go out of stock, government regulated and controlled resourcing, lack of technical skills/expertise, leadership style-reluctant management/lack of goodwill, limited human capital, Government policies-gives priority to other sectors, misappropriation of funds- purchasing, payment of fake and untrue trips inside and outside the country, and procurement failures.

5.2.4 Perceived moderating influence of organisation external environment on the relationship between strategic leadership and organisation performance

The researcher studied the components of the external environment and how they were perceived to affect the performance of the tourism related organizations. The first one was political climate. The managers and staff members indicated that factors such as terrorism and piracy, travel advisories, political and election violence and status of the political stability affected the organizational performance of the tourism organizational adversely**.** Further, the respondents indicated that economic factors such as budget/resources, global economic crisis and lastly, the global fluctuations of the currency exchange rates influenced the performance of such organizations to a great extent. The respondents indicated that negative social effects of tourism such as sex tourism and drug use affected the organizational performance to a great extent. The influence of different cultures and population demographics affected the performance of the organizations moderately. The advancement in technologies, internet accessibility and technology transfer influenced the performance of the tourism organizations to a great extent. Also ecological environment and factors such as mass tourism, traffic congestion global warming and poor waste disposal influenced the performance of their organizations moderately. Lastly, the results showed that legal factors such as news laws and legislation, new constitution, labour laws and legislations influenced the performance of the organizations to a great extent.

Upon testing the moderating effect of the external environment on organisation performance, the results showed that the political environment reduced the performance of the organizations by 0.063 units, economic factors increased the performance by 0.207 units and technological factors by 0.017 units. The ecological factors would decrease the performance of the organizations by 0.257 units while legal factors also declined the performance by 0.112 units. The contribution of social factors was positive and increased the performance of the organizations by 0.019 units. The multiple regression tests showed that the external environment was perceived to hinder the influence of strategic direction, organizational culture and resource portfolio on the performance of tourism related public agencies.

5.3 Conclusions

5.3.1 Perceived influence of strategic direction on organisation performance.

Strategic direction was perceived to have an influence on organisation performance. In all the organisations, strategic direction was perceived as being determined by the top management and cascaded to other staff cadres. Top management were viewed to have determined the vision, mission, values and objectives of the organisation, and later communicated to the rest of the staff. Due to the limited participation of the staff in the strategy formulation, strategies in most organizations were skewed towards the management thinking and opinions. Implementation of the strategies was done by all staff in the organisation but mostly emphasised by the senior managers.

5.3.2 Perceived influence of organisation culture on organisation performance.

Organisational culture was not perceived to have a significant effect on the performance of the tourism organisations. This was mainly due to the fact that restructuring was rarely done upon implementation of new strategy and at the same time, change was always met with resistance. Training was the most commonly used method of culture change in the organisations; recruitment, transfers and restructuring of the organizational designs were also in use but to a moderate extent. Role modelling and promotions were other methods but not common to all the organizations. Social interaction was very limited in most of the organisations, and the environment was mainly composed of a set of excellent policies and procedures and operational systems as well as strong organizational values, business principles and ethical standards. Role culture was the most common type of culture where authorities were delegated within highly defined structures, at the same time the organizations exhibited hierarchical culture where the focus was internal and very much controlled.

5.3.3 Perceived influence of organisation resource portfolio on organisation performance.

The results showed that financial resources, organizational capabilities and human resources were perceived to have the greatest contribution to the organisations performance. Similarly, the respondents felt that the technological and physical resources had an influence on the performance. The organisations faced several challenges that mainly related to lack of adequate financial support, lengthy procurement process, limited work force and lengthy bureaucratic procedures. There was general consensus from the respondents that the organisation resource portfolio had an influence on the performance of the tourism organisations.

5.3.4 Perceived moderating influence of organisation external environment on the relationship between strategic leadership and organisation performance

An analysis of the external environment in which tourism operated indicated that terrorism and piracy, negative travel advisories, political and election violence, political instability, the amount of budget/resources, global economic crisis, the global fluctuations of the currency exchange rates, sex tourism, drug use, internet accessibility, technology transfer, mass tourism, traffic congestion, global warming and poor waste disposal, as well as adoption of news laws and legislation, were some of the factors that were perceived to have a great influence on the performance of the tourism organisations.

To test the perceived moderating effect of the external environment on the organisation performance of the tourism organizations, a hypothesis test was done, which indicated that holding other factors constant, a unit improvement in strategic direction and resource portfolio increased the organizational performance. Similarly, holding other factors constant, a unit increase in efforts by the leaders to change the organizational culture decreased the performance. In conclusion therefore, the results indicated that the external environment was perceived to have an influence on the performance of the tourism organisations.

5.4 Recommendations

5.4.1 Recommendations for Managerial Practice

The study found that senior managers were mostly the ones involved in strategic planning. Thus the lower level staff members hardly participated in planning. It was thus recommended that low cadre staff be involved in the strategic planning exercise; this could be done by seeking the views and opinions of the staff on the strategies to develop in order to improve organizational planning so as to foster implementation and make the staff to be part of the progress of the organization.

The study found that culture was mainly managed through training while other methods were not given much priority. Thus for strategic management to be successful in the organisation the management needed to do culture change, this should not only be done through training but also through other methods like recruitment of staff with relevant skills and knowledge to enable implementation of the strategy, in addition, transfers and restructuring of the organizational designs, role modelling and promotions of staff should be considered. The culture in the organisations should aim at good interaction between the managers and staff, the spirit and climate that pervades work climate should be friendly and professional and foster team work, a reward management system should be adapted to motivate the staff.

The resource portfolio was viewed to significantly affect the performance of tourism related public agencies. These resources included human resources, physical and technological resources. It was thus recommended that such agencies acquire the right staff for the right job and ensure that recruitment of was done objectively and strictly based on professional qualification and experience. The organisations should adopt technology that is up to date and relevant to the various functions in the organizations. There was a need to provide necessary working tools and equipment to enable the staff to perform their functions/ roles with limited difficulty.

Taking into consideration the perceived influence of leadership on the performance of the tourism related agencies, the following recommendations pertaining to leadership were made: equity and fairness to all staff members on all matters-allocation of resources, duties, embracing teamwork, effective communication, awareness and sensitization of policies, products, processes, motivating and inspiring employees, having accountable, open, transparent leadership, staff/employee involvement in decision making, changing the organizational culture, employee reward and recognition based on performance, structured succession planning, fair promotions/allocation of duties, prioritization of organizational activities, participate in training on leadership, having adequate staffing, prudent use of financial resources, proper re-organization of tasks, departments , roles, duties, delegation of power and authority, frequent engagement with stakeholders, avoiding political interference on appointments, good relationship between the staff and the management, having regular staff meetings to handle emerging issues in organisations, have complete Board of Directors, entrench the core functions of the organizations to the tourism acts to minimize frequent changes of functions**.**

To improve performance some initiatives such as the following could be adopted: having mentorship programs for the staff, increasing the size of the workforce, adopting balance score card as a way of enhancing performance, adhering to performance contract, motivation of the staff members through allowances, fairness in promotion, reasonable remuneration/reward and recognition, team work, recruiting competent/skilled staff, matching staff skills with the areas /departments, adequate/ consistent provision of resources-materials. equipment, facilities, offices, embracing new technology, exposure to emerging trends/benchmarking, effective communication of strategies, plans and policies, building a strong result oriented culture, development /promotion of tourist products/tourism facilities, wide inclusivity in decision making-staff and management, strong focused leadership, building a strong result oriented culture, upgrading the standards to meet international levels/improved service delivery, Strategic partnerships-with private sector players, strategic marketing and advertising, creating stable political environment, full operationalization of the tourism regulations, enhancing security, strictly following laid down policy structures, adoption of ISO standards, improved procurement and tendering processes, improving infrastructure, monitoring and evaluation of strategies, research and development.

5.4.2 Recommendations for Policy Makers

Resources such as financial resources were found to have significant effect on the performance of the tourism agencies. Increase budgetary allocations to the sector in order to enable improved performance of the organizations and the industry as a whole is therefore recommended. Also there is need to reduce the processes in the acquisition of the resources by lessening red tape and bureaucracy, which creates delays in service provision and performance.

From the research findings, it was evident that political factors adversely affect the tourism industry in Kenya, it is therefore of great importance to mitigate this factor by enhancing on the PR and Marketing of the industry and pushing messages and images that give a positive image of the destination, in order to reassure the tourists. There was therefore need to lobby the government, the political class and relevant stakeholders on the need to maintain peace and stability and to enhance security in the country. The political stability of the country fosters economic growth which pushes both domestic and international tourism.

Increased number of tourists to the destination lead to mass tourism and an effect to the ecosystem, there was therefore need to mitigate this by adopting sustainable tourism to mitigate the effects of climate change and impact of large tourist numbers

5.4.3 Study recommendations to theory

The findings of the research confirmed that the strategic leadership dimensions covered in this study (Organisation culture, strategic direction and organization resource portfolio) had an influence on organization performance of tourism government agencies in Kenya. The results were in conformity with other researches on the area of strategic leadership (Hitt and Ireland (2001), Jooste and Fourie (2009), Lear (2012), Nthini (2013), Chepkirui (2012) the moderating variable converged to the hypothesised model. This meant that although these strategic leadership practices were developed using literature from the west and more so developed countries their items converged very well to the Kenyan context.

5.4.4 Areas of further research

This study was restricted to three independent variables these being strategic leadership, organization culture and organization resources. A moderating variable, external environment was also introduced into the three variables. There are other independent variables that may affect the observed findings but which are not accounted for in the model, these independent variables include human resource, ethical considerations, and organization controls. Similarly, there are other moderating variables other than the one mentioned, which may influence the relationship between the independent and dependent variables.

Also the study focused on the effect of strategic leadership on the performance of the tourism related public agencies. However, it is equally important for similar studies to be done with focus on other public agencies and private organizations to generate adequate knowledge on strategic leadership and organizational performance.

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APPENDICES

Appendix 1: Introductory Letter

Dear Sir/Madam

RE: INTRODUCTION LETTER.

I am a student studying a PhD in Business Administration (Strategic Management) at the Jomo Kenyatta University of Agriculture and Technology. In partial fulfilment of the requirement for the award of a postgraduate degree, I am required to do a thesis, the topic of my thesis is: *The Perceived Influence of Strategic Leadership on Organisational Performance in Tourism Government Agencies in Kenya.*

You have been selected to participate in this study and I would kindly request for your assistance in filling this questionnaire

The information provided is strictly for academic purpose and will be handled with strict confidence. Your assistance and co-operation will be highly appreciated.

A copy of the paper would be availed upon request

Yours sincerely,

Leah Ng'ang'a

Reg. No. HD 433-C002-2323/013

Appendix 2: Management Questionnaire

Part 1: Agency Profile

1. Name of organisation?

____

2. How many years have you worked in the organisation?

☐ Less than one year

☐ 1-3 years

☐ 4-5 years

☐ Over 5 years

3. What position do you hold in the organisation?

____

____

4. How many employees do you have working under you in the organisation?

☐ Less than 10

☐ 11-50

☐ 51-100

☐ Over 100

PART II. INFORMATION ON THE INFLUENCE OF STRATEGIC LEADERSHIP ON ORGANISATION PERFORMANCE IN TOURISM GOVERNMENT AGENCIES IN KENYA.

A. Strategic direction

5. To what extent does each of the following people participate in the strategic management planning

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
All managers					
A few selected managers					
All heads of departments					
A selected team from various departments and management levels					
The CEO or Managing Director					
The Board					
The line Managers (Supervisors)					
All the employees					

6. To what level would you say the following implement strategy once formulated

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
CEO and Directors					
Top managers					
All heads of departments					
Middle level managers					
Supervisors					
Others					

If others please name them____

7. To what level would you say the organisation leadership was involved in the creation of the following:

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Vision					
Mission					
Values					
Objectives/goals					

8. To what level would you say strategic direction influences organisation performance?

☐ Very great extent

☐ Great extent

☐ Moderate extent

☐ Little extent

☐ Not at all

B. Organisation culture

9. What would you say is the culture of your organisation? Please choose one type.

☐ Clan culture (internal focus and flexible) - A friendly workplace where leaders act like father figures.

☐ Adhocracy culture (external focus and flexible) - A dynamic workplace with leaders

that stimulate innovation.

☐ Market culture (external focus and controlled) - A competitive workplace with leaders like hard drivers

☐ Hierarchy culture (internal focus and controlled) - A structured and formalized workplace where leaders act like coordinators

10. To what level would you say the organisation used the following techniques to alter the organisation culture?

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Recruitment					
Training					
Transfers					
Promotion					
Role modelling					
Restructuring of the organisation design					

11. To what level would you say organisation culture influences organisation performance?

- [ ] Very great extent
- [ ] Great extent
- [ ] Moderate extent
- [ ] Little extent
- [ ] Not at all

C. Resource portfolio

12. To what extent would you say the following resources will be necessary in the attainment of your organisation's strategic plan?

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Financial Resources					

Human Resources					
Physical Resources					
Technological Resources					
Organisation capabilities (Skills-people, processes,)					

Others____

13. What challenges (if any) have you faced in the acquisition of the resources necessary to implement your organisation strategy?

____

____

____

14. To what level would you say organisation resources influence organisation performance?

- [ ] Very great extent
- [ ] Great extent
- [ ] Moderate extent
- [ ] Little extent
- [ ] Not at all

D. Organisation External Environment

15. To what extent do the following external environmental changes affect organisation performance?

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Political Factors					

Political/election violence					
Political Stability					
Terrorism and piracy					
Travel advisories					
Economic Factors					
Global economic crisis					
Global fluctuating foreign currency exchange rates					
Economic growth rate					
Budget/resources					
Technological Factors					
Limited internet accessibility					
Advanced technology					
Speed of technology transfer					
Ecological Factors					
Global warming					
Poor waste disposal					

Congestion and traffic					
Mass tourism					
Social Factors					
Influence of culture					
Negative social effects of tourism for example-sex tourism and drug use					
Population demographics					
Legal Factors					
New laws and legislation - New constitution, labour laws and tourism act.					

E. Organisation performance

16. What was your company growth in percentage (%) in the following years?

2012…………….. 2013………………… 2014…………………

17. How satisfying was your company's overall service delivery in the following years?

Use a 5 –point scale where 5= very satisfied, 4=satisfied, 3= neutral, 2=dissatisfied, 1= very dissatisfied

Year	5	4	3	2	1

2012					
2013					
2014					

18. Please indicate the numbers in the following aspects of your company for the past three years:

Aspects	2012	2013	2014
Number of employees			
Tourist arrivals			

19. Which indicators are mostly used to measure the performance of your organisation?

____

____

20. Suggest ways of enhancing the performance of your organisation?

____

____

____

Appendix 3: Employee questionnaire: Non Management staff

1. Name of organisation? ____

2. How many years have you been working in the organisation?

☐ Less than one year

☐ 1-3 years

☐ 4-5 years

☐ Over 5 years

3. What position do you hold in the organisation? ____________________________

PART II. INFORMATION ON THE INFLUENCE OF STRATEGIC LEADERSHIP ON ORGANISATION PERFORMANCE IN TOURISM GOVERNMENT AGENCIES

A. Strategic Direction.

4. To answer the questions below, Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all,

Description	**5**	**4**	**3**	**2**	**1**
Organisational strategies are clearly communicated to me					
Organisational strategies guide the identification of skills and knowledge I need to have.					
People here are willing to change when new organisational strategies require it.					

Our senior managers agree on the organisational strategy.					

5. To what level would you say strategic direction influences organisation performance?

- [ ] Very great extent
- [ ] Great extent
- [ ] Moderate extent
- [ ] Little extent
- [ ] Not at all

B. Organisation culture

6. Check **one feature** that best describes the culture of your organisation?

- [ ] Strong organisation values, business principles, ethical standards.
- [ ] Excellent policies and procedures and operation systems.
- [ ] The spirit and atmosphere that pervades the work climate.
- [ ] The way the managers and employees interact with one another.
- [ ] Good actions and behaviour are explicitly encouraged and rewarded by management in the form of compensation and promotion.
- [ ] The manner in which the company deals with external stakeholders.

7. What would you say is the culture of your organisation? **Check one** that applies.

- [ ] Power Culture (power is concentrated among a small group or central figure)
- [ ] Role Culture (authorities are delegated within a highly defined structure)
- [ ] Task Culture (Teams are formed to solve particular problems)
- [ ] Person Culture (People believe they are superior to the organisation)

8. To what level would you say your leadership used the following techniques to alter the organisation culture?

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Recruitment					
Training					
Transfers					
Promotion					
Role modelling					
Restructuring of the organisation design					

9. To what level would you say organisation culture influences organisation performance?

- [ ] Very great extent
- [ ] Great extent
- [ ] Moderate extent
- [ ] Little extent
- [ ] Not at all

C. Resource Portfolio

11. To what extent would you say the following resources will be necessary in the attainment of your organisation's strategic plan?

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Financial Resources					
Human Resources					

Physical Resources					
Technological Resources					
Organisation capabilities (Skills-people, processes)					

Others

specify____

____

12. What challenges (if any) have you faced in the acquisition of the resources necessary to perform your duties?

____

____

____

13.To what level would you say organisation resources influence organisation performance?

- [ ] Very great extent
- [ ] Great extent
- [ ] Moderate extent
- [ ] Little extent
- [ ] Not at all

D. Organisation External Environment

14. To what extent do the following external environmental changes affect the organisation performance?

Use a 5 –point scale where 5= very great extent, 4=great extent, 3= moderate extent, 2=little extent, 1= not at all

Description	**5**	**4**	**3**	**2**	**1**
Political Factors					

Political/election violence					
Political Stability					
Terrorism and piracy					
Travel advisories					
Economic Factors					
Global economic crisis					
Global fluctuating foreign currency exchange rates					
Economic growth rate					
Budget/resources					
Technological Factors					
Limited internet accessibility					
Advanced technology					
Speed of technology transfer					
Ecological Factors					
Global warming					
Poor waste disposal					
Congestion and traffic					
Mass tourism					
Social Factors					
Influence of different cultures					

Negative social effects of tourism for example-sex tourism and drug use					
Population demographics					
Legal Factors					
New laws and legislation - New constitution, labour laws and tourism act.					

E. Organisation performance

15. How satisfying was your company's overall service delivery in the following years?

Use a 5 –point scale where 5= very satisfied, 4=satisfied, 3= neutral, 2=dissatisfied, 1= very dissatisfied

Year	5	4	3	2	1
2012					
2013					
2014					

16. Which indicators are mostly used to measure the performance of your organisation?

17. Suggest ways of enhancing the performance of your organisation?

General

18. What possible leadership challenges is the organisation facing that might affect organisation performance?

19. What possible leadership suggestions can you give to enhance on overall organisation performance?

____

____

____

Appendix 4: Challenges facing organizations when acquiring resources

Challenges	N	Percent
Limited financial resources-funds received/budgeted are inadequate	90	41.30%
Bureaucracy in procedures/processes-too many signatories lead to delays/long processes/ procedures/delayed funding/deliveries	29	13.30%
Unnecessary delays-too many signatories lead to delays/bureaucracy/long processes/ procedures/delayed funding/deliveries	18	8.30%
Lack of funding/finances	13	6.00%
Lack of working tools-photocopiers, scanners ,cartridges, aged computers/offices	11	5.00%
Challenging procurement process-lengthy	10	4.60%
Shortage of non-financial resources-goods go out of stock/detergents/	10	4.60%
Government regulated and controlled resourcing i.e government controls funds and their utilization.	9	4.10%
Lack of technical skills/expertise	9	4.10%
Leadership style-reluctant management/lack of goodwill	9	4.10%
Training challenges-not facilitated by the organizations	6	2.80%
Limited human capital	5	2.30%
Lack of clear promotion procedures/criteria/favoritism in promotions	4	1.80%
Low motivation of staff-low pay/terms of service	4	1.80%
No challenges so far so good	4	1.80%
Signatures are not available	4	1.80%
Corruption	3	1.40%
Government policies-gives priority to other sectors	3	1.40%
Misappropriation of funds- purchasing, payment of fake and untrue trips inside and outside the country	3	1.40%

Procurement failures	3	1.40%
Government policies	2	0.90%
Lack of technological resources	2	0.90%
Unequal allocation of resources	2	0.90%
Untimely funding	2	0.90%
Absence of the board for a long period of time/incomplete boards	1	0.50%
Access to journals and books (research materials is a key challenge)	1	0.50%
Delay in remittance of funds	1	0.50%
Inconsistent level of funding	1	0.50%
Lack of track of financial resources	1	0.50%
Political influence	1	0.50%
Total	**261**	**119.70%**

Appendix 5: Performance measurement in organizations.

Measurement of organization performance	N	Percent
Revenue generated/collection- revenue growth rate	91	32.50%
Performance contract-appraisals	74	26.40%
Tourist arrivals -both international and domestic	64	22.90%
Balanced score card	21	7.50%
Customer feedback/surveys-complains, compliments	18	6.40%
Number of students enrolled/trained	13	4.60%
Students graduation rate	13	4.60%
ISO evaluation/certification	11	3.90%
Bed occupies	10	3.60%
Customer satisfaction	10	3.60%
Development /promotion of tourist products/tourism facilities	8	2.90%
Number of delegates	8	2.90%
Quality of services/level of standards maintained	7	2.50%
Demand/absorption rate/performance of graduates in the market	6	2.10%
Students pass rate	5	1.80%
Target setting/meeting-deadlines/output	5	1.80%
Number of work permits	4	1.40%
Number of hotel bookings	4	1.40%
Financial allocation absorption capacity	3	1.10%
Financial resources, organizational capabilities (skills, people, technological resources)	3	1.10%
Implementation of tourism strategies	3	1.10%
Number of consultancies conducted	3	1.10%
Organization performance index	3	1.10%
Output	3	1.10%
Repeat guests	3	1.10%
Utilization of allocated funds	3	1.10%
Audits	2	0.70%

Compliance to budgetary allocations	2	0.70%
Events hosted	2	0.70%
Issuance of licenses	2	0.70%
Number of inspected enterprises	2	0.70%
Number of stakeholder meetings	2	0.70%
Performance contract	2	0.70%
Process indicators	2	0.70%
Conferences held/ships received	1	0.40%
Development index	1	0.40%
Innovations, resolution of public complains, level of autonomy, competency development, environmental sustainability, corruption eradication	1	0.40%
Number of establishments-imported/exported	1	0.40%
Number of establishments-imported/exported/classified	1	0.40%
Park visits	1	0.40%
Projects/programs implementation	1	0.40%
Work plans	1	0.40%
Total	**420**	**150.00%**

Appendix 6: Suggestions for improvement of performance

Suggestions from the respondents	N	Percent
Training and development of the human resource-mentorship programs	88	31.90%
Motivation of the staff-allowances, fairness in promotion, reasonable remuneration/reward and recognition/job security	63	22.80%
Adequate/ consistent provision of resources-materials. Equipment, facilities, offices	62	22.50%
Working as a team	17	6.20%
Exposure to emerging trends/benchmarking	16	5.80%
Embracing new technology	14	5.10%
Effective communication of strategies, plans and policies	13	4.70%
Recruiting competent/skilled staff	12	4.30%
Wide inclusivity in decision making-staff and management	12	4.30%
Development /promotion of tourist products/tourism facilities	11	4.00%
Strong focused leadership	11	4.00%
Building a strong result oriented culture	10	3.60%
Upgrading the standards to meet international levels/improved service delivery	10	3.60%
Strategic marketing and advertising	9	3.30%
Strategic partnerships-with private sector players,	9	3.30%
Creating stable political environment	8	2.90%
Strategic planning and management of activities and systems	8	2.90%
More stakeholder engagement	7	2.50%
Through innovation	7	2.50%
Supporting employee growth and development	6	2.20%
Full operationalization of the tourism regulations	5	1.80%
Increase the size of the workforce	5	1.80%
Integrated and open management system	5	1.80%
Matching staff skills with the areas /departments	5	1.80%

Prudent use of financial resources-taming false trips and claims	5	1.80%
Strictly follow laid down policy structures, ISO standards	5	1.80%
Performance measurement framework	4	1.40%
Strategic restructuring of the departments/processes and the staff	4	1.40%
Adhering to performance contract	3	1.10%
Timely delivery of materials/facilitation	3	1.10%
Enhancing security	2	0.70%
Improved procurement and tendering processes	2	0.70%
Improved supervision	2	0.70%
Introducing performance management tied to pay e.g balance score card	2	0.70%
Monitoring and evaluation of strategies	2	0.70%
Reduction of taxes	2	0.70%
Research and development	2	0.70%
Strategic planning and management of activities and systems	2	0.70%
Building result oriented culture	1	0.40%
Efficient utilization of resources	1	0.40%
Improving infrastructure	1	0.40%
Strong financial controls	1	0.40%
Total	**457**	**165.60%**

Appendix 7: Leadership challenges facing organizations

Leadership challenges	n	Percent
Un professional leadership style -leaders easily swayed by gossip /dictatorial leadership	35	19.90%
Lack of clear communication/delegation of duties	24	13.60%
Succession politics	19	10.80%
Political interference-through appointment/budget allocation	16	9.10%
Financial challenges-defaults by loanees, underfunding	13	7.40%
Leadership wrangles	12	6.80%
Bureaucracy	11	6.30%
Non-inclusion of all staff members in decision making	11	6.30%
Tribalism, nepotism, corruption	9	5.10%
Lack of teamwork	8	4.50%
High turnover rate of skilled officers/staff members	7	4.00%
Selective promotions, transfers, division of tasks	7	4.00%
Low motivation levels of the staff	6	3.40%
Non performing organizational culture	5	2.80%
Change of leadership	4	2.30%
Lack of board of directors	4	2.30%
Lack of clear guidelines on roles and responsibilities and lack of alignment around a common vision	4	2.30%
Lack of comprehensive scheme of service	4	2.30%
Inadequate staffing levels	3	1.70%
Lack of training and development	3	1.70%
Conflict of interest	2	1.10%
Inadequate facilitation	2	1.10%
Lack of adequate senior staff	2	1.10%
Lack of monitoring	2	1.10%
Stringent government policies	2	1.10%
Default by the loanees	1	0.60%
External and internal influences	1	0.60%
Lack of professionalism	1	0.60%
Total	**218**	**123.90%**

Appendix 8: Possible leadership solutions

Possible leadership solutions	n	Percent
Equity, fairness to all staff members on all matters-allocation of resources, duties	22	12.30%
Embracing teamwork	20	11.20%
Effective communication, awareness and sensitization of policies, products, processes	18	10.10%
Motivating and inspiring employees	15	8.40%
Accountable, open, transparent leadership	13	7.30%
Employee training	12	6.70%
Staff/employee involvement in decision making	12	6.70%
Changing the organizational culture	9	5.00%
Having competent qualified leaders	9	5.00%
Employee reward and recognition based on performance	8	4.50%
Mentorship of young talents	8	4.50%
Structured succession planning	8	4.50%
Fair promotions/allocation of duties	7	3.90%
Prioritization of organizational activities	6	3.40%
Training on leadership	6	3.40%
Employing competent qualified staff	5	2.80%
Proper re-organization of tasks, departments, roles, duties	5	2.80%
Prudent use of financial resources	5	2.80%
Adequate staffing	4	2.20%
Adequate timely provision of resources	4	2.20%
Adopting professional leadership	4	2.20%
Delegation of power and authority	4	2.20%
Frequent engagement with stakeholders	3	1.70%
Transformative leadership	3	1.70%
Avoiding political interference on appointments	2	1.10%
Close monitoring/supervision	2	1.10%
Expansion of the facilities to generate more revenue	2	1.10%

Good relationship between the staff and the management	2	1.10%
Have regular staff meetings to our emerging issues	2	1.10%
Having complete board of directors	2	1.10%
Proper scheme of service	2	1.10%
Proper use of organizational resources	2	1.10%
Clear lines between professionalism and politics	1	0.60%
Develop performance improvement plans for employees whose performance falls below expectations	1	0.60%
Entrench the core functions of the organizations to the acts to minimize frequent changes of functions	1	0.60%
Total	**229**	**127.90%**