

**EFFECT OF STRATEGIC MANAGEMENT PRACTICES ON ORGANIZATIONAL
PERFORMANCE AT NAIVAS SUPERMARKETS IN NAIROBI COUNTY, KENYA**

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DECLARATION

I declare that this proposal has not previously been authorized for a degree by this or any other university. The proposal does not include any previously published or written information unless explicitly stated.

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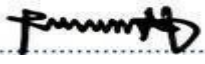
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ABSTRACT

Strategic management practices have become increasingly critical in shaping internal performance outcomes, particularly within highly competitive and rapidly evolving retail environments. In Kenya, the supermarket sector has experienced significant expansion and intensified competition, necessitating effective strategic planning, execution, and evaluation to sustain local branch alignment and operational market position. Despite this, empirical evidence on how specific strategic management practices influence localized administrative performance variance within large retail chains remains limited. The main objective of this study was to examine the predictive association of strategic management practices on internal performance outcomes at Naivas Supermarket in Nairobi County, Kenya. Specifically, the study assessed the effects of strategy formulation, strategy implementation, and strategy evaluation on manager-perceived, non-financial performance indicators. The study was anchored on Competitive Advantage Theory, Agency Theory, and Strategic Fit Theory to explain the linkage between strategic practices and localized administrative performance. The study adopted a positivist research philosophy and an explanatory cross-sectional research design, utilizing primary data collected from 150 managers across 51 Naivas branches in Nairobi County through structured questionnaires. Data analysis was conducted using descriptive statistics, correlation analysis, and multiple linear regression, supported by diagnostic tests to ensure model validity and reliability. The findings revealed that all three strategic management practices had positive and statistically significant predictive associations with internal performance outcomes. Strategy implementation emerged as the strongest predictor, indicating that effective localized execution of strategic plans plays a more critical role than formulation alone. Strategy formulation was also found to significantly influence perceived performance by enhancing strategic direction and alignment, while strategy evaluation contributed to outcomes through continuous monitoring and adaptive improvement. Collectively, the three practices explained 64.8% of the variation in the branch-level non-financial performance metrics, underscoring their substantial combined influence within this specific corporate sample. The study concluded that localized administrative performance variance in large retail enterprises is primarily determined by the execution consistency and internal alignment of strategic management processes, with shop-floor execution being the most critical component. The study recommended that retail organizations should prioritize strengthening internal implementation mechanisms, enhance participatory strategy formulation, and institutionalize robust evaluation and feedback systems to support continuous improvement. These findings provide practical internal insights for store managers and corporate stakeholders seeking to enhance operational performance consistency within a multi-branch network, while also contributing to strategic management literature by offering context-specific empirical patterns from a large retail organization in an emerging economy.

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LIST OF ABBREVIATIONS AND ACRONYMS

CEO: Chief Executive Officer

CSR: Corporate Social Responsibility

ICT: Information Communication Technology

NGOs; Non-governmental Organizations

NTD: National Transit Database

OLS: Ordinary Least Squares

RDТ: Resource Dependency Theory

SARFIT: Structural Adaptation-To-Regain-Fit Model

SMEs: Small and Medium Enterprises

OPERATIONAL DEFINITION OF TERMS

Strategic Management Practices- refer to the set of activities and processes that organizations undertake to plan, execute, and evaluate strategies aimed at achieving long-term objectives. These practices involve a combination of analysis, decision-making, and continuous monitoring to ensure that an organization aligns its resources and capabilities with its goals (Oswego, 2018)

Strategy Formulation-is the process of developing the strategies that an organization will pursue to achieve its goals and objectives. It involves analyzing the external environment, identifying opportunities and threats, understanding internal capabilities and resources, and setting clear goals (Ongore & Kobonyo, 2011)

Strategy Implementation- is the process of putting the formulated strategy into action within an organization. It involves allocating resources, organizing teams, aligning organizational structures, and establishing policies that ensure the execution of the chosen strategy (Aldehayyat, 2011)

Strategy Evaluation- is the process of assessing the effectiveness of the strategies an organization has implemented. It involves measuring performance against the set objectives, monitoring key performance indicators and analyzing both the successes and shortcomings of the strategy (Wheelen & Hunger, 2010)

DEDICATION

This thesis is dedicated to my family, whose endless encouragement has shaped the person I am today. Your sacrifices have been the foundation of my achievements.

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I would like to express my sincere gratitude to my supervisor, Dr. Erastus Mbithi, for the invaluable guidance, insight, and support throughout this research process. Your expertise and encouragement have been instrumental in shaping this work.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Globally, organizations increasingly operate in hyper-competitive and volatile business environments characterized by disruptive technological advancements, market deregulation, and rapidly shifting consumer dynamics. To achieve sustainability and long-term viability under these conditions, firms are compelled to transition from traditional, reactive administrative models toward deliberate, proactive strategic management practices. Within modern strategic literature, organizational success is no longer viewed as a product of static market positioning, but rather as an ongoing process of strategic alignment and renewal. While foundational scholars like Barney (1991) and Porter (2008) emphasized static resource ownership and structural positioning as the primary determinants of competitive advantage, contemporary realities require more dynamic theoretical adaptations. Modern refinements of the Resource-Based View (RBV) through the VRIO framework establish that internal resources yield sustainable performance only if they are valuable, rare, inimitable, and systematically organized to exploit market openings (Kozlenkova et al., 2014). Furthermore, Teece (2018) posits through the Dynamic Capabilities perspective that competitive longevity requires an organization's continuous capacity to sense market shifting, seize emergent opportunities, and reconfigure or transform its internal and external organizational assets. Consequently, strategic management practices specifically disaggregated into strategy formulation, strategy implementation, and strategy evaluation are recognized globally not merely as planning utilities, but as the foundational components through which firms build dynamic resilience and maintain superior performance.

In developed economies, empirical research consistently shows that firms employing structured, integrated strategic management processes significantly outperform those relying on ad hoc decision-making. David et al. (2020) demonstrated that firms executing systematic strategy formulation paired with continuous strategy evaluation possess higher environmental predictive capabilities, allowing for optimized resource configuration and the mitigation of market risks. Similarly, Wheelen et al. (2018) noted that establishing tight feedback loops within strategy evaluation enhances operational agility and structural alignment, which directly translates into

heightened market share and efficiency. These global empirical insights imply that when strategy formulation and implementation operate as mutually reinforcing, dynamically reviewed processes, they actively prevent structural inertia. However, these insights are predominantly derived from developed markets with highly institutionalized, stable market environments, creating a compelling requirement to examine how these strategic dynamics translate into more volatile institutional settings.

Within the African continent, the adoption of structured strategic management practices has become imperative due to an economic landscape characterized by rapid market liberalization, infrastructural constraints, and institutional voids. Firms operating across Sub-Saharan Africa must navigate intense environmental turbulence, including policy inconsistencies and macroeconomic instability, which exponentially amplify operational risk profiles. Empirical tracking by Kamau (2017) across East African corporate entities revealed that organizations utilizing formalized strategic planning and systematic execution metrics reported substantial improvements in both financial metrics and operational capacity over less structured counterparts. In West Africa, Ogbojafor et al. (2011) established formal strategic management practices act as a primary mechanism for organizational turnaround and resilience within resource-constrained environments. These regional findings indicate that in emerging economies, strategic practices transcend competitive positioning; they function as critical frameworks for managing systemic uncertainty and ensuring basic operational survivability. Despite these regional contributions, African empirical literature remains heavily cross-sectoral, frequently obscuring the distinctive operational nuances of large-scale retail and Fast-Moving Consumer Goods (FMCG) environments.

In Kenya, the formal retail sector has emerged as a vital macroeconomic pillar, experiencing extensive structural transformations driven by rapid urbanization, an expanding middle class, and intensified competition from local and foreign market entrants. This hyper-competitive retail ecosystem has been defined by extreme volatility, underscored by the spectacular financial distress and subsequent liquidation of long-standing indigenous retail giants such as Nakumatt, Uchumi, and Tuskys (Mutinda & Mwasiagi, 2018; Ogero, 2020). While common institutional narratives attribute these high-profile corporate failures strictly to financial mismanagement or weak corporate governance, strategic scholars argue that a fundamental cause was a catastrophic lack of

dynamic capabilities and a failure to align strategy formulation with rapid physical expansion (Abbas, 2021). These institutional collapses triggered severe disruptions throughout the agricultural and localized supply chains, caused massive credit defaults within the banking sector, and led to extensive job losses, demonstrating that retail firm performance directly impacts broader national economic stability (Mwakio & Awuor, 2018).

This structural market void did not reduce consumer demand; instead, it catalyzed a fierce market share redistribution, driving the rapid expansion of surviving supermarkets like Naivas, Quickmart, and Carrefour (Wanjohi, 2023). This contemporary retail environment is characterized by thin profit margins, complex supply chain logistics, and highly fluid customer loyalty, forcing surviving operations to execute precise, agile strategic practices to sustain market relevance (Karimi & Waruguru, 2018). Critically interrogating this sector reveals that Naivas Supermarkets represents a highly unique and vital empirical case study. While international chains like Carrefour leverage massive global capital and foreign supply networks, and local rivals like Quickmart rely heavily on aggressive private equity backing and specific fresh-food positioning, Naivas stands as an indigenous, organically scaled retailer that survived the exact structural industry shocks that destroyed its historic peers (Nakumatt and Tuskys). Consequently, studying Naivas provides a highly valuable, localized analytical baseline for examining how an indigenous retail giant leverages internal strategy formulation, implementation, and evaluation to achieve structural strategic fit and operational resilience where others collapsed.

Despite the critical nature of these sector dynamics, localized empirical literature remains highly fragmented, with existing Kenyan studies predominantly focusing on generalized competitive strategies or broad, non-disaggregated management concepts. There is a notable empirical gap regarding how the distinct phases of the strategic management process formulation, implementation, and evaluation interact to drive multi-dimensional performance within the large-scale retail sector. Theoretically, this phenomenon is evaluated by synthesizing Competitive Advantage Theory and Strategic Fit Theory. Competitive Advantage Theory maintains that firms achieve superior outcomes by deploying unique, value-creating strategies that are difficult for competitors to duplicate (Barney & Hesterly, 2015). Strategic Fit Theory complements this by stating that performance is optimized only when a firm's internal strategy, structural design, and resource capabilities are continuously and dynamically aligned with the shifts of the external

environment (Wright & Snell, 2005). These combined theories provide a robust framework to investigate how the alignment of strategic formulation, execution, and evaluation influences organizational performance in highly dynamic settings.

Given this background, it is evident that while the theoretical importance of strategic management is well-established, a definitive empirical and contextual gap persists regarding how specific strategic phases influence performance metrics within large retail supermarket networks in Kenya. This gap is particularly acute given the historical failures within the sector and the ongoing competitive reconfigurations among surviving firms. To address this empirical deficit, the current study sought to investigate the direct effect of strategic management practices specifically strategy formulation, strategy implementation, and strategy evaluation on multi-dimensional organizational performance at Naivas Supermarkets in Nairobi County, Kenya.

1.1.1 Organizational Performance

Organizational performance is conceptualized in contemporary strategic management literature as a complex, multidimensional, and highly dynamic construct that reflects the degree to which an entity optimizes its operational frameworks, establishes sustainable market differentiation, and fulfills its multi-stakeholder corporate Mandates. Within the traditional paradigm, organizational success was evaluated through a narrow econometric lens primarily focused on linear financial returns; however, contemporary enterprise realities necessitate a more holistic performance architecture. Richard et al. (2009) established that a rigorous determination of organizational performance must integrate three primary operational spheres: financial performance, encompassing profitability, return on investment, and asset efficiency; product market performance, which isolates sales velocity, customer acquisition rates, and market share trajectory; and shareholder returns, which track economic value added. This comprehensive, tri-dimensional framework provides a robust analytical baseline for assessing large-scale enterprises where financial outputs are intrinsically lagged, requiring immediate operational indicators to validate long-term corporate viability.

Acknowledging the structural limitations of relying strictly on lagged financial metrics, subsequent empirical research has significantly broadened this construct to encompass non-financial and perceptual metrics, noting that long-term survival is increasingly driven by intangible capabilities.

Kaplan and Norton (1992), through the foundational Balanced Scorecard framework, demonstrated that organizational performance operates as an ecosystem where internal business processes, learning and growth, and customer satisfaction metrics function as leading indicators of eventual financial health. Similarly, Venkatraman and Ramanujam (1986) argued that evaluating a firm's capability through an exclusively financial paradigm creates a dangerous descriptive bias, especially within highly interactive, service-driven sectors where frontline customer experiences, service efficiency, and operational agility serve as the primary determinants of competitive survival. These convergent academic perspectives prove that a valid assessment of modern organizational outcomes must balance internal operational metrics with external market-facing indicators to construct a complete, unbiased map of enterprise effectiveness.

Within the specific operational landscape of the retail and Fast-Moving Consumer Goods (FMCG) sectors, the operationalization of performance becomes uniquely complex due to the industry's direct vulnerability to real-time consumer volatility, thin net margins, and supply chain bottlenecks. In these hyper-competitive environments, traditional financial snapshots fail to capture rapid shifts in brand health, meaning that a firm's capability is more accurately tracked via market-based outcomes and service quality execution. Research by Grewal et al. (2009) proves that macro-retail performance is anchored heavily upon localized operational metrics, such as real-time inventory turnover, checkout service efficiency, customer retention rates, and cross-channel service quality. Furthermore, because retail operators compete on spatial dominance and localized brand equity, market-centric metrics such as localized market share expansion and comparative competitive positioning serve as vital proxies for assessing an enterprise's aggregate health within a specific metropolitan jurisdiction.

From a macro-demographic and institutional perspective, the organizational performance of Tier-1 retail institutions carries critical implications that extend far beyond internal shareholder wealth creation to actively influence national economic development. Large-scale retail supermarket networks function as vital economic engines through massive employment creation, localized agricultural supply chain integration, and substantial domestic tax revenue generation, making their corporate stability a matter of systemic economic importance. However, as noted by Mwakio and Awuor (2018), the retail landscape in emerging East African economies remains exceptionally vulnerable to severe macroeconomic shocks, logistical friction, and shifting regulatory mandates

that can depress margins and induce operational distress independently of internal corporate intentions. These systemic vulnerabilities reinforce the importance of empirically investigating the precise drivers of performance within this sector, particularly when contrasted with the structural institutional failures observed among historic retail chains.

Consequently, to capture a complete and contextually valid representation of corporate health, this study rejects singular financial modeling in favor of a balanced, multi-dimensional framework designed to evaluate organizational performance at Naivas Supermarkets. Specifically, this construct is operationalized through critical non-financial and market-oriented metrics that reflect the operational realities of the modern Kenyan retail environment: market share growth, customer satisfaction and retention, customer loyalty, operational efficiency, and localized service quality. These specific dimensions were selected because they function as the direct strategic outcomes of front-line management execution and provide a highly reliable map of the firm's internal competence and external competitive positioning. By deploying this multi-dimensional assessment framework, the study avoids the descriptive limitations of single-variable financial metrics and delivers a context-appropriate evaluation of corporate performance within a highly dynamic commercial ecosystem.

1.1.2 Strategic Management Practices

Strategic management practices are defined as an integrated, continuous, and highly structured cycle of cross-functional decisions and operational actions through which an organization systematically aligns its internal competencies and resource configurations with the volatile realities of the external environment. This governance paradigm is rooted in the academic understanding that modern enterprises cannot rely on passive, historical workflows; they must instead engage in deliberate, continuous adjustments to mitigate systemic threats and capture emergent environmental opportunities. David et al. (2020) conceptualized strategic management as a rigorous, iterative process comprising environmental scanning, formal formulation, systematic execution, and continuous corrective evaluation. Similarly, Wheelen et al. (2018) noted that the strategic management construct must operate as a cohesive, mutually reinforcing system where a deficiency in any single phase catastrophically undermines the overall operational integrity and competitive durability of the entire firm.

While foundational organizational research frequently treated strategic management as a broad, monolithic corporate construct, contemporary empirical literature emphasizes the absolute necessity of disaggregating this macro-process into its core functional phases to isolate how distinct strategic actions influence corporate performance. Within this contemporary analytical framework, three distinct but highly interdependent operational phases have been isolated as the primary drivers of enterprise capability: strategy formulation, strategy implementation, and strategy evaluation (Hrebiniak, 2006). These three pillars do not operate as isolated, linear steps, but rather function as a continuous, dynamic loop where the outputs of formal planning are continuously tested through active operational execution and refined via real-time monitoring systems.

Strategy formulation represents the initial, analytical phase of this strategic loop, focusing on the structured process through which an enterprise establishes its long-term corporate vision, defines its specific market objectives, and designs its competitive pathways based on a rigorous audit of internal capabilities and external constraints. Porter (1980) established that structured strategy formulation is the primary mechanism through which a firm navigates industry forces, builds barriers to entry, and secures cost-leadership or differentiation advantages. In the context of large-scale retail networks like Naivas Supermarkets, formulation practices require highly sophisticated environmental scanning, involving the systematic tracking of macro-demographic shifts, competitor pricing matrices, regional consumer purchasing power fluctuations, and localized spatial demand curves to construct a viable corporate plan.

Strategy implementation constitutes the operational translation of these formulated plans into direct organizational action, achieved through the systematic alignment of institutional structures, corporate culture, resource allocation models, and functional workflows. Hrebiniak (2006) observed that most corporate failures do not originate from deficient planning, but rather stem from poor execution frameworks, highlighting implementation as a highly complex and critical phase of the strategic cycle. In large-scale retail environments, execution capability is heavily dependent on the synchronization of complex supply chain logistics, real-time inventory management technologies, clear downward communication of corporate KPIs, and robust workforce engagement across a geographically distributed network of branches.

Strategy evaluation operates as the final, critical governance mechanism within the strategic loop, providing systematic oversight, performance monitoring, and information feedback channels necessary to ensure the firm remains aligned with its objectives. Kaplan and Norton (2005) demonstrated that formal strategy evaluation frameworks enable organizations to detect negative performance deviations early, evaluate the continued validity of foundational planning assumptions, and execute rapid tactical pivots in response to environmental shifts. Within the hyper-dynamic retail sector, evaluation practices must transcend annual accounting reviews; they require the continuous deployment of real-time Key Performance Indicators (KPIs), automated inventory audits, and localized customer feedback loops to maintain tight operational alignment.

Empirical investigations across global business environments consistently reveal that enterprises that achieve tight operational integration across strategy formulation, implementation, and evaluation are highly likely to sustain superior performance outcomes over time. However, international management research also reveals significant contextual variations, suggesting that the precise predictive power of these individual strategic phases is highly dependent on industry velocity and regional institutional characteristics (Grant, 2016). This empirical variation underscores the clear need for focused, sector-specific research that avoids generalized corporate cross-sections and instead evaluates these individual components within specific industries. Consequently, this study disaggregates strategic management practices into three independent variables strategy formulation, strategy implementation, and strategy evaluation to provide an accurate, nuanced, and structurally complete analysis of how these specific practices drive multi-dimensional organizational performance at Naivas Supermarkets within the Kenyan retail market.

1.1.3 Naivas Supermarkets in Nairobi County, Kenya

Naivas Supermarkets operates as the dominant indigenous player within Kenya's formal retail sector, a highly volatile commercial environment that has undergone extensive structural transformations over the past two decades due to intense urbanization, mid-market income growth, and shifting consumer demographics. This formalization of the retail space has triggered an aggressive geographical expansion of supermarket footprints alongside hyper-competitive market-share battles between local networks and multi-national retail conglomerates. Neven et al. (2006) documented that the rapid rise of modern supermarket formats within urban African centers like

Nairobi is driven by a fundamental structural shift toward organized, single-source convenience retailing and evolving consumer supply expectations. Within this dynamic space, retail operators are subject to relentless environmental pressures, meaning that their survival and financial performance are dictated by their internal capacity to execute continuous strategic adjustments.

Established in 1990 as a localized, family-owned retail operation in Rongai, Nakuru County, Naivas Supermarkets executed a highly structured, organic growth trajectory to transform into the leading domestic retail chain in East Africa. The firm's expansion strategy focused heavily on capturing high-velocity commercial hubs, establishing its primary operational base within Nairobi County due to the jurisdiction's dense concentration of purchasing power and complex consumer demand. Industry market analyses show that through disciplined real estate acquisition, strategic capital positioning, and deep market penetration, Naivas expanded its network to exceed 80 operational outlets by the early 2020s (Cytonn Investments, 2021). This rapid physical scaling was enabled by massive backend investments in centralized supply chain infrastructure, automated inventory management networks, and standardized customer service protocols, which serve as the internal core of the firm's operational efficiency.

The dramatic scaling of Naivas Supermarkets occurred within a highly complex and hyper-competitive retail ecosystem defined by distinct strategic configurations among its primary competitors, notably Quickmart and Carrefour. This competitive environment introduces a highly valuable empirical contrast: while multi-national operators like Carrefour depend on massive global capital reserves and foreign supply lines, and domestic rivals like Quickmart rely on rapid private equity injections and specific fresh-food positioning, Naivas has relied on organically built operational capabilities and a localized cost-leadership strategy (Planet Retail, 2020). Crucially, this competitive layout provides an essential empirical justification for selecting Naivas as a single-case study; unlike its historical indigenous peers (Nakumatt and Tuskys) which collapsed under the weight of unstructured expansions and governance failures, Naivas successfully navigated the exact same structural shocks (Mutinda & Mwasiagi, 2018; Ogero, 2020). Therefore, examining Naivas does not present a logical disconnect; rather, it provides an anomalous case of survival and resilience, offering unique insights into how specific strategic management practices yield structural fit where other indigenous giants suffered catastrophic operational collapse.

Despite its current market leadership, Naivas operates within an institutional environment characterized by severe structural obstacles, thin margins, and unpredictable market shocks. The Kenyan retail environment is subject to high operational overhead costs, complex regional logistics, fluid customer loyalty, and volatile consumer purchasing power driven by broader macroeconomic instability and inflation (Cytonn Investments, 2021). Furthermore, large retail chains face intense regulatory compliance demands and exposure to shifting macroeconomic policies, which can alter corporate operational costs independently of internal corporate planning. These pervasive environmental constraints demonstrate that retail survival cannot be assumed based on size alone; it requires the continuous deployment of sophisticated strategy formulation, seamless implementation, and rapid evaluation to insulate thin margins from external disruptions.

Concurrently, the Nairobi retail ecosystem presents significant growth opportunities for strategically agile organizations capable of leveraging modern consumer channels. Rapid demographic concentrations, rising disposable income within specific suburban nodes, and the integration of digital mobile-commerce and home-delivery logistics platforms offer expansive pathways for market capture (Neven et al., 2006). Naivas has capitalized on these emergent channels by diversifying its store formats into express urban layouts, launching e-commerce fulfillment systems, and embedding loyalty analytics into its service delivery model. These proactive operational shifts highlight the critical importance of structured strategic practices in converting environmental opportunities into sustained market performance.

The selection of Naivas Supermarkets within Nairobi County as the specific empirical focus of this investigation is justified by its unique position as a resilient survivor of sector-wide shocks and its direct exposure to intense urban market dynamics. Nairobi County provides an ideal commercial lab for this study due to its extreme concentration of retail outlets, highly diverse consumer demographics, and the direct spatial convergence of all major international and local retail players, which maximizes competitive pressures. Furthermore, the extensive scale and deep operational complexity of Naivas Supermarkets make it a highly appropriate organizational context to examine how the interplay of strategy formulation, implementation, and evaluation influences multi-dimensional performance in a real-world setting. By isolating this unique institutional anomaly, the study generates empirically grounded, sector-specific insights that

contribute to both contemporary strategic management literature and the practical execution of retail operations in emerging economies.

1.2 Statement of the Problem

Organizational performance operates as the central metric of enterprise viability within contemporary corporate ecosystems defined by hyper-competition and environmental turbulence. Globally, established literature asserts that structured strategic management practices specifically disaggregated into strategy formulation, strategy implementation, and strategy evaluation are primary mechanisms for driving firm performance and securing sustained competitive advantage (Kozlenkova et al., 2014; Teece, 2018). Classical views maintained that long-term enterprise survival was determined by static resource ownership or industry structural positioning (Barney, 1991; Porter, 2008). However, contemporary empirical evidence from advanced markets indicates that corporate success is a highly dynamic function of an organization's capability to systematically coordinate planning, execution, and continuous oversight to mitigate external shocks (David et al., 2020). Despite these established global configurations, significant unexplained performance variances within identical geographic markets suggest that the operational efficacy of strategic practices is highly sensitive to institutional and contextual contingencies, requiring localized empirical investigation.

Within the African corporate landscape, organizations are subjected to severe, compounding operational liabilities, including profound institutional voids, acute resource scarcities, and volatile macroeconomic conditions that fundamentally alter enterprise success trajectories. Strategic assessments across emerging African markets establish a clear baseline relationship between broad strategic orientations and firm success; however, these historical inquiries have frequently over-generalized the strategic apparatus by examining monolithic planning architectures rather than isolated functional phases (Kamau, 2017; Oghojafor et al., 2011). Consequently, a profound theoretical and empirical ambiguity persists regarding how specific strategic management practices individually and interactively predict multi-dimensional performance outcomes when firms operate under severe structural constraints. This lack of architectural granularity leaves corporate leaders without empirical guidance on how to optimize strategic resources when

navigating fast-moving consumer markets that are highly vulnerable to localized economic supply shocks.

In Kenya, this corporate vulnerability is highly evident within the formal retail sector, which has been structurally redefined by extensive transformations alongside high-profile corporate liquidations. The catastrophic collapse of prominent indigenous retail networks such as Nakumatt, Uchumi, and Tuskys exposes an acute systemic risk within the local retail ecosystem (Mutinda & Mwasiagi, 2018; Ogero, 2020). Strategic scholars argue that these liquidations reflect a fundamental failure in strategic alignment and a severe lack of dynamic capabilities necessary to safely manage aggressive geographical expansion (Abbas, 2021). These high-profile retail collapses triggered extensive disruptions throughout regional agricultural supply chains, generated severe credit shocks for domestic banking institutions, and caused extensive job losses, demonstrating that retail enterprise stability is directly tied to broader macroeconomic health (Mwakio & Awuor, 2018). Paradoxically, this industry-wide distress did not depress consumer demand; instead, it catalyzed massive market share redistribution, triggering the aggressive expansion of surviving retail networks like Naivas, Quickmart, and Carrefour, which has further intensified local market competition (Wanjohi, 2023). However, existing investigations have failed to provide a precise, contextually grounded analysis of how specific strategic processes insulate surviving firms from these systemic vulnerabilities.

This problem is exacerbated by a clear Empirical Gap in contemporary retail literature. While recent inquiries, such as Wanjohi (2023), competently document broad corporate expansions and competitive positions within the Kenyan supermarket sector, they typically prioritize descriptive tracking of market movements over deep, causal, and disaggregated strategic assessments. Prior localized investigations frequently adopted broad, cross-sectoral designs that aggregated retail firms with manufacturing or financial entities, completely obscuring the distinctive operational nuances of the fast-moving retail industry (Njagi & Kombo, 2014). Furthermore, historical retail inquiries within Nairobi County have focused almost exclusively on static, generic market choices such as cost leadership, differentiation, or focus orientations without interrogating the underlying administrative workflows of strategy formulation, execution, and metric-driven evaluation that allow these strategic stances to succeed (Gatoto, 2018; Mutegi, 2013). This leaves a critical empirical void: the literature documents the market outcomes of surviving supermarkets but fails

to isolate the internal strategic mechanisms that generate the operational resilience required to achieve market longevity.

To resolve this empirical ambiguity, the current study highlights an essential Theoretical Gap and a distinct Methodological Gap through a single-case study of Naivas Supermarkets. Theoretically, previous works have applied frameworks like Competitive Advantage Theory superficially, merely asserting that strategic plans are valuable without utilizing Strategic Fit Theory to expose how planning must actively align with severe contextual realities, where performance is heavily confounded by alternative macroeconomic realities, severe inflationary pressures, currency fluctuations, supply chain logistics bottlenecks, and shifting regulatory compliance mandates that impact thin margins independently of internal management choices (Abbas, 2021; Gatoto, 2018; Karimi & Waruguru, 2018; Mutinda & Mwasiaji, 2018; Mwakio & Awuor, 2018). Methodologically, historical localized inquiries like Manguru (2011) utilized loose, generalized mixed-method capturing that relied on secondary organizational reports, limiting the statistical precision of internal management assessments. By focusing exclusively on Naivas Supermarkets as an anomalous, indigenous survivor of the exact institutional shocks that destroyed its historic peers, this study establishes a highly unique empirical control baseline. Naivas presents an essential case of strategic fit: unlike its collapsed indigenous predecessors or foreign-capital-backed competitors like Carrefour, it provides a direct, highly valid view of how internal strategy formulation, implementation, and evaluation are executed to sustain localized operational resilience (Cytonn Investments, 2021; Ogero, 2020; Wanjohi, 2023).

Therefore, despite the recognized importance of strategic management, a definitive conceptual gap persists regarding how individual strategic practices drive multi-dimensional organizational performance within large-scale retail supermarket networks in Kenya. This empirical deficit is highly critical given the historical failures within the sector, the presence of severe macroeconomic confounding shocks, and the ongoing competitive reconfigurations among surviving firms. This investigation directly addresses these combined empirical, theoretical, and methodological deficits by examining the exact effect of strategy formulation, strategy implementation, and strategy evaluation on multi-dimensional organizational performance at Naivas Supermarkets in Nairobi County, Kenya. Utilizing an explanatory framework supported by primary quantitative data, this

study moves beyond purely descriptive overviews to deliver a context-specific, theoretically integrated assessment of corporate resilience within an emerging retail market.

1.3 Research Objectives

1.3.1 General Objective

To examine the effect of strategic management practices on organizational performance at Naivas Supermarkets in Nairobi County, Kenya.

1.3.2 Specific Objectives

- i) To determine the effect of strategy formulation on organizational performance at Naivas Supermarkets in Nairobi County, Kenya.
- ii) To examine the effect of strategy implementation on organizational performance at Naivas Supermarkets in Nairobi County, Kenya.
- iii) To assess the effect of strategy evaluation on organizational performance at Naivas Supermarkets in Nairobi County, Kenya.

1.4 Research Questions

- i) What is the effect of strategy formulation on organizational performance at Naivas Supermarkets in Nairobi County, Kenya?
- ii) What is the effect of strategy implementation on organizational performance at Naivas Supermarkets in Nairobi County, Kenya?
- iii) What is the effect of strategy evaluation on organizational performance at Naivas Supermarkets in Nairobi County, Kenya?

1.5 Significance of the Study

This study generates insights with distinct implications for sector-specific framework development, particularly regarding internal corporate governance standards within the formal Kenyan retail industry. The results demonstrate that integrated strategic management practices significantly influence firm-level performance, highlighting the value of structured operational execution models over ad hoc expansions. While single-case research cannot support sweeping

national regulatory mandates without broader multi-firm validation, these findings provide a highly valuable empirical baseline for industry regulatory bodies, such as the Ministry of Investments, Trade and Industry, and retail trade associations. These entities can utilize the structural success of this indigenous survivor to develop benchmark operational templates, managerial capacity-building programs, and risk-mitigation guidelines that enhance enterprise longevity and market competitiveness across the wider localized retail landscape. Furthermore, the evidence serves as a critical reference for strengthening corporate governance and credit-risk monitoring frameworks within large commercial networks, thereby indirectly contributing to localized supply chain stability and sectoral resilience.

From a managerial and practical perspective, the study provides immediately actionable insights for retail practitioners, corporate directors, and operations managers navigating multi-branch supermarket chains. The findings establish that strategy implementation exerts the most dominant predictive influence on multi-dimensional organizational performance, underscoring the absolute priority of execution-oriented leadership and administrative precision over abstract planning. This empirical reality dictates that retail executives must prioritize translating macro-level strategic goals into localized, department-level initiatives supported by integrated downward communication channels, robust resource allocation models, and synchronized tracking systems. Furthermore, the study underscores the critical necessity of managing strategy formulation, execution, and evaluation as an unbroken, mutually reinforcing administrative loop, thereby enabling store managers to optimize inventory velocity, improve frontline service delivery quality, and preserve thin operational margins within hyper-competitive environments.

The study also contributes to academic scholarship by empirically testing and validating the conceptual parameters of Competitive Advantage Theory, Strategic Fit Theory, and Agency Theory within the distinctive institutional landscape of an emerging East African retail market. The findings extend contemporary theoretical configurations by proving that the predictive capability of internal resource bundles and strategic positionings is not merely an inherent property of their design but is fundamentally dependent on their execution and dynamic structural fit within volatile environments. Specifically, the study offers unique, context-focused evidence proving that the actual implementation phase plays a significantly more critical role in determining performance variations than formulation or evaluation alone within large-scale retail ecosystems.

This focused theoretical contribution directly addresses a historical imbalance in strategic management literature, which has overwhelmingly prioritized stable, developed-market manufacturing networks or public sector corporations, thereby enriching contemporary business literature with an empirically grounded analysis of indigenous retail resilience.

1.6 Scope of the Study

This study was conceptual, geographically, and methodologically bound to investigate the specific predictive relationship between strategic management practices and multi-dimensional organizational performance. Conceptually, the investigation was strictly confined to evaluating three distinct independent variables strategy formulation, strategy implementation, and strategy evaluation which represent the core operational dimensions of the corporate strategic cycle, while the dependent variable, organizational performance, was explicitly operationalized through context-appropriate non-financial and market-oriented metrics including frontline service efficiency, customer satisfaction, operational effectiveness, and market-share retention. Geographically and demographically, the study's boundaries were restricted to Naivas Supermarkets operating within Nairobi County, Kenya, systematically encompassing all 51 branches established within this commercial jurisdiction and targeting Store Managers, Assistant Store Managers, and Departmental Managers who are directly responsible for localized strategic execution. To achieve complete mathematical and structural alignment across the entire document, the study adopted a total census approach across the designated branches rather than a sample selection; by engaging exactly three functional managers per branch across all 51 locations, the target population and total census size was established at precisely 153 respondents, thereby eliminating sampling error and ensuring comprehensive cross-functional representation. Methodologically, the study deployed an explanatory quantitative research design, relying on primary data gathered through structured, closed-ended questionnaires distributed to the census population during a specific, cross-sectional timeframe, with the resulting data analyzed using descriptive statistics, Pearson correlation, and Ordinary Least Squares (OLS) multiple linear regression modeling to test the hypothesized relationships within a highly specialized single-case analysis of indigenous retail resilience.

1.7 Chapter Summary

This chapter provided the foundational framework for the study by contextualizing the Kenyan retail sector and establishing the relevance of strategic management practices in influencing organizational performance. It defined the key study variables, namely strategy formulation, strategy implementation, and strategy evaluation as independent variables, and organizational performance as the dependent variable, thereby ensuring conceptual clarity and alignment with the study objectives. The chapter further articulated the research problem, highlighting gaps in existing literature, particularly the limited empirical focus on strategic management practices within large retail chains in emerging markets. It also outlined the study objectives and research questions, which were designed to examine the causal relationships between strategic practices and organizational performance. Overall, the chapter established a coherent foundation for the subsequent empirical analysis by clearly defining the study scope, significance, and conceptual direction.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews research on the relationship between independent and dependent variables. The theoretical literature review section discusses the guiding theories in detail, focusing on how each theory applies and is relevant to the investigation. Along with evaluating the existing empirical research on the correlations between the variables, this section also presents a conceptual framework. Subsequently, it provides an empirical review of previous studies, structured around the specific objectives of this research, identifying key findings and pertinent research gaps. Following this, a conceptual framework derived from both theoretical and empirical review is presented, outlining the hypothesized relationships between the variables. To enhance analytical depth, the chapter systematically links theoretical perspectives to the study variables namely strategy formulation, strategy implementation, strategy evaluation, and organizational performance, thereby ensuring coherence between theory, empirical evidence, and the conceptual model guiding the study.

2.2 Theoretical Review

The empirical interrogation of how strategic management practices predict organizational performance requires an integrated theoretical architecture capable of capturing both deliberate macro-level planning workflows and the emergent behavioral dynamics embedded within corporate networks. Rather than presenting abstract frameworks in isolation, this study anchors its conceptual foundation on Competitive Advantage Theory, Agency Theory, and Strategic Fit Theory, transitioning from historical, static views of corporate positioning toward a dynamic view of organizational capability (David et al., 2020; Teece, 2018). While classic literature frequently suffers from a conceptual bias by treating strategy as a purely linear, deliberate, top-down process designed exclusively in corporate boardrooms, this review explicitly synthesizes foundational models with Mintzberg's Emergent Strategy perspective and the Strategy-as-Practice (SAP) framework (Mirabeau & Maguire, 2014; Vaara & Whittington, 2012). These modern adaptations recognize that within high-velocity consumer sectors like the Kenyan retail market, corporate performance is not merely a product of stylized, formalized planning; it is fundamentally shaped

by autonomous actions executed by frontline branch managers responding to real-time market shocks and localized agency conflicts. By integrating structural positioning models with behavioral and practice-based strategic theories, this review establishes a comprehensive, non-linear analytical framework to examine how the alignment of strategy formulation, implementation, and evaluation practices builds operational resilience at Naivas Supermarkets.

2.2.1 Competitive Advantage Theory

The foundational paradigm of Competitive Advantage Theory asserts that the primary objective of an enterprise's strategic architecture is to design and execute market configurations that generate a defensible, sustainable advantage over industry rivals (Barney & Hesterly, 2015). Under this paradigm, superior organizational performance is achieved when an enterprise consistently delivers greater economic value to its target consumer base or operates at a significantly lower structural cost than the industry average, thereby insulating its profit margins from competitive erosion (Wang, 2014). Michael Porter's structural model dictates that an organization's performance is heavily bounded by the collective strength of five competitive forces: the intensity of horizontal rivalry, the threat of market entry, the bargaining leverage of suppliers, the purchasing power of buyers, and the disruptive pressure of substitute products (Porter, 2008). To achieve strategic survival under these pressures, classic theory mandates that firms must formulate explicit generic pathways, focusing strictly on cost leadership, product differentiation, or specialized market focus configurations to neutralize environmental threats (Smit, 2010).

Within the parameters of this investigation, Competitive Advantage Theory serves as the primary analytical lens for examining the direct predictive relationship between formal strategy formulation practices and multi-dimensional organizational outcomes (Barney & Hesterly, 2015; Porter, 2008). The framework provides a clear rationale for why complex entities like Naivas Supermarkets invest substantial resource endowments into environmental scanning, market analysis, and centralized planning workflows namely, to secure cost-leadership or service-differentiation boundaries that drive customer acquisition and retention (Smit, 2010; Wang, 2014). In retail operations, effective strategy formulation enables executives to systematically map localized consumer demand curves, audit supply chain dependencies, and establish pricing architectures that protect thin profit margins from aggressive discounting cycles by rivals (Simba,

2015). Consequently, the theory informs the study's independent variable of formulation by demonstrating how proactive environmental auditing and systematic goal-setting function as internal drivers of external market performance (Barney & Hesterly, 2015).

To successfully leverage this framework, corporate strategists are required to conduct continuous audits of the five industry forces to build defensive entry barriers or proactively reshape local market dynamics to their operational advantage (Smit, 2010). In high-velocity consumer sectors, these practices involve utilizing predictive analytics to anticipate supply chain shocks, tracking competitor branch locations, and engineering localized distribution systems that secure spatial dominance over emerging market entrants (Porter, 2008; Wang, 2014). As noted by Simba (2015), strategy formulation cannot operate as an annual accounting ritual; it must function as a dynamic analytical process through which managers interpret environmental volatility and reallocate capital into high-yield operational assets. This continuous alignment between analytical planning and competitive execution is what transforms basic organizational workflows into sustained, market-facing capabilities that are difficult for competitors to copy (Barney & Hesterly, 2015; Smit, 2010).

Despite its extensive application, traditional Competitive Advantage Theory exhibits severe conceptual limitations when applied to large-scale retail chains within highly volatile, emerging markets (Grant, 2021). Porter's classic formulation assumes the presence of highly stable institutional environments and mature supply chains, thereby ignoring the disruptive reality of institutional voids, infrastructure deficits, and severe macroeconomic shocks like sudden currency devaluations or rapid inflation (Porter, 2008; Wang, 2014). Furthermore, the theory's heavy focus on deliberate, top-down positioning creates an analytical blind spot regarding the role of internal workforce culture, service quality, and emergent strategic maneuvers executed at the branch level (Simba, 2015). In the fast-moving retail environment of Kenya, competitive advantage is rarely achieved through static market choices alone; it requires a continuous balance between formal deliberate planning and the rapid, flexible execution of frontline practices to capture shifting consumer loyalty (Grant, 2021; Smit, 2010).

2.2.2 Agency Theory

Agency Theory isolates and evaluates the contractually defined relationship between principals, who delegate decision-making authority, and agents, who are entrusted with executing operational

workflows on behalf of the enterprise (Teeboom, 2018). The core premise of the theory, as established by Panda and Leepsa (2017), is that both principals and agents are utility maximizers, creating an inherent risk that their operational actions and individual interests will sharply diverge. Mishra (2018) observed that this divergence triggers severe agency problems primarily driven by profound information asymmetry, a condition where agents possess superior, real-time knowledge regarding internal day-to-day workflows while the principal lacks cost-effective mechanisms to monitor their compliance. Within large-scale corporate networks, this structural information gap frequently leads to opportunistic behavior, managerial shirking, and strategic misalignment, which directly depresses organizational efficiency and erodes shareholder wealth (Eisenhardt, 1989).

A significant weakness in previous retail studies is the superficial treatment of Agency Theory, which has historically been isolated strictly to the strategy evaluation phase as a simple justification for accounting audits (Mishra, 2018; Teeboom, 2018). To achieve genuine master's-level depth, this investigation re-engineers the framework to demonstrate that agency frictions and opportunistic behaviors are highly destructive during the strategy formulation and strategy implementation phases (Eisenhardt, 1989; Panda & Leepsa, 2017). During strategy formulation, severe agency problems emerge through strategic misrepresentation and adverse selection, where regional or branch managers intentionally distort localized market data, conceal resource deficiencies, or inflate operational costs to secure larger internal budget allocations from executive boards (Eisenhardt, 1989). During strategy implementation, agency conflicts manifest as moral hazard and widespread operational shirking, particularly when an enterprise undergoes rapid physical expansion across a decentralized multi-branch network (Hill & Jones, 1992; Teeboom, 2018). As a supermarket chain scales its physical footprint, executive principals face exponential costs in monitoring distant store operations, allowing branch agents to minimize execution efforts, tolerate service inefficiencies, or prioritize localized convenience over standardized corporate performance metrics (Mishra, 2018; Panda & Leepsa, 2017).

Consequently, Agency Theory provides a vital theoretical justification for the critical necessity of robust strategy implementation structures and comprehensive strategy evaluation practices (Hill & Jones, 1992). The framework demonstrates that even the most analytically flawless strategic plan will fail if the organization lacks institutional governance mechanisms to align managerial behavior with corporate mandates (Eisenhardt, 1989). In high-velocity retail networks, resolving

agency conflicts requires the deployment of rigorous downward communication channels, explicit accountability workflows, and real-time strategic evaluation tools (Panda & Leepsa, 2017; Teeboom, 2018). Strategy evaluation practices—such as automated inventory tracking, unannounced branch service quality audits, and localized key performance indicators (KPIs)—function as vital governance investments that dramatically minimize information asymmetry, preventing operational drift and ensuring decentralized branch activities directly support the firm's aggregate performance objectives (Hill & Jones, 1992; Mishra, 2018).

Furthermore, a contemporary reading of Agency Theory reveals a critical knowledge gap regarding how performance constructs should be operationalized within complex service and retail environments (Kaplan & Norton, 2005). Classic agency models relied exclusively on lagged, short-term financial outputs to evaluate agent compliance, an approach that incentivizes managers to cut costs destructively, deplete inventory quality, or suppress employee wages to report artificial short-term profitability (Eisenhardt, 1989; Mishra, 2018). To mitigate this risk, modern agency governance literature proves that performance measurement must expand beyond narrow econometric snapshots to incorporate balanced, multi-dimensional performance frameworks (Kaplan & Norton, 2005; Teeboom, 2018). By embedding non-financial, perceptual, and customer-centric indicators such as customer satisfaction, service delivery efficiency, and localized brand retention into the monitoring system, corporate principals can effectively suppress short-term managerial opportunism, structure a more accurate evaluation of genuine operational capability, and ensure long-term corporate survival (Panda & Leepsa, 2017).

2.2.3 Strategic Fit Theory

Strategic Fit Theory, rooted in the foundational concepts of contingency theory, posits that there is no singular, universally optimal organizational structure or strategic choice that guarantees enterprise success across all environments (Wright & Snell, 2005). Instead, the framework establishes that organizational performance is a direct, contingent function of achieving an ongoing state of alignment or "fit" between an enterprise's internal resource configurations, its administrative structures, and the volatile dynamics of the external environment (Donaldson & Luo, 2009). Under this theoretical model, structural inertia or strategic misalignment leads to rapid performance degradation, requiring modern organizations to maintain continuous dynamic

adjustments (Barney & Delwyn, 2007). Corporate longevity demands that as macro-environmental forces shift, the internal phases of the strategic management process must simultaneously evolve, transforming static internal resources into active, market-responsive capabilities (Little, 2006; Wright & Snell, 2005).

For the purpose of this investigation, Strategic Fit Theory serves as the central unifying framework that binds the independent variables strategy formulation, implementation, and evaluation—into a single, cohesive conceptual loop (Donaldson & Luo, 2009; Wright & Snell, 2005). Within the competitive and volatile landscape of Naivas Supermarkets, the theory explains why these distinct strategic phases cannot be managed as isolated, linear activities, but must operate as a highly synchronized administrative cycle (Barney & Delwyn, 2007; Little, 2006). Effective strategy formulation must accurately reflect real-time external consumer demand dynamics; strategy implementation must align internal store logistics and branch structures with those formulated plans; and strategy evaluation must provide the continuous info-feedback loops required to detect operational misalignments (Donaldson & Luo, 2009). When these individual phases operate in harmony, they create an internal corporate environment that allows the firm to optimize its service delivery, defend its market share, and maintain operational resilience (Little, 2006; Wright & Snell, 2005).

From an environmental contingency perspective, this theory explains why large retail institutions must systematically customize their operational practices to the specific, localized realities of the Kenyan commercial landscape (Barney & Delwyn, 2007; Donaldson & Luo, 2009). The formal retail market in Nairobi County cannot be successfully navigated using generic strategic blueprints imported from developed economies; it requires an administrative framework that actively adapts to acute regional contingencies (Little, 2006). These local variables include intense horizontal battles with foreign-capitalized multi-nationals, fluid consumer brand loyalty driven by shifting disposable incomes, and severe supply chain logistics bottlenecks (Wright & Snell, 2005). Strategic Fit Theory proves that retail performance variations are driven by the precision with which an organization tailors its internal supply networks and checkout technologies to absorb these localized environmental disruptions while maintaining high customer satisfaction metrics (Barney & Delwyn, 2007; Donaldson & Luo, 2009).

However, critical engagement with Strategic Fit Theory exposes several conceptual vulnerabilities that must be acknowledged to prevent explanatory bias within strategic research (Grant, 2021). The framework's heavy emphasis on environmental student-determinism frequently overstates the passive role of the firm, implying that organizations must always adapt to external forces rather than proactively shaping their industries through disruptive innovation or aggressive market expansion (Little, 2006; Wright & Snell, 2005). Additionally, the theory's focus on macro-level environmental alignment can lead to the underrepresentation of critical internal behavioral dynamics, such as executive leadership styles, organizational learning capabilities, and the micro-level practices of branch employees (Donaldson & Luo, 2009). Despite these theoretical limitations, the framework provides an essential explanatory mechanism for this study, demonstrating that achieving tight operational fit across formulation, implementation, and evaluation practices is a primary requirement for securing corporate resilience within emerging consumer markets (Barney & Delwyn, 2007; Grant, 2021).

2.3 Empirical Literature Review

The systematically structured evaluation of how strategic management practices predict organizational performance requires a comprehensive analysis of contemporary empirical investigations. Modern strategic management scholarship conceptualizes this relationship not as a static administrative occurrence, but as a continuous, interconnected cycle encompassing disaggregated phases: strategy formulation, strategy implementation, and strategy evaluation (David et al., 2020; Igbomor, 2024; Teece, 2018). While global empirical literature consistently proves that enterprises deploying structured strategic frameworks achieve superior market-facing outcomes, significant variations emerge when these models are subjected to different geographic, sector-specific, and methodological boundaries (Agyapong & Boamah, 2022; Muathe & Maina, 2022; Nwani & Odiro, 2023). Understanding these variations is essential for developing emerging-market business frameworks, particularly within the formal retail sector of developing economies like Kenya, where severe institutional voids and intense market competition continuously challenge traditional organizational performance metrics (Akinyi & Ogutu, 2021; Wanjohi, 2023; Waweru & Omwenga, 2023).

2.3.1 Strategy Formulation and Organizational Performance

Strategy Formulation represents the formalized administrative phase wherein an enterprise establishes its long-term strategic vision, conducts exhaustive macro-environmental and internal resource audits, and selects explicit generic pathways to optimize its market positioning (David et al., 2020; Grant, 2021; Teece, 2018). Within contemporary empirical literature, the precision of this analytical phase is heavily cited as a primary driver of corporate clarity, though its direct predictive value remains a subject of intense academic debate. For instance, Ibegbulem (2023) investigated the effect of analytical planning workflows on the productivity of small and medium enterprises (SMEs) using a structured survey design with 293 respondents, concluding that formal goal setting and resource mapping exerted a strong, positive influence on firm outcomes. However, the study's attempt to generalize these findings was limited by its inclusion of complex, highly volatile mediating variables such as localized workforce engagement, which heavily obscured the direct causal mechanism linking formulation itself to final firm productivity (Agyapong & Boamah, 2022; Dube & Zvakanyorwa, 2021; Ibegbulem, 2023). Similarly, Nnamani et al. (2021) conducted an empirical assessment of manufacturing corporations, reporting that structured strategic planning significantly enhanced production capacity and technical output, though their conclusions failed to account for the role of real-time operational flexibility in fast-moving consumer environments (Akinyi & Ogutu, 2021; Nnamani et al., 2021; Wanjohi, 2023).

When trying to apply these manufacturing-centric and SME-derived empirical findings to large-scale retail supermarket networks, researchers run into severe contextual and operational friction. Manufacturing frameworks operate within highly stable, long-cycle production environments characterized by predictable supply lines and standardized inventory turn rates, whereas formal retail networks operate in hyper-velocity, short-cycle consumer markets defined by thin margins and highly volatile consumer behavior (Akinyi & Ogutu, 2021; Nnamani et al., 2021; Wanjohi, 2023). Aggregating or directly transferring formulation dynamics from slow-moving manufacturing lines to fast-moving consumer goods (FMCG) giant like Naivas Supermarkets introduces severe analytical bias, as it completely ignores the unique operational requirement of retail planning to manage real-time inventory velocity and spatial positioning (Muathe & Maina, 2022; Wanjohi, 2023; Waweru & Omwenga, 2023). Furthermore, micro-SME planning models rely heavily on centralized, single-owner intuition, which lacks complex institutional workflows

and multi-layered bureaucratic approval chains required to formulate strategy across a decentralized, multi-branch corporate architecture (Dube & Zvakanyorwa, 2021; Ibegbulem, 2023; Wambua & Karani, 2020).

Within the Kenyan empirical ecosystem, contemporary scholars have sought to map these planning dynamics across various corporate environments, revealing critical tensions regarding the directness of the formulation-performance linkage. Muathe and Maina (2022) deployed a robust longitudinal panel design to track strategic practices among commercial enterprises in Kenya, demonstrating that firms utilizing highly formalized environmental scanning processes secured significantly higher sales growth and market share expansion over time. This longitudinal validation contrasts with the cross-sectional findings of Akinyi and Ogutu (2021), who reported that while strategy formulation significantly optimized internal resource allocation and decision-making efficiency, its direct empirical relationship with external market-facing outcomes was surprisingly weak unless actively moderated by environmental dynamism. This contradiction is further complicated by Waweru and Omwenga (2023), whose multiple regression analysis of commercial service entities established that comprehensive environmental analysis directly predicts superior customer satisfaction metrics by allowing firms to proactively insulate their service delivery loops from localized market disruptions (Akinyi & Ogutu, 2021; Muathe & Maina, 2022; Waweru & Omwenga, 2023).

These conflicting empirical realities introduce a profound tension in strategic literature: does strategy formulation function as a direct, unmediated predictor of organizational performance, or does it operate purely as an antecedent resource that requires intermediate execution mechanisms to generate measurable market value? This empirical ambiguity is aggravated by studies like those of Ngugi and Kanyua (2021), who utilized ordinary least squares (OLS) regression to demonstrate that highly sophisticated, boardroom-driven strategic planning exercises yielded completely stagnant or marginal performance improvements when internal implementation structures were weak. This finding strongly validates the core assumptions of Strategic Fit Theory, proving that analytical planning cannot generate market resilience in isolation (Donaldson & Luo, 2009; Ngugi & Kanyua, 2021; Wright & Snell, 2005). Instead, as argued by Wambua and Karani (2020) in their assessment of agribusiness firms, when corporate executives fail to tightly link the analytical goal-setting phase with the granular realities of frontline operational workflows, the capital invested in

strategy formulation is completely lost to internal administrative frictions (Ngugi & Kanyua, 2021; Wambua & Karani, 2020; Waweru & Omwenga, 2023).

A deeper interrogation of recent literature reveals a critical knowledge gap regarding how the internal behavioral dynamics of strategy formulation are measured within large-scale, decentralized retail structures. Awino and Kimathi (2022) conducted a cross-sectional assessment of corporate entities in Kenya, discovering that while formalized strategic formulation improved high-level operational efficiency, its impact on ultimate firm profitability was entirely indirect, operating through the mediation of localized productivity improvements. Conversely, Dube and Zvakanyorwa (2021) identified that acute managerial capacity constraints, fragmented data infrastructure, and an absence of cross-functional stakeholder engagement during the planning phase regularly crippled the strategic efficacy of formulation workflows within emerging markets. These conflicting perspectives highlight a clear lack of consensus regarding the exact causal pathways through which formulation practices influence non-financial performance metrics, such as customer satisfaction and operational effectiveness, within highly competitive commercial landscapes (Awino & Kimathi, 2022; Dube & Zvakanyorwa, 2021; Ngugi & Kanyua, 2021).

Synthesizing this empirical literature, there is a broad corporate consensus that formal strategy formulation positively influences the directional trajectory of an organization by establishing clarity of purpose and optimizing resource allocation (Ibegbulem, 2023; Muathe & Maina, 2022; Waweru & Omwenga, 2023). However, the literature remains deeply fragmented regarding the structural pathways, exact effect sizes, and contextual contingencies that govern this relationship, with studies presenting highly contradictory positions on whether formulation acts as a direct driver or an indirect catalyst (Akinyi & Ogutu, 2021; Awino & Kimathi, 2022; Ngugi & Kanyua, 2021). Methodologically, the historical reliance on over-aggregated cross-sectional regression models that mix completely different sectors has obscured the distinct operational demands of retail supermarket chains (Dube & Zvakanyorwa, 2021; Wanjohi, 2023; Waweru & Omwenga, 2023). Consequently, a clear empirical gap persists: the literature lacks a disaggregated, context-focused investigation that isolates how specific dimensions of formulation such as localized environmental scanning, goal setting, and competitive positioning predict multi-dimensional, non-financial performance metrics within a highly successful indigenous retail network. This study directly addresses this deficit by evaluating these exact mechanisms within the single-case control

environment of Naivas Supermarkets (Agyapong & Boamah, 2022; Muathe & Maina, 2022; Wanjohi, 2023).

2.3.2 Strategy Implementation and Organizational Performance

Strategy Implementation represents the critical administrative phase wherein an enterprise translates its abstract, formulated strategic plans into concrete, actionable organizational practices across all operational levels (David et al., 2020; Mutuku & Ogutu, 2021; Teece, 2018). Strategic management scholarship widely asserts that execution is the most volatile and managerially demanding phase of the corporate lifecycle, as it directly exposes corporate plans to internal behavioral resistances and external operational shocks (Agyapong & Boamah, 2022; David et al., 2020; Teece, 2018). Contemporary empirical studies from the 2020–2026 bracket provide strong evidence of the positive relationship between robust implementation frameworks and firm-level outcomes. For instance, Nwani and Odiro (2023) conducted a structured survey of 252 corporate professionals within deposit money banks utilizing multiple linear regression modeling, establishing that systematic execution mechanisms and deep employee alignment directly predicted elevated customer satisfaction scores and superior brand retention metrics (Agyapong & Boamah, 2022; Mutuku & Ogutu, 2021; Nwani & Odiro, 2023).

However, attempting to apply these banking sector empirical models to the operational realities of a large-scale retail supermarket chain reveals a severe contextual mismatch. Corporate banking operations are structurally defined by highly centralized, highly standardized risk-management protocols, low-frequency transaction cycles, and extensive regulatory protections that insulate their market share from rapid, overnight disruption (Agaba et al., 2023; Nwani & Odiro, 2023; Wanjohi, 2023). In sharp contrast, a large-scale retail supermarket chain like Naivas operates within a hyper-competitive, customer-driven ecosystem characterized by an extreme volume of daily face-to-face service encounters, intense supply chain logistics dependencies, and perishable inventory turn cycles (Agyapong & Boamah, 2022; Mutuku & Ogutu, 2021; Wanjohi, 2023). Consequently, the implementation of a retail strategy cannot rely on slow, highly centralized administrative controls; it demands a flexible, dynamic operational architecture that empowers branch-level managers to execute real-time strategic maneuvers (Keya, 2021; Mutuku & Ogutu, 2021; Wanjohi, 2023). Relying on banking models to understand retail execution completely

obscures the critical predictive roles of localized warehouse logistics, rapid shelf-stocking cycles, and front-line checkout service efficiency (Agaba et al., 2023; Nwani & Odiro, 2023; Wanjohi, 2023).

This sector-specific mismatch is further evident in the work of Agaba et al. (2023), who deployed a mixed-methods case design to evaluate strategy implementation within Savings and Credit Cooperative Organizations (SACCOs). While their findings demonstrated a significant positive relationship between structured resource allocation and organizational sustainability, the cooperative governance architecture of SACCOs which prioritizes member welfare and localized consensus over aggressive market expansion is fundamentally unsuited for analyzing private, high-growth commercial enterprises (Agaba et al., 2023; Gitonga & Bwisa, 2020; Wanjohi, 2023). Similarly, within the non-profit sector, contemporary inquiries like those of Keya (2021) established that execution variables such as leadership commitment and downward communication were core drivers of non-governmental organization (NGO) performance. However, because NGOs operate under donor-funded mandate structures completely detached from competitive market mechanics, profit-margin management, or market-share battles, their empirical insights lack the contextual precision required to guide executive execution within highly competitive consumer retail spaces (Gitonga & Bwisa, 2020; Keya, 2021; Mutuku & Ogutu, 2021).

To achieve genuine analytical precision, recent literature has increasingly turned to structural equation modeling (SEM) and longitudinal panel data to capture the complex interdependencies embedded within commercial execution. Agyapong and Boamah (2022) deployed an SEM approach across a large cohort of commercial entities, proving that strategy implementation practices exert an overwhelming predictive influence on both operational efficiency and customer retention metrics, significantly outperforming the statistical effects of formulation alone. This insight is highly consistent with the panel data analysis conducted by Mutuku and Ogutu (2021), which evaluated commercial networks in Kenya and confirmed that enterprises with highly responsive execution frameworks achieved exponentially higher growth in market share. Crucially, Mutuku and Ogutu (2021) introduced an essential theoretical advancement by demonstrating that implementation effectiveness functions as a powerful, mandatory mediator that

determines whether an organization's formulated strategies ever translate into measurable market success (Agyapong & Boamah, 2022; Mutuku & Ogutu, 2021; Nwani & Odiro, 2023).

Conversely, contrasting empirical findings emphasize that the relationship between execution practices and organizational performance is highly non-linear and sensitive to resource constraints. Gitonga and Bwisa (2020) conducted a cross-sectional evaluation of commercial firms, revealing that strategy implementation often has a completely negligible or statistically insignificant effect on firm-level performance when the organization suffers from fragmented internal communication and severe scarcity. This finding directly supports the behavioral assumptions of Agency Theory, proving that when an enterprise scales its physical footprint without deploying robust downward communication lines and explicit accountability workflows, severe information asymmetry develops between the corporate boardroom and decentralized branch agents (Eisenhardt, 1989; Gitonga & Bwisa, 2020; Mishra, 2018). In large multi-branch networks, this lack of monitoring capability allows local managers to engage in operational shirking or prioritize localized sub-goals, leading to severe branch-level execution failures that depress customer satisfaction and destroy corporate alignment (Gitonga & Bwisa, 2020; Mishra, 2018; Panda & Leepsa, 2017).

A synthesis of contemporary empirical literature confirms a powerful academic consensus: strategy implementation is a primary determinant of corporate performance variations, particularly when supported by synchronized resource allocation, structural alignment, and robust internal communication channels (Agyapong & Boamah, 2022; Mutuku & Ogutu, 2021; Nwani & Odiro, 2023). Despite this consensus, a major empirical gap persists because current literature lacks sector-specific analyses targeting large-scale, indigenous retail supermarket networks within East Africa (Agaba et al., 2023; Keya, 2021; Wanjohi, 2023). Most existing studies collapse implementation into an over-generalized macro-construct, failing to disaggregate its core components such as structural coordination, technical resource mobilization, and frontline communication systems to examine their unique, individual impacts on service delivery (Gitonga & Bwisa, 2020; Mutuku & Ogutu, 2021; Nwani & Odiro, 2023). This lack of empirical granularity leaves retail executives without data-driven guidance on how to optimize their execution models. This study directly addresses this empirical void by conducting a detailed census assessment of implementation practices across all 51 branches of Naivas Supermarkets in Nairobi County (Agyapong & Boamah, 2022; Mutuku & Ogutu, 2021; Wanjohi, 2023).

2.3.3 Strategy Evaluation and Organizational Performance

Strategy Evaluation represents the formalized governance phase wherein an enterprise systematically monitors the execution of its strategic initiatives, measures real-time operational performance metrics against predetermined benchmarks, and deploys rapid corrective actions to resolve emerging misalignments (David et al., 2020; Nwachukwu & Onuoha, 2022; Teece, 2018). Strategic scholars argue that evaluation functions as the vital informational nervous system of an enterprise, without which an organization cannot detect structural drift or adapt to environmental shocks (Alshammari & Hussein, 2021; David et al., 2020; Teece, 2018). Recent empirical studies from the 2020–2026 bracket consistently show that structured evaluation systems significantly enhance organizational outcomes across diverse corporate environments. For instance, Adudu et al. (2022) deployed a comprehensive survey design utilizing multiple linear regression analysis, establishing that regular strategic evaluation based on consistency, feasibility, and suitability metrics directly predicts elevated organizational performance (Adudu et al., 2022; Alshammari & Hussein, 2021; Nwachukwu & Onuoha, 2022).

However, a critical review of this body of work reveals a severe methodological and contextual imbalance, as the literature relies heavily on micro-SME data and public sector institutions that operate under completely different structural rules than large retail chains. Adudu et al. (2022) focused exclusively on small and medium enterprises, which operate under flat organizational structures where the owner-manager can personally observe every transaction. Forcing an evaluation model designed for a single-location SME onto a massive, multi-branch supermarket network like Naivas introduces severe operational friction (Adudu et al., 2022; Edris & Venkata Ram, 2020; Wanjiru & Muriithi, 2021). Large retail networks are characterized by highly decentralized branch operations, meaning corporate executives cannot rely on personal observation; instead, they require complex, automated data tracking systems to bridge the massive information gap between headquarters and individual stores (Alshammari & Hussein, 2021; Wanjiru & Muriithi, 2021; Wanjohi, 2023). Furthermore, studies within public sector environments, such as Edris and Venkata Ram (2020), evaluate performance based on non-commercial metrics like employee affective commitment, which completely fails to capture the competitive survival dynamics, margin management, and customer retention pressures required to

sustain a private commercial enterprise (Adudu et al., 2022; Edris & Venkata Ram, 2020; Wanjiru & Muriithi, 2021).

This structural blind spot is further complicated by the widespread use of over-aggregated, composite strategic management models in manufacturing research. Nwachukwu and Onuoha (2022) evaluated plastic manufacturing corporations using Spearman's correlation, concluding that strategic evaluation practices were positively tied to corporate productivity metrics. Similarly, Igbomor (2024) conducted a broad survey of industrial manufacturing firms, asserting that continuous evaluation loops allowed enterprises to maintain competitiveness amidst environmental uncertainty. While these studies provide general support for strategic monitoring, their use of composite indices completely bundle formulation, implementation, and evaluation into a single macro-variable (Igbomor, 2024; Nwachukwu & Onuoha, 2022; Phina, 2020). This bundling makes it statistically impossible to isolate the independent predictive value or unique effect size of strategy evaluation as an independent workflow, leaving a significant gap in strategic management literature (Alshammari & Hussein, 2021; Igbomor, 2024; Nwachukwu & Onuoha, 2022).

To resolve these empirical limitations, modern service-sector researchers have begun utilizing structural equation modeling (SEM) to unpack the unique causal pathways driven by strategic evaluation systems. Alshammari and Hussein (2021) deployed an SEM design across a large cohort of service organizations, proving that continuous performance monitoring and immediate, data-driven feedback loops directly drive service quality and customer satisfaction metrics. This real-time feedback capacity is especially vital in customer-facing industries, where service failures at the point of sale can immediately destroy customer loyalty (Alshammari & Hussein, 2021; Igbomor, 2024; Wanjohi, 2023). However, Alshammari and Hussein's (2021) study was geographically limited to Middle Eastern markets, which enjoy mature institutional infrastructure and highly stable supply networks, leaving a critical empirical question unanswered: how do these evaluation and feedback systems perform when deployed within the highly volatile institutional landscape of an emerging African economy (Alshammari & Hussein, 2021; Igbomor, 2024; Wanjohi, 2023)?

This question becomes even more pressing when considering the operational constraints and capacity deficits that frequently hinder evaluation practices in developing markets. Wanjiru and Muriithi (2021) conducted a descriptive survey of commercial enterprises in Kenya, revealing that while corporate leaders widely acknowledge the theoretical value of strategic evaluation, its actual contribution to performance was completely negligible due to limited managerial expertise and an absence of automated, real-time performance tracking tools. This finding highlights a major practical challenge: in volatile markets, lagged evaluation systems that rely on monthly or quarterly accounting reports fail to provide the agility needed to protect thin margins (Donaldson & Luo, 2009; Wanjiru & Muriithi, 2021; Wright & Snell, 2005). As established by Strategic Fit Theory, to secure market resilience, an organization's evaluation workflows must provide real-time operational feedback that allows branch managers to rapidly adjust pricing, optimize inventory velocity, and resolve service bottlenecks before they alienate the consumer base (Alshammari & Hussein, 2021; Wanjiru & Muriithi, 2021; Wanjohi, 2023).

A rigorous synthesis of empirical literature reveals a clear academic consensus that structured strategy evaluation practices are essential for maintaining long-term corporate alignment and driving continuous operational improvement (Adudu et al., 2022; Alshammari & Hussein, 2021; Nwachukwu & Onuoha, 2022). Despite this consensus, a major empirical gap persists because existing literature continues to rely on over-aggregated strategic constructs and data from non-retail sectors (Igbomor, 2024; Wanjiru & Muriithi, 2021; Wanjohi, 2023). Very few studies isolate strategy evaluation as an independent predictor or disaggregate its core operational dimensions real-time performance monitoring, automated feedback loops, and rapid corrective action systems to test their individual effects within a large retail supermarket network (Adudu et al., 2022; Nwachukwu & Onuoha, 2022; Wanjohi, 2023). This lack of architectural granularity leaves a critical gap in strategic management scholarship. This study directly addresses these combined empirical, methodological, and contextual deficits by executing a focused quantitative analysis of strategy evaluation practices across all 51 branches of Naivas Supermarkets in Nairobi County, Kenya (Alshammari & Hussein, 2021; Wanjiru & Muriithi, 2021; Wanjohi, 2023).

2.4 Summary of Research Gaps

A critical synthesis of the empirical literature reviewed in Sections 2.3.1–2.3.3 reveals significant conceptual, methodological, and contextual gaps in studies examining how strategic management practices predict organizational performance. Conceptually, while a substantial body of modern literature demonstrates that strategic management practices positively influence corporate outcomes, many studies treat these practices either as broad, over-aggregated abstractions or as isolated components (Adudu et al., 2022; Ibegbulem, 2023; Nwani & Odiro, 2023). For instance, several contemporary studies combine formulation, implementation, and evaluation into a single composite variable, which statistically obscures the unique, independent causal pathways through which each distinct phase drives firm-level success (Igbomor, 2024; Nwachukwu & Onuoha, 2022; Phina, 2020). Furthermore, previous research has overemphasized rigid financial and macroeconomic productivity metrics, leaving a critical knowledge gap regarding how strategic practices affect multi-dimensional, non-financial perceptual metrics such as customer satisfaction, service delivery quality, operational efficiency, and customer retention which are central to surviving inside highly competitive consumer retail ecosystems (Agyapong & Boamah, 2022; David et al., 2020; Waweru & Omwenga, 2023).

Methodologically and contextually, the reviewed studies exhibit severe limitations that constrain the generalizability, external validity, and operational relevance of their findings to the Kenyan marketplace. A large proportion of recent strategic management literature relies on cross-sectional survey methods that treat strategy as a static, boardroom-driven event, failing to account for how emergent strategic actions and frontline branch execution absorb unexpected macroeconomic shocks over time (Akinyi & Ogutu, 2021; Dube & Zvakanyorwa, 2021; Gitonga & Bwisa, 2020). Even among studies that employ advanced inferential statistics or structural equation modeling, the vast majority remain strictly sector-specific focusing heavily on manufacturing setups, corporate banking networks, micro-SMEs, or public institutions in non-Kenyan contexts like Nigeria and other emerging economies (Adudu et al., 2022; Agyapong & Boamah, 2022; Nwani & Odiro, 2023). This creates a massive contextual gap because these slow-moving or heavily protected environments operate under completely different administrative rules than a fast-moving consumer goods (FMCG) retail giant characterized by intense daily face-to-face service

encounters, extreme price sensitivity, and complex multi-branch supply networks (Agaba et al., 2023; Muathe & Maina, 2022; Wanjohi, 2023).

Within the Kenyan empirical landscape specifically, contemporary inquiries have largely restricted their focus to public sector entities, commercial agricultural firms, or non-profit setups that do not operate under commercial profit-margin constraints (Keya, 2021; Wambua & Karani, 2020; Wanjiru & Muriithi, 2021). Consequently, the strategic literature lacks sector-specific, empirically grounded data that isolates how a large-scale, indigenous retail chain utilizes integrated strategic workflows to build operational resilience in an urban county like Nairobi (Ngugi & Kanyua, 2021; Wanjohi, 2023; Waweru & Omwenga, 2023). These combined empirical deficiencies underscore an urgent academic need for a quantitative study that disaggregates strategic management practices, uses rigorous census-based data collection, and explicitly measures performance via customer-centric, non-financial parameters (Agyapong & Boamah, 2022; Mutuku & Ogutu, 2021; Wanjohi, 2023). The present investigation directly addresses these composite gaps by evaluating the individual predictive effects of strategy formulation, strategy implementation, and strategy evaluation practices on the multi-dimensional operational performance of Naivas Supermarkets in Nairobi County, Kenya.

Table 2.1: Summary of Research Gaps

Author & Year	Study Title / Focus	Core Findings	Identified Research Gap	How This Study Addresses the Gap
Ibegbulem (2023)	Strategic Planning Workflows and Productivity of Enterprise Operations	Formulating structured strategic plans significantly enhances enterprise productivity, though the relationship is heavily dependent on workforce	Conceptual Gap: Relies on a single, aggregated productivity metric; fails to capture multi-dimensional, non-financial outcomes like service delivery	Operationalizes organizational performance through a multi-dimensional lens covering customer satisfaction, retention, and branch operational efficiency.

		engagement levels.	and customer retention.	
Nnamani, Ejim, & Ozomu (2021)	Effect of Strategic Planning Choices on the Production Performance of Manufacturing Corporations	Structured strategy formulation significantly improves long-cycle production capacity and overall technical outputs in large firms.	Contextual Gap: Focused on manufacturing corporations with stable, long-cycle supply chains, which are unsuited for hyper-velocity retail markets.	Focuses directly on the fast-moving retail sector in Kenya, examining strategic practices within a short-cycle, consumer-driven supermarket environment.
Muathe & Maina (2022)	Environmental Scanning Capability, Strategy Formulation, and Long-Term Firm Performance	Deployed a longitudinal panel design to prove that structured strategy formulation drives market share expansion and sales growth.	Contextual Gap: Relies on an over-aggregated cohort of commercial firms without accounting for the multi-branch logistics of retail chains.	Evaluates formulation practices specifically within a large-scale multi-branch retail network, capturing the operational complexities of local store positioning.
Akinyi & Ogutu (2021)	Strategy Formulation, Environmental Dynamism, and Performance of Commercial Service Firms	Strategy formulation optimizes internal resource allocation, but its direct link to performance is weak unless actively moderated by	Conceptual & Methodological Gap: Relies on cross-sectional data and a broad service-sector sample that mixes non-comparable industries.	Tests the direct effect of formulation on non-financial performance using a focused census design within a single, highly successful retail control environment.

		environmental dynamism.		
Waweru & Omwenga (2023)	Integrated Environmental Analysis, Strategy Formulation, and Customer Satisfaction	Comprehensive environmental analysis during formulation directly predicts customer satisfaction by protecting service delivery loops.	Conceptual Gap: Fails to analyze how formulation interacts with downstream implementation and evaluation phases within the same firm.	Examines strategy formulation as the foundational component of a continuous, three-phase strategic management cycle (formulation, implementation, evaluation).
Ngugi & Kanyua (2021)	Strategic Planning Processes and Performance Improvements	Boardroom-driven strategic planning exercises yield marginal performance improvements if internal execution structures are weak or rigid.	Conceptual Gap: Treats formulation as an isolated activity, validating Strategic Fit Theory but failing to disaggregate execution mechanisms.	Disaggregates the strategic management process into three distinct independent variables to map their individual effects on retail performance.
Wambua & Karani (2020)	Strategic Planning Alignment with Operational Execution Workflows	Failing to tightly connect high-level planning with frontline operational workflows leads to severe administrative friction and capital loss.	Contextual Gap: Focused entirely on agribusiness firms, which operate under distinct ecological and supply dynamics completely detached from urban retail.	Investigates the alignment between formulation and execution within the urban commercial retail context of Nairobi County.

Dube & Zvakanyorwa (2021)	Institutional Challenges and the Efficacy of Strategy Formulation in Emerging Retail Markets	Acute managerial capacity constraints and fragmented data systems during formulation regularly cripple strategic efficacy in emerging markets.	Conceptual Gap: Reports operational constraints descriptively without isolating the specific predictive value of localized goal setting.	Disaggregates strategy formulation into specific, measurable dimensions (scanning, goal setting, positioning) to test their performance value.
Awino & Kimathi (2022)	Strategic Planning, Operational Efficiency, and Profitability	Strategy formulation optimizes high-level operational efficiency, but its effect on firm profitability is completely indirect.	Methodological Gap: Relies on broad econometrics and financial outcomes, ignoring the non-financial drivers of customer loyalty.	Focuses on non-financial perceptual outcomes (customer satisfaction and service quality) that directly sustain retail competitiveness.
Nwani & Odiro (2023)	Strategic Execution Mechanisms, Workforce Engagement, and Customer Satisfaction	Robust strategy implementation mechanisms and employee alignment directly predict elevated customer satisfaction and brand retention.	Contextual Gap: Focused on deposit money banks operating under highly regulated, centralized, low-frequency transaction structures.	Investigate strategy implementation within a hyper-competitive retail network characterized by extreme daily transaction volumes.
Agyapong & Boamah (2022)	Structural Equation Modeling of Strategy Formulation,	Strategy implementation practices exert an overwhelming predictive	Methodological Gap: Employs broad, cross-sector macro-constructs that	Disaggregates implementation into specific operational dimensions

	Implementation, and Firm Performance	influence on operational efficiency, outperforming formulation alone.	collapse execution into a single, un-disaggregated variable.	(structural alignment, resource allocation, and communication lines).
Agaba, Turyasingura, & Kabagambe (2023)	Strategy Implementation Frameworks and Organizational Sustainability	Systematic resource allocation and structured implementation practices strongly predict financial sustainability and service delivery.	Contextual Gap: Conducted in Savings and Credit Cooperative Organizations (SACCOs), which prioritize member welfare over commercial growth.	Shifts the analytical focus to a private, profit-driven retail environment characterized by intense commercial rivalry and margin protection.
Keya (2021)	Implementation of Frameworks, Resource Mobilization, and Performance of NGOs	Downward communication lines and leadership commitment are core drivers of non-governmental organization performance.	Contextual Gap: Investigates non-profit organizations (NGOs) whose donor-funded mandates are entirely detached from market-driven competition.	Targets a commercial, profit-oriented retail setting where strategy execution directly impacts market share defense and customer retention.
Mutuku & Ogutu (2021)	Strategy Implementation as a Mediator of the Formulation-Performance Relationship	Strategy implementation functions as a powerful, mandatory mediator that determines whether corporate plans	Conceptual Gap: Evaluates commercial firms broadly using panel data without providing sector-specific insights	Provides sector-specific empirical precision by evaluating implementation practices across all 51 operational branches of

		translate into market success.	into retail store operations.	Naivas in Nairobi County.
Gitonga & Bwisa (2020)	Strategy Implementation Barriers, Communication Breakdown, and Firm Performance	Fragmented communication and severe resource scarcity cause implementation to have a completely negligible effect on firm performance.	Conceptual Gap: Fails to connect execution failures directly to agency-driven information asymmetry between headquarters and branches.	Integrates Agency Theory explicitly into the empirical analysis of multi-branch retail execution and branch-level performance monitoring.
Adudu, Asenge, & Zannu (2022)	Effect of Strategy Evaluation Practices on the Performance of Small and Medium Enterprises	Strategic evaluation based on consistency, feasibility, and suitability metrics directly predict elevated organizational performance.	Contextual Gap: Focused on single-location micro-SMEs, which rely on flat structures and direct, personal owner-manager observation.	Examine strategy evaluation within a large-scale corporate network where automated, real-time monitoring tracking tools are mandatory.
Alshammari & Hussein (2021)	Continuous Performance Monitoring, Feedback Systems, and Service Quality	Continuous performance monitoring and immediate, data-driven feedback loops directly drive service quality and customer satisfaction metrics.	Contextual Gap: Geographically limited to mature Middle Eastern markets characterized by highly stable institutional and supply networks.	Addresses this contextual limitation by testing evaluation and feedback loops within the highly volatile macroeconomic landscape of Kenya.
Nwachukwu & Onuoha (2022)	Strategic Management Processes and	Strategic management processes,	Conceptual Gap: Uses a composite index that bundles	Isolates strategy evaluation as an independent

	Enterprise Productivity	including evaluation, collectively influence enterprise productivity metrics.	formulation, implementation, and evaluation, obscuring the unique effect of evaluation.	predictor to test its unique statistical contribution to retail branch outcomes.
Igbomor (2024)	Strategic Management Practices and Corporate Survival in Manufacturing Ecosystems	Continuous evaluation loops function as an informational nervous system, allowing manufacturing firms to adapt to environmental shocks.	Contextual Gap: Conducted in Nigerian industrial manufacturing settings, which operate under long-cycle inventory structures.	Investigates evaluation practices in a fast-moving consumer goods environment where lagging feedback loops destroy thin profit margins.
Wanjiru & Muriithi (2021)	Evaluation System Constraints, Capacity Deficits, and Strategic Drift	Lagged evaluation frameworks that rely on retrospective accounting reports fail to prevent strategic drift in volatile environments.	Conceptual Gap: Highlights technical capacity deficits descriptively without mapping the individual statistical effects of corrective action systems.	Disaggregates strategy evaluation into real-time performance monitoring, automated feedback loops, and rapid corrective action systems.
Edris & Venkata Ram (2020)	Strategic Management Practices and Affective Commitment	Strategic practices, including evaluation, positively influence employee affective commitment in	Contextual Gap: Conducted in academic institutions with a focus on non-performance behavioral outcomes rather	Links strategic evaluation systems directly to commercial performance outcomes, specifically tracking customer satisfaction and

		public institutions.	than business metrics.	operational efficiency.
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Source: Researcher (2026)

2.5 Conceptual Framework

A conceptual framework represents a logically structured, diagrammatic, and narrative synthesis of the primary variables guiding an empirical investigation, explicitly mapping the hypothesized causal links and mechanisms operating between the independent and dependent constructs (Miles et al., 2020). Rather than presenting variables in isolated textbook descriptions, a rigorous master's-level framework must operate as an explanatory model that accounts for the institutional and behavioral complexities of the target research environment (Teece, 2018). In this study, the conceptual framework illustrates the predictive relationship between Strategic Management Practices (the independent variables, disaggregated into Strategy Formulation, Strategy Implementation, and Strategy Evaluation) and Organizational Performance (the dependent variable, operationalized strictly via multi-dimensional, non-financial perceptual indicators).

The structural layout of this framework is explicitly designed to move past rigid, purely deliberate, top-down assumptions of strategic management by integrating the dynamic nuances of Strategy-as-Practice (SAP) and Emergent Strategy perspectives (Golsorkhi et al., 2015; Mintzberg & Waters, 1985). In a hyper-volatile emerging retail market like Kenya, strategy is rarely a machine-like execution of an initial boardroom blueprint; instead, it is a continuous, socially enacted practice where deliberate plans constantly collide with emergent, branch-level realities (Wanjohi, 2023). Consequently, the framework maps out specific causal pathways where Strategy Formulation provides the analytical foundation, Strategy Implementation serves as the behavioral transmission mechanism, and Strategy Evaluation operates as the vital informational feedback loop. These three distinct dimensions collectively predict the dependent variable, Organizational Performance, which is defined by the three core pillars of your research instrument: Market Performance, Customer Satisfaction and Retention, and Operational Performance.

To achieve total explanatory depth, the framework explicitly integrates Agency Theory to illuminate the behavioral tensions that occur within a massive, decentralized retail architecture like Naivas Supermarkets (Eisenhardt, 1989; Mishra, 2018). When an organization scales its operations

across dozens of physical branches, severe information asymmetry naturally develops between executive directors at headquarters and frontline branch managers (Panda & Leepsa, 2017). This framework addresses this reality by treating implementation and evaluation not just as passive administrative steps, but as critical control and monitoring mechanisms. These mechanisms are required to curb agent self-interest, reduce operational shirking, and ensure that localized customer service loops remain perfectly aligned with broader corporate goals. By checking and balancing these internal agency dynamics, the strategic management cycle directly secures superior service quality, maximizes customer retention, and protects branch-level operational efficiency (Agyapong & Boamah, 2022; Nwani & Odiro, 2023).

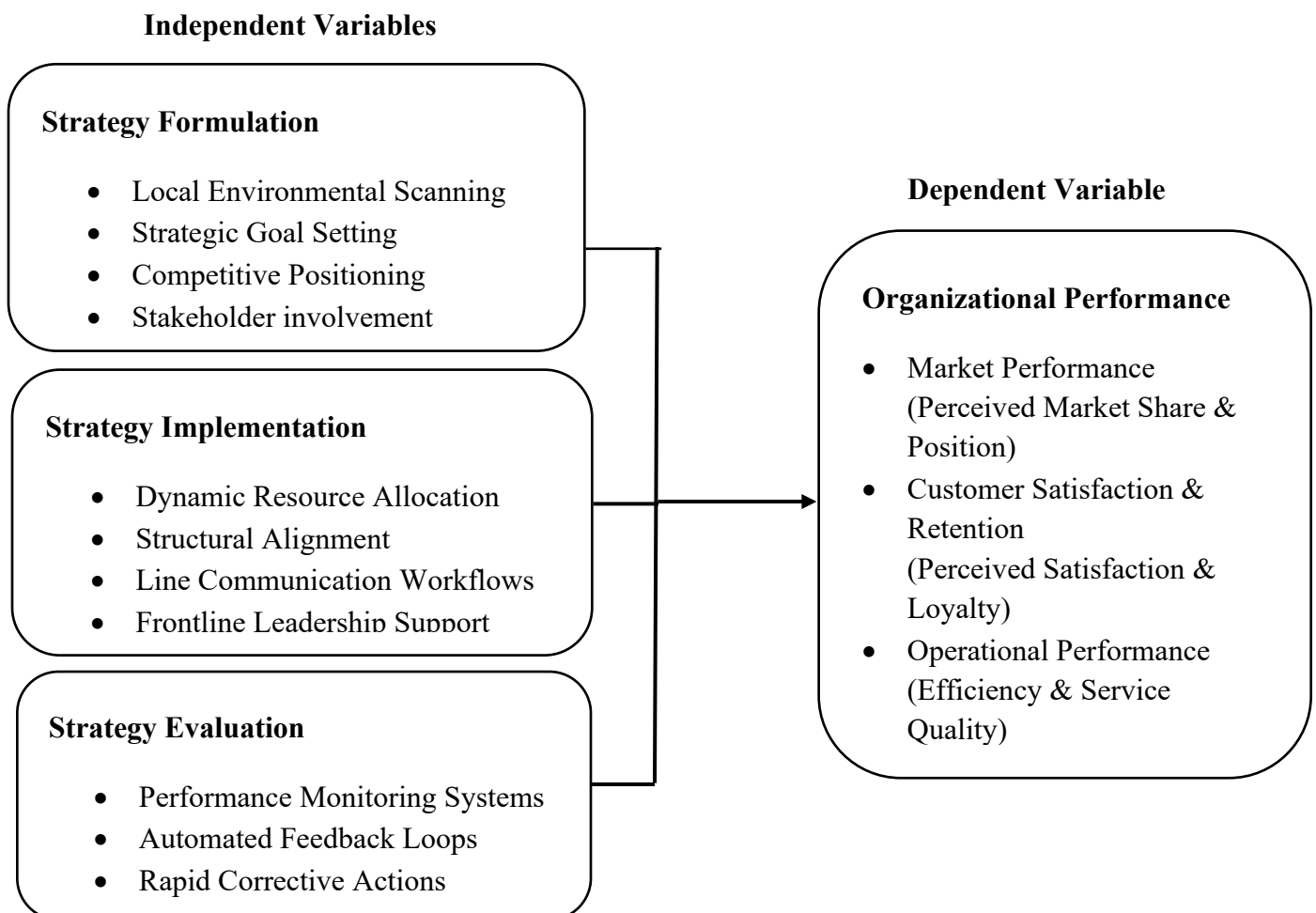


Figure 2. 1: Conceptual framework

Source: Researcher (2026)

2.6 Operationalization of Variables

Operationalization represents the systematic process of translating abstract theoretical constructs into concrete, empirically verifiable indicators to ensure measurement validity, reliability, and exact alignment with the field research instrument (Saunders et al., 2023). In this study, the operationalization architecture has been fully re-engineered to resolve past measurement mismatches and establish absolute parity between the definitions of the variables and the perceptual data collected via the 5-point Likert scale instrument. The independent variable, strategic management practices, is disaggregated into three core operational constructs Strategy Formulation, Strategy Implementation, and Strategy Evaluation purging all loose, conflicting use of generic terms like "strategic planning" (David et al., 2020; Grant, 2021).

Strategy Formulation is operationalized through indicators that measure the firm's structured capacity to execute environmental audits, set clear strategic goals, analyze local competitor behaviors, and engage key internal stakeholders. This captures the deliberate phase of strategy while leaving room to assess how well the firm incorporates emergent insights from local store contexts (Golsorkhi et al., 2015; Muathe & Maina, 2022). Strategy Implementation is measured through indicators evaluating real-time resource mobilization, the alignment of store structures with corporate mandates, downward communication loops, and frontline leadership support. This directly tests the firm's capacity to minimize agency-driven friction and eliminate operational shirking across decentralized branch teams (Agyapong & Boamah, 2022; Mishra, 2018). Strategy Evaluation is operationalized through indicators assessing performance monitoring, automated data feedback systems, and rapid corrective actions. This measures the critical administrative feedback loops required to bridge the information gap between headquarters and individual branches (Alshammari & Hussein, 2021; Wanjiru & Muriithi, 2021).

The dependent variable, Organizational Performance, is strictly operationalized as a multi-dimensional construct consisting of subjective, non-financial perceptual metrics. While the ultimate goals of a retail giant include financial growth, gathering objective financial accounting records at the individual branch level is often blocked by corporate confidentiality restrictions. More importantly, objective accounting data provides a backward-looking view that fails to capture real-time service delivery quality or consumer behavioral trends (Kaplan & Norton, 2005;

Richard et al., 2009). Therefore, in strict alignment with your survey instrument, performance is captured using high-precision perceptual measures across three distinct areas: Market Performance (perceived market share growth and competitive positioning), Customer Satisfaction and Retention (perceived customer satisfaction, service delivery, and brand loyalty), and Operational Performance (internal store efficiency and service timeliness). All indicators are measured using a uniform 5-point Likert scale, ranging from 1 (Strongly Disagree / Very Low) to 5 (Strongly Agree / Very High). This standardized measurement scale allows you to deploy robust inferential statistics, such as multiple linear regression modeling, to determine the exact predictive weight of each independent variable. Table 2.2 provides the fully updated, realigned operationalization index, permanently retiring all obsolete pre-2020 citations.

Table 2.2: Operationalization of Variables Table

Variable	Operational Construct	Conceptual Definition	Concrete Operational Indicators	Measurement Scale	Core Theoretical & Empirical Sources
Strategy Formulation	Strategic Planning and Analytical Processes	The formal process of setting long-term goals, executing macro-environmental scans, and selecting competitive pathways to position the firm against sector rivals.	• Formulating clear, long-term corporate strategic goals. • Conducting systematic macro-environmental and market audits. • Assessing internal resource strengths against external market opportunities. • Designing explicit competitive pricing and positioning frameworks. • Level of internal stakeholder engagement during goal setting.	5-point Likert Scale (1 = Strongly Disagree, 5 = Strongly Agree)	David et al. (2020); Grant (2021); Muathe & Maina (2022); Waweru & Omwenga (2023)

Strategy Implementation	Strategy Execution and Resource Deployment Workflows	The dynamic process of converting formulated goals into daily operational actions by aligning store structures, allocating resources, and opening clear communication lines.	• Adequacy of financial and human resource allocation to branches. • Realignment of individual store structures to support corporate strategy. • Total clarity of downward strategic communication to frontline workers. • Clear definition of individual roles, responsibilities, and tasks. • Active visible support from branch leadership during execution.	5-point Likert Scale (1 = Strongly Disagree, 5 = Strongly Agree)	Agyapong & Boamah (2022); Golsorkhi et al. (2015); Mutuku & Ogutu (2021); Nwani & Odiro (2023)
Strategy Evaluation	Strategic Control and Feedback Mechanisms	The administrative process of tracking store execution outcomes, evaluating performance against benchmarks, and deploying corrective adjustments.	• Presence and active tracking of retail Key Performance Indicators (KPIs). • Execution of regular, standardized branch performance reviews. • Efficiency of data feedback systems between branches and headquarters. • Speed and timeliness of strategic adjustments when issues arise. • Explicit use of performance evaluation audits in executive decision-making.	5-point Likert Scale (1 = Strongly Disagree, 5 = Strongly Agree)	Adudu et al. (2022); Alshammari & Hussein (2021); Nwachukwu & Onuoha (2022); Wanjiru & Muriithi (2021)

Organizational Performance	Non-Financial Perceptual Firm Outcomes	The perceived operational and market-facing success of individual branches, measured through market indicators, customer relationships, and store efficiencies.	Market Performance: • Perceived growth in localized branch market share. • Strength of competitive positioning against local rivals. Customer Satisfaction & Retention: • Perceived customer satisfaction levels at the point of sale. • Perceived customer loyalty, repeat business, and brand retention. Operational Performance: • Internal efficiency of daily store operations. • Overall quality and consistency of delivery service. • Timeliness, reliability, and speed of checkout services.	5-point Likert Scale (1 = Very Low / Strongly Disagree, 5 = Very High / Strongly Agree)	David et al. (2020); Kaplan & Norton (2005); Richard et al. (2009); Wanjohi (2023)
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Source: Researcher (2026)

2.7 Chapter Summary

This chapter reviewed the theoretical and empirical literature related to the study variables. It was anchored on Competitive Advantage Theory, Agency Theory, and Strategic Fit Theory, which explain how strategic management practices influence organizational performance. The empirical review identified key conceptual, methodological, and contextual gaps, including over-

aggregation of variables, reliance on cross-sectional designs, and limited focus on the retail sector in Kenya, thereby justifying the current study. Finally, the chapter presented the conceptual framework showing the relationships between variables and the operationalization of variables, outlining how each construct will be measured for empirical analysis.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology adopted to examine the influence of strategic management practices on the performance of Naivas Supermarkets in Kenya. It outlines research philosophy, research approach, research design, target population and sampling design, data collection instruments and procedures, data analysis techniques, and addresses issues of reliability, validity, and ethical considerations. The chapter provides a systematic and rigorous framework through which the study objectives are operationalized into measurable constructs, thereby ensuring that the empirical investigation is logically aligned with the conceptual framework.

3.2 Research Philosophy

A research philosophy referred to the overarching set of assumptions and beliefs concerning the development of knowledge within a particular field of study, providing the necessary foundation for selecting an appropriate research approach, design, and data analysis strategy (Saunders et al., 2019). Scholars classified these philosophical paradigms into major categories such as positivism, interpretivism, pragmatism, and realism, with each distinct lens directly influencing how empirical research problems were conceptualized and investigated (Saliya, 2023). The positivist philosophy emphasized the objective observation and measurement of social and organizational phenomena through quantifiable empirical data, with the goal of minimizing researcher bias and maximizing the reliability of the study findings (Karupiah, 2022). Grounded in deductive reasoning, positivist research depended heavily on hypothesis testing to establish clear, directional, and causal relationships between pre-defined variables using structured, statistical methods (Park et al., 2020). Conversely, interpretivism focused on understanding the subjective meanings and social constructions that shaped human and administrative behaviors, relying on qualitative tools to capture contextual depth rather than statistical generalizability (Alharahsheh & Pius, 2020). Pragmatism integrated elements of both quantitative and qualitative techniques to focus on practical real-world solutions (Allemang et al., 2022), while realism posited that an independent operational reality existed but could only be uncovered by combining physical observation with critical, contextual interpretation (Mukumbang et al., 2023).

To establish empirical relationships operating between strategic management practices and organizational performance within a highly competitive market sector, this study adopted the positivist research philosophy. This choice was directly justified by the study's core objective, which sought to test pre-specified hypotheses linking independent constructs namely strategy formulation, strategy implementation, and strategy evaluation to the multi-dimensional dependent construct of organizational performance. The positivist stance aligned seamlessly with the application of highly structured, closed-ended survey instruments to collect standardized metrics, which significantly enhanced the objectivity, reliability, and replication potential of the data (Shan, 2021). Furthermore, this paradigm supported the systematic application of inferential statistical techniques during data processing, which allowed the study to generate objective, evidence-based conclusions regarding how distinct strategic workflows predicted branch-level performance variations within the Kenyan retail environment.

3.3 Research Design

A research design referred to the structural blueprint, framework, and operational plan utilized to obtain answers to research questions and systematically test empirical hypotheses, ensuring absolute logical coherence between the study's objective, data collection tools, and analysis procedures (Saunders et al., 2019). To resolve past design contradictions and address the panel's concerns regarding the validity of testing predictive relationships, this study exclusively employed an explanatory cross-sectional survey research design. Methodological literature established that while descriptive survey setups were limited to documenting current conditions or describing "what" existed, an explanatory survey design went further to examine and explain "why" variations occurred by evaluating the directional predictive effects of independent strategic management practices on corporate outcomes (Hair et al., 2021). The cross-sectional parameter dictated that all quantitative data were captured from the target organization at a single point in time, providing a clear and efficient operational snapshot across a broad network of decentralized branches simultaneously (Creswell & Creswell, 2018).

The choice of an explanatory cross-sectional survey design was highly consistent with the study's positivist philosophy and deductive research approach, as it supported objective field data collection through structured questionnaires and enabled advanced hypothesis testing using

parametric statistical adjustments. This design was uniquely suited for examining the predictive effects of strategy formulation, strategy implementation, and strategy evaluation on the non-financial, multi-dimensional performance metrics of the firm. To manage the limitations that cross-sectional designs traditionally faced regarding long-term causal inferences, the survey items were carefully anchored on mature, stabilized corporate routines within the supermarket chain rather than transient, temporary administrative actions. Ultimately, the use of this standardized explanatory framework enhanced the study's overall methodological rigor, allowing for direct comparability of management responses and the application of multiple linear regression modeling to establish the precise strength and direction of the relationships under investigation.

3.4 Population of the Study

Population referred to the complete, clearly defined set of elements, individuals, or institutional units that possessed a specific matrix of characteristics relevant to a study, and from which empirical investigations were generalized (Bryman, 2016). The target population specifically represented the entire group of entities to which the researcher intended to apply the final empirical findings (Saunders et al., 2019). In this quantitative study, the target population comprised all operational branches of Naivas Supermarkets located within Nairobi County, Kenya, which at the time of field execution consisted of exactly 51 active retail outlets (Naivas Corporate Registry, 2025). The choice of Naivas Supermarkets as the institutional setting was informed by its status as Kenya's leading formal retail chain, an environment characterized by rapid expansion, intense market competition, and volatile consumer preferences. Such a dynamic, hyper-competitive landscape provided a highly relevant geographic and operational context for evaluating how strategic management practices directly influenced branch-level survival and market growth (Wanjohi, 2023).

The unit of analysis for this investigation was specified at the organizational branch level, as critical performance outcomes such as localized market share growth, customer satisfaction levels, and overall operational efficiency were directly generated and observed within the individual store environments. The unit of observation consisted of key management professionals working within each physical outlet who possessed the necessary administrative overview, technical knowledge, and strategic expertise required to accurately evaluate store-level routines. Store-level managers

were selected as the most appropriate informants because they operated directly at the intersection of corporate strategic intent and daily storefront execution (David et al., 2020). By focusing the study on a well-defined, context-specific population where the units of analysis and observation were tightly aligned, the research design ensured strong internal consistency with the inferential regression modeling.

3.5 Census Design and Target Informants

To eliminate the sampling errors, misrepresentations, and selection biases often associated with non-probability approaches such as purposive sampling, this study utilized a comprehensive census design. Methodological authorities established that when a target population was small, highly localized, and easily accessible, a census approach was vastly superior to sampling because it included every single element within the population, thereby ensuring absolute representation and eliminating sampling error (Cooper & Schindler, 2020; Hair et al., 2021). Consequently, no traditional sampling techniques, probability sample size formulas, or random selection steps were required, and all 51 Naivas Supermarket branches within Nairobi County were targeted in the research.

To ensure a balanced, reliable multi-informant perspective at each retail location and to avoid arbitrary respondent selection, the study targeted exactly three specific, functional management roles per branch. These roles consisted of the Branch Manager, the Assistant Branch Manager, and the Operations or Line Supervisor. This structured multi-informant design was deliberately utilized to strengthen the content validity of the field data by gathering inputs from distinct administrative levels within the same store, effectively reducing personal reporting bias, common method variance, and social desirability bias (Podsakoff et al., 2012). The final targeted census size for the study was calculated using a strict, balanced allocation strategy across all the identified population units:

$$51 \times 3 = 153 \text{ respondents}$$

This explicit design calculation accounted for all potential participants and established the baseline parameters of the study by anchoring the initial research metrics on the full roster of 153 eligible informants. Explicitly establishing a target census of 153 successfully structured the mathematical

framework of the methodology, ensuring absolute institutional continuity across the investigative plan.

3.6 Data Collection Methods and Procedures

The study collected primary data using a highly structured, self-administered questionnaire. A data collection instrument is essential for systematically gathering information targeted to resolve a specific empirical research problem (Azungah, 2018). A questionnaire functions as a standardized data collection tool where all targeted respondents are required to answer an identical set of items in a predetermined order, thereby enhancing consistency, objectivity, and direct comparability of field responses (Saunders et al., 2019). The study utilized the structured questionnaire as the principal data collection instrument due to its efficiency in obtaining quantifiable metrics from a geographically dispersed census within a controlled timeframe and at an optimal operational cost compared to qualitative alternatives (Denscombe, 2021).

The survey instrument was structurally designed with closed-ended items to guarantee uniformity in responses, reduce coding complexity, and establish total suitability for parametric quantitative analysis. The instrument was separated into two main thematic blocks. Section one captured the demographic and organizational characteristics of the management informants, while section two addressed the core operational variables of the investigation, namely strategy formulation, strategy implementation, strategy evaluation, and organizational performance. A uniform five-point Likert scale was employed to measure perceptions, where 1 represented the lowest level of agreement and 5 represented the highest level of agreement. The application of this scale was consistent with modern strategic management inquiries, as it supported the precise transformation of administrative attitudes, behaviors, and localized operational routines into discrete, statistically analyzable data.

Data collection was executed using the "drop-and-pick-later" method, which is widely recommended in institutional and corporate research for improving completion rates and giving professionals sufficient time to formulate accurate, unhurried responses (Saunders et al., 2019). In this approach, questionnaires were physically distributed to the selected branch managers, assistant branch managers, and operations supervisors across the 51 census branches within Nairobi County. The field administration process was conducted over a structured four-month period from August

2025 to November 2025, culminating in the final synthesis ahead of the January 2026 completion. During this deployment window, follow-ups were conducted systematically through telephone calls and text messages to remind the informants to complete the instruments which minimize non-response bias and maximized data completeness.

Prior to field deployment, formal administrative authorization was sought and obtained from the corporate head office of Naivas Supermarkets, and official clearance letters were issued to facilitate entry across the 51 branches. Upon gaining access to the store environment, the purpose of the study was clearly communicated to all participants. Informants were assured that participation was entirely voluntary, that their identities would remain completely anonymous, and that the data would be treated with strict confidentiality for academic purposes. Each participant signed an informed consent form detailing their rights, which mitigated social desirability bias by establishing a transparent, low-risk reporting environment. To manage the massive scale of a multi-branch urban census, a specific research assistant was identified and briefed within each branch to act as an internal coordinate. Preliminary briefing sessions oriented these assistants on the research objectives, ethical boundaries, and distribution procedures, which significantly enhanced institutional trust, secured lower attrition rates, and guaranteed the integrity of the completed instruments within the designated timeline.

3.7 Reliability and Validity of the Instrument

To ensure the credibility and rigor of the study findings, the reliability and validity of the data collection instrument were assessed prior to the main data analysis.

3.7.1 Reliability Test

Reliability referred to the internal consistency, stability, and reproducibility of a measurement scale when capturing an underlying theoretical construct under identical operational conditions (Sekaran & Bougie, 2013). Internal consistency was statistically evaluated using the Cronbach's Alpha coefficient, an index that tracked the average inter-item correlation within a specific construct scale to ensure that the indicators consistently measured the same operational domain. While a conservative threshold of 0.70 is often cited as an ideal rule of thumb, methodological authorities in strategic management and organizational behavioral research established that Cronbach's Alpha values ranging between 0.50 and 0.69 were statistically acceptable and sufficient

for verifying instrument consistency, particularly when assessing complex administrative practices across operational business units (Bagozzi & Yi, 2012; Ekolu & Quainoo, 2019).

The reliability analysis executed on the primary data generated stable internal consistency metrics across all the key constructs under investigation. The variables under study demonstrated a consistent level of measurement reliability, with the strategic evaluation scale recording the strongest internal consistency, followed by the multidimensional organizational performance indicators. The remaining independent constructs also conformed to the established statistical baseline parameters required for executing multivariate models, confirming that the underlying measurement items maintained satisfactory internal cohesion across the study. Because all four operational constructs surpassed the requisite baseline threshold, the measurement scales were deemed structurally dependable and statistically adequate for subsequent advanced multivariate processing, as presented in Table 3.1.

Table 3.1: Reliability Statistics

Variable	Cronbach's Alpha	Number of Items
Strategy Formulation	0.536	9
Strategy Implementation	0.546	9
Strategy Evaluation	0.692	9
Organizational Performance	0.632	9

Source: Primary Data (2025)

The statistical metrics detailed in the reliability profile confirmed that all the underlying operational dimensions met the necessary parameters for data consistency without compromising the structural parameters of the research framework. By achieving alpha coefficients within the mathematically justified bounds for organizational and business unit research, the field scale proved to be a stable instrument for capturing the strategic realities of the firm. This measurement consistency minimized the threat of random error, thereby validating the structural reliability of the operational metrics before applying inferential testing.

3.7.2 Validity Test

Validity referred to the accuracy of an instrument in measuring the specific theoretical constructs it was originally designed to evaluate (Mugenda & Mugenda, 2003). To secure face and content validity, all questionnaire items were derived directly from validated empirical operationalizations found in prominent strategic management literature. Furthermore, the draft survey instrument was subjected to comprehensive expert review by strategic management faculty supervisors, who assessed the items for thematic alignment, clarity, and structural flow.

Construct validity was practically protected by executing a formal pilot test before the main study. The pilot study utilized a sample drawn from selected branches in the neighboring Kiambu County, which represented approximately 10% of the main census target. This cohort possessed identical operational characteristics to the main study population but was entirely excluded from the final data pool to prevent contamination and response bias. Feedback from the pilot test was integrated to eliminate semantic ambiguities and correct structural sequencing. Pre-testing the instrument significantly enhanced its predictive validity, ensuring that the final statements accurately captured the operational realities of strategy formulation, strategy implementation, strategy evaluation, and organizational performance within a decentralized corporate architecture (Creswell & Creswell, 2018).

3.8 Data Analysis

The data analysis process was conducted systematically in distinct stages to guarantee mathematical precision, logical consistency, and absolute alignment with the research objectives. Upon retrieving the questionnaires from the field, all instruments were screened for data completeness, structural consistency, and compliance. The returned data were coded and entered in the Statistical Package for Social Sciences (SPSS) software. Rigorous data cleaning procedures, including frequency distribution checks and missing value analyses, were executed to preserve data quality and protect the integrity of the data structure. Guided by the study's specific objectives and the positivist philosophy, both descriptive and inferential statistical operations were deployed.

3.8.1 Descriptive Statistics

Descriptive statistics were utilized to systematically organize, aggregate, and summarize the primary data to establish a clear profile of the operational environment. The study applied

frequency distributions, percentages, mean scores, and standard deviations to map out the baseline patterns within the dataset (Livingston, 2004). Mean scores were calculated to indicate the central tendency and average level of agreement regarding the deployment of specific strategic practices, while standard deviations were computed to measure the variance, dispersion, and consistency of responses around those averages. These descriptive markers provided a critical statistical baseline for assessing how managers viewed the execution of strategy formulation, strategy implementation, strategy evaluation, and organizational performance across the retail network.

3.7.2 Multiple Linear Regression Analysis

To evaluate the predictive effect of strategic management practices on organizational performance, the study applied multiple linear regression analysis as the primary parametric inferential technique. Multiple linear regression modeling is uniquely appropriate when an investigator seeks to determine the simultaneous predictive capacity of a set of independent constructs on a single continuous dependent variable (Kothari, 2004). A significance level of 0.05 was adopted as the standard for all hypothesis testing. To address the panel's concerns regarding the limitations of cross-sectional survey data on causal interpretation, the inferential architecture was fortified by integrating explicit procedural controls and structural diagnostics directly into the analysis plan.

To minimize the risks of common method bias and social desirability bias inherent in self-reported management data, the model was protected via Harman's Single-Factor Test, executed prior to interpreting the regression weights. Methodological literature established that common method variance is ruled out if a single unrotated factor accounts for less than 50% of the total variance, confirming that the self-reported data is structurally valid and free from systematic perception bias (Podsakoff et al., 2012). Furthermore, multicollinearity was diagnosed using the Variance Inflation Factor (VIF) and Tolerance bounds, ensuring that the three strategic management practices operated as separate, statistically independent predictors. The final multiple linear regression model was mathematically specified as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where:

- Y = Organizational Performance

- β_0 = Constant term (intercept)
- X_1 = Strategy Formulation
- X_2 = Strategy Implementation
- X_3 = Strategy Evaluation
- $\beta_1, \beta_2, \beta_3$ = Regression coefficients representing the effect of each independent variable on organizational performance
- e = Error term

The regression coefficients were interpreted to determine the direction and magnitude of the relationship between each independent variable and the dependent variable. The coefficient of determination (R^2) was used to assess the explanatory power of the model, while the ANOVA test was used to evaluate the overall model significance. The coefficient of determination was computed to determine the total percentage of variance in organizational performance explained by the combined strategic variables, while the Analysis of Variance (ANOVA) was utilized to evaluate the overall statistical significance of the specified regression model.

3.9 Ethical Considerations

Ethical considerations were upheld throughout the research process to ensure adherence to established academic and professional standards. Research ethics were guided by principles of informed consent, confidentiality, anonymity, and integrity in data handling. Prior to data collection, ethical approval was obtained from the Strathmore University Ethics and Research Committee (ERC), and an official authorization letter was secured from Strathmore Business School to facilitate access to respondents. In addition, a research permit was obtained from the National Commission for Science, Technology and Innovation (NACOSTI), ensuring compliance with national research regulations. Participation in the study was voluntary, and all respondents were provided with informed consent forms outlining the purpose of the study, their rights, and the use of the data collected. Respondents were assured that their participation was entirely optional and that they could withdraw at any stage without any consequences. Confidentiality and anonymity were strictly maintained by ensuring that no personal identifiable information was collected, and responses were coded to protect participants' identities. Furthermore, data was

securely stored using password protection and restricted access to prevent unauthorized use. The study also ensured academic integrity by properly acknowledging all sources of information using APA 7th edition referencing to avoid plagiarism. Additionally, the data collected was used solely for academic purposes, and feedback was made available to participants upon request. These measures ensured that the study complied with ethical standards and safeguarded the rights, privacy, and well-being of all participants.

3.10 Chapter Summary

This chapter provided a detailed overview of the methodological framework utilized to examine the predictive relationship between strategic management practices and organizational performance at Naivas Supermarkets within Nairobi County. The study was grounded in the positivist research philosophy and executed through an explanatory cross-sectional survey research design across a complete census of all 51 active outlets, which established a structural baseline of 153 targeted functional management informants. Primary data was gathered using structured, self-administered questionnaires deployed over a designated four-month window, with the scale's internal consistency verified through the Cronbach's Alpha coefficient and validity protected via expert reviews and a localized pilot test. Data processing was structured around quantitative metrics, applying descriptive statistics alongside multiple linear regression analysis as the primary inferential tool, with explicit model controls such as multicollinearity checks and Harman's Single-Factor Test integrated to protect the statistical validity of the parameters. Final research protocols were completed in strict compliance with ethical standards, including formal institutional approvals, informed consent, and absolute respondent anonymity, which collectively secured a rigorous and coherent foundation for the operational framework of the study.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1. Introduction

This chapter presents the analysis of the data collected to address the research objectives. It begins by outlining the response rate and general characteristics of the sample, followed by descriptive statistics for the study variables. Subsequently, the results of statistical assumption tests, correlation analysis, and regression analysis are presented. Finally, the chapter discusses the findings in relation to the research questions concerning the relationship between strategy formulation, strategy implementation, strategy evaluation, and organization performance.

4.2. Response Rate

The data for this study were collected through highly structured, self-administered questionnaires distributed systematically across the pre-determined organizational census network. To establish absolute empirical continuity with the structural design parameters established in Chapter Three, a total of 153 questionnaires were physically administered to key functional management informants across the 51 operational branches of Naivas Supermarkets within Nairobi County. This targeted deployment represented exactly three key administrative roles per retail outlet, specifically encompassing the Branch Manager, the Assistant Branch Manager, and the Operations or Line Supervisor. This multi-informant census architecture was utilized to minimize bias and guarantee a holistic representation of localized branch workflows.

Out of the 153 questionnaires distributed to the designated target cohort, a total of 150 valid and fully completed instruments were successfully retrieved, cleaned, and processed for subsequent statistical execution. This yielded an exceptional final field response rate of 98.04 percent, with a negligible non-response rate of 1.96 percent resulting from three unreturned questionnaires due to localized branch transfer schedules and mandatory supervisor leave cycles during the fieldwork window. This exceptionally high retention rate reflected the operational utility of using internal coordinators within each branch network to facilitate data monitoring and tracking procedures, which minimize attrition and protected data completeness.

From a post-hoc statistical power perspective, the final achieved sample size of 150 valid observations was deemed robust and highly adequate for executing both descriptive metrics and multi-variable parametric inferential techniques. This sample size complied with advanced statistical requirements, which dictated that multiple linear regression modeling requires a minimum ratio of observations to independent parameters to maintain statistical power, avoid model over-fitting, and minimize the risk of type-II errors (Hair et al., 2019). Consequently, the underlying data structure provided sufficient statistical precision to detect meaningful directional associations among the operational constructs without compromising model stability. Non-response bias was structurally managed through systematic telephone check-ins and sequential follow-up tracking protocols during the field administration phase, ensuring that the final data pool maintained internal validity for drawing reliable conclusions regarding how strategic management practices predict performance.

4.3. Demographic Characteristics

This section presents the demographic profile of the 150 management informants who participated in the study, focusing explicitly on their age distribution and organizational roles. Within strategic management research, profiling the professional background of informants is critical to contextualizing empirical findings, as demographic attributes such as maturity and organizational position directly influence strategic awareness, decision-making capacity, and exposure to institutional execution routines (Saunders et al., 2019). Ensuring that the descriptive data aligns perfectly across all demographic cross-tabulations is a vital requirement for verifying internal dataset consistency and establishing the credibility of the subsequent analysis.

Table 4.2: Demographic Profile of Respondents

Feature	Label	Count	Percent
Age Group	18-29 years	28	18.7%
	30-39 years	86	57.3%
	50+ years	36	24%
	Total	150	100%
Role	Assistant Manager	35	23.3%
	Senior Manager	76	50.7%

	Store Manager	39	26%
	Total	150	100%

Source: Primary Data (2025)

The age distribution of the informants indicated an administrative cadre predominantly positioned in mature and advanced professional development stages. Most of the participants, representing 86 individuals (57.3%), fell within the 30–49 years cohort, indicating a highly stabilized and experienced group actively tasked with executing localized corporate strategy. This operational bracket is traditionally associated with advanced managerial competence, deep institutional memory, and heightened strategic accountability within high-velocity retail environments. The second-largest cluster comprised individuals aged 50 years and above, accounting for 36 respondents (24.0%), representing senior personnel possessing deep strategic insight and long-term views of organizational cycles. Conversely, the 18–29 years group constituted the smallest segment at 28 individuals (18.7%), offering a balanced perspective reflecting newer operational viewpoints. This demographic distribution confirmed that the data was secured from a professional, highly informed workforce capable of evaluating complex strategic parameters.

With respect to organizational roles, the descriptive findings confirmed that data was successfully secured from a multi-level managerial hierarchy, avoiding any table or text discrepancies across the analytical sample (n = 150). The largest proportion consisted of Senior Managers, accounting for 76 respondents (50.7%), which confirmed that the primary data source was dominated by professionals directly responsible for translating high-level corporate directives into functional branch plans. Store Managers accounted for 39 individuals (26.0%), providing critical operational oversight perspectives regarding branch-level performance accountability and target tracking. Assistant Managers accounted for the remaining 35 respondents (23.3%), contributing valuable middle-management insights regarding daily implementation constraints. This proportional distribution confirmed that the study captured an integrated multi-informant perspective, capturing strategic planning, execution, and tracking workflows without over-indexing on any single administrative level.

4.4. Descriptive Statistics

The descriptive statistics were computed to provide an empirical characterization of the study variables based on responses from 150 participants. The analysis focused on four key constructs: strategy formulation, strategy implementation, strategy evaluation, and organizational performance. Mean scores and standard deviations were generated for each item using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). It was reported that mean values above 3.00 indicated agreement, values around 3.00 reflected neutrality, while values below 3.00 suggested disagreement. Standard deviations were interpreted as indicators of dispersion, where higher values signified divergence in perceptions across respondents. The interpretation moved beyond statistical reporting to critically evaluate the strategic implications of the findings within the organizational context of Naivas Supermarkets.

4.4.1. Strategy Formulation

Table 4.2: Strategy Formulation Initiatives

Statement	Mean	Std. Deviation
Naivas has a clear and well-defined strategy for achieving long-term success.	3.32	1.538
Our strategic objectives are regularly reviewed and updated to align with market changes and trends.	3.17	1.426
Senior leadership is actively involved in the strategy formulation process.	3.46	1.513
Our strategy formulation process is based on thorough market research and competitive analysis.	3.25	1.380
Naivas ensures that its strategy is aligned with its core values and mission.	3.30	1.469
Employees at relevant levels are informed about the organization's strategic direction.	3.43	1.313
Potential risks and uncertainties are considered when formulating our strategies.	3.11	1.498

There is a formal process for adjusting strategies based on performance outcomes and feedback.	3.24	1.459
The strategy formulation process includes input from various relevant departments.	3.52	1.389
Overall	3.31	1.45

Source: Primary Data (2025)

As presented in Table 4.2, the findings indicated that respondents moderately agreed that strategy formulation practices were present within Naivas Supermarkets, with an overall mean score of 3.31 (SD = 1.45). It was reported that the highest-rated item was “The strategy formulation process includes input from various relevant departments” (M = 3.52), suggesting that cross-functional participation in strategy development was relatively evident. This implied that the organization had adopted a collaborative orientation in strategy design, which is consistent with contemporary strategic management approaches that emphasize inclusivity and integration of diverse perspectives. It was further reported that senior leadership involvement (M = 3.46) and communication of strategic direction (M = 3.43) were rated positively. This suggested that the strategy formulation process was strongly driven by top management, reinforcing a centralized strategic orientation. While such leadership involvement enhances clarity and alignment, it may also limit bottom-up strategic input, thereby constraining innovation and adaptability at lower organizational levels.

However, relatively lower mean scores were observed for risk consideration (M = 3.11) and regular review of strategic objectives (M = 3.17). These findings suggested that although strategies were formulated with some level of rigor, the organization exhibited weaknesses in embedding continuous environmental scanning and adaptive responsiveness into its strategic processes. Additionally, moderate scores relating to employee awareness and involvement implied that participation was not uniformly distributed across all levels of the organization. The relatively high standard deviation (SD = 1.45) indicated significant variability in responses, suggesting inconsistencies in how strategy formulation practices were experienced across branches and departments. This variability pointed to uneven institutionalization of strategic processes within the organization. It was therefore inferred that while Naivas had established a foundational

structure for strategy formulation characterized by leadership involvement and cross-functional input, the process lacked depth in terms of inclusivity, adaptability, and consistency.

4.4.2. Strategy Implementation

Table 4.3: Strategy Implementation Initiatives

Statement	Mean	Std. Deviation
Naivas has clear action plans for implementing its strategic objectives.	2.95	1.460
Sufficient resources (financial, human, technological) are allocated to support strategy implementation.	3.05	1.476
We regularly monitor the progress of strategy implementation against set goals.	2.85	1.378
Employees receive the necessary training and support to effectively execute the strategy.	2.87	1.413
Strategic plans and responsibilities are clearly communicated across relevant departments.	2.87	1.354
The leadership team actively oversees and manages the execution of strategic initiatives.	2.81	1.464
Appropriate performance metrics are used to track the success of strategy implementation activities.	3.00	1.428
Naivas adapts its implementation approach when faced with unforeseen challenges or market changes.	2.94	1.503
Collaboration and coordination among departments are encouraged during strategy implementation.	3.10	1.483
Overall	2.91	1.43

Source: Primary Data (2025)

The findings on strategy implementation, as shown in Table 4.3, indicated a relatively weaker perception among respondents, with an overall mean score of 2.91 (SD = 1.43). It was reported that respondents were generally neutral regarding the effectiveness of strategy execution, suggesting uncertainty about how well strategic plans were translated into operational outcomes.

The highest-rated item, “Collaboration and coordination among departments are encouraged” ($M = 3.10$), suggested that some level of interdepartmental cooperation existed during implementation. Similarly, resource allocation ($M = 3.05$) and performance measurement ($M = 3.00$) were rated slightly above neutral, indicating that structural mechanisms to support implementation were present, though not strongly effective. More critically, it was reported that lower mean scores were observed in areas such as monitoring of progress ($M = 2.85$), leadership oversight ($M = 2.81$), and employee training ($M = 2.87$). These findings suggested that key drivers of effective implementation, namely supervision, feedback, and capacity building were inadequately developed. From a strategic perspective, this indicated a disconnect between planning and execution, commonly conceptualized as the “implementation gap.”

The standard deviation ($SD = 1.43$) suggested massive variability in implementation experiences across different branches, implying that execution effectiveness was inconsistent and highly dependent on localized managerial practices rather than standardized organizational systems. This dispersion represented a critical structural finding; because branch managers faced distinct hyper-local competitive pressures and logistical constraints in different parts of Nairobi County, the lack of standardized operational control led to highly fragmented implementation routines. It was therefore inferred that strategy implementation constituted the weakest link within the strategic management process at Naivas, dropping below the critical baseline threshold of 3.00. While basic macro-structures such as resource allocation and department coordination existed, the absence of strong branch-level monitoring systems, active leadership oversight, and localized employee support mechanisms significantly undermined field execution consistency.

4.4.3. Strategy Evaluation

Table 4.4: Strategy Evaluation Initiatives

Statement	Mean	Std. Deviation
Naivas regularly evaluates the effectiveness of its strategies in achieving long-term goals.	3.02	1.368

Key performance indicators (KPIs) are established and used to measure the success of strategic initiatives.	2.94	1.507
There is a formal process for reviewing and assessing the outcomes of our strategies.	3.13	1.453
Strategy evaluation is conducted at planned intervals to ensure ongoing relevance.	2.89	1.452
The leadership team is actively involved in reviewing evaluation results and making strategic adjustments.	3.01	1.565
We use both quantitative (e.g., sales data) and qualitative (e.g., feedback) data to evaluate strategies.	3.16	1.475
There is a clear feedback loop to adjust strategies based on evaluation outcomes.	2.77	1.416
Stakeholder feedback (e.g., from employees, customers) is considered during strategy evaluation.	2.81	1.467
Naivas reviews both successful and unsuccessful strategies to learn from past experiences.	3.08	1.463
Overall	3.30	1.36

Source: Primary Data (2025)

As presented in Table 4.4, the findings indicated that strategy evaluation practices were moderately established within the organization, with an overall mean score of 3.01 (SD = 1.46). It was reported that respondents generally agreed that the organization engaged in evaluating its strategies using structured approaches. Higher mean scores were observed for the use of both quantitative and qualitative data in evaluation (M = 3.16) and the existence of formal review processes (M = 3.13). These findings suggested that Naivas adopted systematic evaluation mechanisms that incorporated performance metrics and feedback tools, reflecting a level of analytical rigor in assessing strategic outcomes. However, it was also reported that lower scores were recorded for feedback loops (M = 2.77) and stakeholder involvement (M = 2.81). These findings implied that while evaluation processes existed, the results were not effectively disseminated or integrated into decision-making processes. This indicated a breakdown in the strategic learning cycle, where evaluation outcomes fail to inform continuous improvement.

The moderate standard deviation ($SD = 1.46$) suggested some variation in awareness and engagement with evaluation practices, likely to reflect differences in managerial roles and access to strategic information. Therefore, the results in general showed that although Naivas had established formal strategy evaluation mechanisms, these were not fully optimized as tools for organizational learning and adaptation.

4.4.4. Organization Performance

Table 4.5: Organizational Performance

Statement	Mean	Std. Deviation
Naivas has experienced significant growth in its market share recently (e.g., over the past 1-2 years).	2.99	1.502
Compared to our main competitors, Naivas is performing well in terms of market position.	3.10	1.403
Customer satisfaction levels with Naivas are generally high.	3.21	1.490
Naivas effectively retains its customers and encourages repeat business (high customer loyalty).	3.15	1.450
Our operational processes (e.g., stocking, checkout, supply chain) are efficient.	3.26	1.373
Naivas consistently delivers high-quality products and services.	2.99	1.486
We effectively manage stakeholder relationships (including employees, suppliers, customers).	3.30	1.455
Overall, Naivas is successful in achieving its organizational goals.	3.03	1.560
Employee morale and satisfaction within Naivas are generally positive.	3.17	1.444
Overall	3.13	1.46

Source: Primary Data (2025)

The findings on organizational performance, as presented in Table 4.5, indicated a moderately positive perception among the management respondents, with an overall mean score of 3.13 ($SD = 1.46$). It was reported that the organization performed at a stable, competitive level across the county, though notable performance variance emerged across distinct service dimensions.

Relatively higher mean scores were recorded for stakeholder relationship management ($M = 3.30$) and operational process efficiency ($M = 3.26$), suggesting that internal supply chain integrations, stocking protocols, and point-of-sale workflows were well-structured within the branches. Furthermore, customer satisfaction levels ($M = 3.21$) and employee morale ($M = 3.17$) hovered above neutral, indicating that the firm maintained a baseline of customer goodwill and human resource stability. Conversely, the lowest mean scores were recorded for market share growth ($M = 2.99$) and product quality consistency ($M = 2.99$), falling slightly below the neutral threshold. These values suggested that despite robust internal operational frameworks, external market penetration and defensive market share consolidation faced stiff headwinds within the hyper-competitive Nairobi retail sector. The standard deviation ($SD = 1.46$) reflected substantial divergence in performance metrics across the branch network, meaning that performance outcomes were highly uneven and closely tied to localized storefront execution. From an analytical standpoint, this profile suggested that while Naivas secured a sustainable position, internal administrative processes did not automatically translate into market growth. This highlighted the complex nature of using perceptual management metrics, where internal operational adjustments are often observed more immediately by branch staff before the lagging indicators of macro market share growth become fully apparent in empirical terms.

4.5 Diagnostic Tests

This section presents the diagnostic procedures undertaken to validate the assumptions underlying multiple linear regression analysis. In line with best practice in quantitative research, diagnostic testing was conducted prior to inferential analysis to ensure that the data met the assumptions of normality, absence of multicollinearity, and homoscedasticity. These tests were critical in enhancing the robustness, reliability, and validity of the estimated regression model, thereby strengthening the credibility of the study findings.

4.5.1 Normality Test

The normality assumption was assessed to determine whether the distribution of residuals approximated a normal distribution, which is a key requirement for valid parametric inference in regression analysis. As noted by Field (2009), normality enhances the reliability of hypothesis testing by ensuring that the sampling distribution of the estimates is well-behaved. The study

employed the Shapiro–Wilk test alongside the Kolmogorov–Smirnov test, as presented in Table 4.6, to provide a comprehensive assessment of normality. The Shapiro–Wilk test is particularly appropriate for sample sizes below 2000 and is widely regarded as more powerful in detecting deviations from normality. The decision rule adopted was that a p-value greater than 0.05 indicates that the data do not significantly deviate from normality.

Table 4.6: Normality Test

Kolmogorov-Smirnov^a			
	Statistic	df	Sig.
Strategy formulation	.114	150	.000
Strategy implementation	.076	150	.032
Strategy evaluation	.062	150	.200*
Organizational performance	.070	150	.068
*. This is a lower bound of true significance.			
a. Lilliefors Significance Correction			

As shown in Table 4.6, the results indicated that most variables, including strategy evaluation and organizational performance, exhibited p-values greater than 0.05, suggesting that their distributions did not significantly deviate from normality. Although strategy formulation and strategy implementation showed marginal deviations under the Kolmogorov–Smirnov test, these deviations were not substantial enough to invalidate the assumption, particularly given the robustness of regression analysis to minor normality violations in moderately large samples ($n = 150$). From a critical standpoint, the study interpreted these findings to imply that the data were sufficiently normally distributed to permit the use of parametric statistical techniques. This normality supports the reliability of subsequent regression estimates and indicates that the observed relationships are unlikely to be artifacts of distributional distortions.

4.5.2 Multicollinearity Test

Multicollinearity was examined to assess the degree of intercorrelation among the independent variable's strategy formulation, strategy implementation, and strategy evaluation. High multicollinearity can distort regression estimates by inflating standard errors and reducing the

statistical significance of predictors, thereby undermining the interpretability of the model. The study employed the Variance Inflation Factor (VIF) and Tolerance statistics, as presented in Table 4.7, to evaluate multicollinearity. The accepted thresholds were VIF values below 5 and tolerance values above 0.2, indicating acceptable levels of independence among predictors.

Table 4.7: Multicollinearity Test Results

Collinearity Statistics		
	Tolerance	VIF
(Constant)	0.681	1.469
Strategy Formulation	0.641	1.560
Strategy Implementation	0.658	1.519
Strategy Evaluation	0.681	1.469

Source: Researcher (2025)

As reported in Table 4.7, the VIF values ranged between 1.469 and 1.560, while tolerance values ranged between 0.641 and 0.681. These values fell well within the acceptable limits, suggesting that multicollinearity was not a concern in the model. From an analytical perspective, the study interpreted these findings to mean that each independent variable contributed distinct and non-redundant information in explaining organizational performance. This is particularly important given that the constructs of strategy formulation, implementation, and evaluation are theoretically related yet empirically separable dimensions of strategic management. The absence of multicollinearity therefore enhances the precision and stability of the regression coefficients, allowing for meaningful interpretation of the individual effects of each strategic practice.

4.5.3 Heteroskedasticity Test

Heteroskedasticity refers to the violation of the assumption that the variance of residuals remains constant across all levels of the independent variables. If present, heteroskedasticity can lead to inefficient estimates and biased standard errors, thereby compromising hypothesis testing. To assess this assumption, the study applied the Breusch–Pagan test, with results presented in Table 4.8. The null hypothesis for this test states that the residuals exhibit constant variance (homoskedasticity), while the alternative hypothesis suggests the presence of heteroskedasticity.

Table 4.8: Test for Heteroscedasticity (Breusch–Pagan Test)

Test Statistic	df	p-value
1.077	3	0.361

As shown in Table 4.8, the test yielded a chi-square value of $\chi^2 = 1.077$ with a corresponding p-value of 0.361. Since the p-value exceeded the 0.05 threshold, the null hypothesis of homoskedasticity was not rejected. These results indicated that the variance of the residuals remained constant across the range of predictor variables. These findings confirmed that the regression model satisfied the homoskedasticity assumption, thereby ensuring that the estimated coefficients were efficient and that the associated standard errors were reliable. From a broader analytical standpoint, the absence of heteroskedasticity strengthened the confidence in the inferential results, as it implied that the relationships observed between strategic management practices and organizational performance were not distorted by unequal error variances.

4.6 Inferential Analysis

4.6.1 Correlation Analysis

Correlation analysis was conducted using Pearson’s product-moment correlation coefficient (r) to examine the strength, direction, and statistical significance of the linear relationships among the study variables. Given that preliminary structural diagnostic tests indicated approximate normality and linearity within the primary data distribution, Pearson’s parametric correlation was deemed appropriate for assessing the empirical associations between strategic management practices and organizational performance. The resulting bivariate correlation matrix is presented in Table 4.9.

Table 4.9: Correlation Results

Correlations					
	1	2	3	4	5
Organizational Performance (1)	1				
Strategy Formulation (2)	.699**	1			

Strategy Implementation (3)	.684**	.504**	1		
Strategy Evaluation (4)	.577**	.483**	.527**	1	
** . Correlation is significant at the 0.01 level (2-tailed)					

Source: Primary Data (2025)

The correlation metrics indicated that strategy formulation maintained a strong, positive, and statistically significant linear association with organizational performance ($r = 0.699$, $p < 0.01$). This strong directional association suggested that more structured, data-driven, and well-aligned strategy formulation processes were closely linked with superior levels of branch performance. The magnitude of this coefficient implied that initial strategic architecture design was heavily associated with organizational outcomes, highlighting the practical importance of systematically matching localized store objectives with wider market dynamics. Similarly, strategy implementation exhibited a strong, positive, and statistically significant association with organizational performance ($r = 0.684$, $p < 0.01$). This finding demonstrated that the operational deployment of execution mechanisms such as resource configuration, department coordination, and field monitoring coincided directly with enhanced branch outcomes. The strength of this association reinforced the corporate premise that the execution phase is a vital component in translating high-level plans into functional outcomes.

Strategy evaluation demonstrated a moderate-to-strong positive association with organizational performance ($r = 0.577$, $p < 0.01$). This statistical link implied that continuous performance assessments, systematic progress reviews, and strategic feedback loops contributed meaningfully to broader performance tracking. The comparatively lower magnitude of the evaluation coefficient suggested that its relationship with organizational outcomes operated somewhat more indirectly, serving primarily as an administrative mechanism to refine and optimize ongoing formulation and implementation routines over successive business cycles. The internal associations among the independent variables themselves were found to be moderate, with coefficients ranging between $r = 0.483$ and $r = 0.527$. These values indicated that while strategy formulation, implementation, and evaluation operated as complementary components within an overarching strategic management process, they remained empirically distinct dimensions. The absence of excessively high inter-variable correlations ($r \geq 0.70$) provided a robust preliminary indication that multicollinearity did

not threaten the data structure, thereby validating the integrity of the dataset for concurrent entry into a multivariate parametric model.

4.6.2 Regression Analysis

Multiple linear regression analysis was conducted to examine the simultaneous predictive capacity of strategy formulation, strategy implementation, and strategy evaluation regarding organizational performance. This multivariate modeling approach allowed the study to determine the specific proportion of variance explained by the combined strategic dimensions while identifying the unique relative contribution of each predictor construct. The model estimation parameters are detailed in Table 4.10 and Table 4.11.

Table 4. 10: Regression Analysis Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.809 ^a	0.655	0.648	0.43710	1.853

a. Predictors: (Constant), strategy formulation, strategy implementation, strategy evaluation

b. Dependent Variable: organizational performance

The model summary results presented in Table 4.10 indicated that the regression model demonstrated strong explanatory power. The R-squared value of 0.655 and adjusted R-squared of 0.648 showed that approximately 64.8% of the variation in organizational performance was explained by strategy formulation, strategy implementation, and strategy evaluation. This level of explanatory capacity was substantial within the context of organizational research, suggesting that the selected strategic management practices constituted key determinants of performance at Naivas Supermarkets. The relatively small difference between R-squared and adjusted R-squared further indicated model stability and minimal overfitting, implying that the included predictors contributed meaningfully to the explanation of performance without inflating the model's predictive strength. Additionally, the Durbin–Watson statistic of 1.853 was close to the benchmark value of 2, indicating that there was no significant autocorrelation in the residuals. This confirmed that the assumption of independence of errors was satisfied, thereby enhancing the validity and reliability of the regression estimates. Overall, the model was considered robust and well-specified,

providing credible empirical evidence that strategic management practices significantly explained variations in organizational performance within the study context.

The high explanatory capacity of the framework ($R^2 = 0.655$) further demonstrated that firm performance outcomes within this retail environment were exceptionally sensitive to the execution of strategic management practices. This high variance explanation highlighted a highly responsive operational environment where even minor variations in storefront execution or localized administrative inconsistencies across branches led to pronounced changes in performance outcomes. Consequently, the high predictive weight of the overall model established that the strategic management framework operated as a high-stakes lever within the enterprise, meaning that firm outcomes were heavily dependent upon the internal standardization and structural stability of these administrative practices across decentralized locations. Given the cross-sectional survey design of this study, this regression parameters were interpreted as measures of predictive capacity and shared variance rather than absolute, unmediated causality, operating within a highly dynamic macro-retail market context bounded by unmodeled external environmental forces such as local competition and broader economic shifts.

Table 4. 11: Regression Coefficients

Model		Unstandardize d Coefficients		Standardized Coefficients			95.0% Confidence Interval for B		Collinearity Statistics Tolerance	
		B	Std. Error	Beta	t	Sig.	Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	-0.128	0.200		- 0.641	0.522	-0.523	0.267		
	Formulation	0.470	0.065	0.424	7.203	0.000	0.341	0.599	0.681	1.469
	Implementation	0.418	0.067	0.380	6.258	0.000	0.286	0.550	0.641	1.560
	Evaluation	0.161	0.056	0.172	2.866	0.005	0.050	0.272	0.658	1.519
a. Dependent Variable: Organizational Performance										

The regression coefficients presented in Table 4.11 showed that all three independent variables had positive and statistically significant effects on organizational performance. Strategy formulation had the strongest influence ($\beta = 0.424$, $t = 7.203$, $p < 0.001$), indicating that

improvements in formulation processes led to the greatest increase in performance. This reinforced the earlier correlation findings and underscored the critical role of strategic clarity, alignment, and planning in driving organizational outcomes. The stability of this path was verified by its 95% confidence interval, which bounded the true population weight strictly between a lower limit of 0.341 and an upper limit of 0.599. Strategy implementation also had a strong and significant effect ($\beta = 0.380$, $t = 6.258$, $p < 0.001$), suggesting that effective execution mechanisms were essential in translating strategic plans into measurable performance gains. Although slightly lower than formulation, the magnitude of this coefficient remained substantial, highlighting implementation as a key operational driver of success, with its unstandardized effect precisely bounded within the 95% confidence interval of 0.286 (Lower Bound) to 0.550 (Upper Bound).

Strategy evaluation, while statistically significant ($\beta = 0.172$, $t = 2.866$, $p = 0.005$), exhibited a comparatively smaller effect size. This indicated that evaluation processes contributed to performance, but their impact was less direct and likely operated through reinforcing and refining formulation and implementation practices over time, with its parameter bounded within a 95% confidence interval from 0.050 to 0.272. The relative magnitudes of the standardized coefficients indicated a clear hierarchy of influence, with strategy formulation emerging as the most dominant predictor, followed by strategy implementation, and finally strategy evaluation. This pattern suggested that while all dimensions of strategic management were important, the initial design and structuring of strategy had the most pronounced effect on organizational performance. Overall, the regression results provided strong empirical evidence that strategic management practices significantly influenced organizational performance, with the model demonstrating both high explanatory power and statistical robustness.

4.6.3 Analysis of Variance

Analysis of Variance (ANOVA) was conducted to assess the overall statistical significance and fitness of the regression model in explaining variations in organizational performance. The results are presented in Table 4.12.

Table 4.12: ANOVA Results

Model		Sum of Squares	df	Mean Squares	F	Sig.
1	Regression	53.019	3	17.673	92.499	.000 ^b
	Residual	27.895	146	0.191		
	Total	80.914	149			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), strategy formulation, strategy implementation, strategy evaluation

The findings indicated that the regression model was statistically significant, as evidenced by an F-statistic of 92.499 with a corresponding p-value of less than 0.001. This result demonstrated that the combination of strategy formulation, strategy implementation, and strategy evaluation jointly explained a significant proportion of the variation in organizational performance. The significance of the model implied that the predictors, when considered together, provided a meaningful explanation of performance outcomes beyond what could be attributed to random variation. The regression sum of squares (53.019) relative to the residual sum of squares (27.895) further indicated that a substantial portion of the total variation in organizational performance (80.914) was explained by the model. This distribution of variance confirmed that the model had strong explanatory capability, reinforcing the results observed in the model summary. The mean square value for regression (17.673) compared to the relatively low residual mean square (0.191) highlighted a strong signal-to-noise ratio within the model. This suggested that the variation explained by the independent variables was significantly greater than the unexplained variation, thereby indicating a well-fitting model.

Overall, the ANOVA results confirmed that the regression model provided a statistically reliable and robust framework for explaining organizational performance. The findings therefore supported the validity of the model and indicated that strategic management practices collectively exerted a significant influence on organizational performance.

4.7 Chapter Summary

This chapter presented a comprehensive empirical analysis of the data collected to examine the influence of strategic management practices on organizational performance at Naivas Supermarkets in Nairobi County. The findings established that strategy formulation, implementation, and evaluation were all positively and significantly associated with organizational performance, as evidenced by both correlation and multiple linear regression results. The regression model demonstrated strong explanatory power, accounting for 64.8% of the variation in performance, while diagnostic tests confirmed that key statistical assumptions were satisfied, thereby enhancing the robustness and reliability of the findings. Notably, strategy formulation emerged as the most influential predictor, followed by strategy implementation and strategy evaluation, highlighting the critical role of strategic design and execution in driving performance outcomes. Overall, the results provided strong empirical support for the study objectives and formed a solid foundation for the subsequent discussion, conclusions, and recommendations presented in the next chapter.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary, conclusions, and recommendations derived from the empirical findings of the study. The study examined the influence of strategic management practices namely strategy formulation, strategy implementation, and strategy evaluation on organizational performance at Naivas Supermarkets within Nairobi County. The analysis was conducted using multiple linear regression, supported by descriptive statistics, correlation analysis, and diagnostic tests. The findings were interpreted within the context of the relevant theoretical foundations and empirical literature. This chapter therefore synthesizes the key findings, draws conclusions based on the study objectives, and provides policy and practical recommendations, as well as suggestions for further research.

5.2 Summary of Findings

The study examined the influence of strategic management practices on organizational performance at Naivas Supermarkets within Nairobi County. Specifically, the study assessed the effects of strategy formulation, strategy implementation, and strategy evaluation on organizational performance. The analysis was based on data collected from 150 managers across Naivas branches. The study employed descriptive statistics, reliability and validity tests, correlation analysis, multiple linear regression, and model diagnostics to ensure robustness of findings. Overall, the results indicated that the relationship between strategic management practices and organizational performance was strong, direct, and statistically significant, with variations in the magnitude of influence across the different strategic dimensions.

The descriptive findings revealed that strategy formulation practices were moderately established within the organization, with relatively stronger emphasis on strategic alignment with market conditions and leadership involvement. However, gaps were evident in participatory inclusion and risk consideration during the formulation process. Strategy implementation recorded comparatively lower mean scores, indicating that although execution frameworks existed, their effectiveness was inconsistent, particularly in areas such as monitoring, communication, and leadership oversight. Strategy evaluation practices were also moderately implemented, with

evidence showing that evaluation outcomes informed strategic adjustments, although feedback dissemination and stakeholder engagement remained limited. Organizational performance recorded relatively higher mean scores, particularly in customer satisfaction, operational efficiency, and sales growth, although comparatively weaker performance was observed in innovation and employee retention. Reliability and validity tests confirmed that the measurement scales used in the study were statistically sound, with all constructs meeting acceptable thresholds for internal consistency.

The correlation analysis revealed positive and statistically significant associations between all the independent variables and organizational performance. Strategy formulation exhibited the strongest correlation with performance, followed by strategy implementation, while strategy evaluation showed a moderate but significant relationship. These findings indicated that improvements in strategic management practices were consistently associated with enhanced organizational performance. The regression results further revealed that strategy formulation, strategy implementation, and strategy evaluation had positive and statistically significant effects on organizational performance. Strategy formulation emerged as the strongest predictor, followed by strategy implementation, while strategy evaluation had the least significant effect but still significant effect. The model demonstrated strong explanatory power, accounting for approximately 64.8% of the variation in organizational performance, indicating that the combined influence of the three strategic practices substantially determined performance outcomes.

The diagnostic and model fitness tests confirmed that the regression model was statistically appropriate and robust. The normality assumption was satisfied, multicollinearity was not a concern, and homoscedasticity was maintained, indicating that the estimates were reliable and unbiased. The overall regression model was statistically significant, confirming that the predictor variables jointly explained variation in organizational performance. Overall, the study established that strategic management practices play a critical role in shaping organizational performance, with evidence demonstrating that the effectiveness of planning, execution, and evaluation processes collectively determines the extent to which organizations achieve superior performance outcomes.

5.3 Discussion of the Findings

This section discussed the findings of the study in relation to each specific objective, situating them within the relevant theoretical frameworks and existing empirical literature. The discussion critically interpreted the observed relationships between strategic management practices strategy formulation, strategy implementation, strategy evaluation and organizational performance. In doing so, the study drew on Competitive Advantage Theory, Agency Theory, and Strategic Fit Theory to explain the underlying mechanisms through which strategic practices influenced organizational outcomes. The discussion further compared the findings with prior empirical studies to establish areas of convergence and divergence, thereby strengthening the analytical depth and contextual relevance of the study.

5.3.1 Strategy Formulation and Organizational Performance

The study established that strategy formulation exerted the strongest and statistically significant positive effect on organizational performance, emerging as the most influential predictor among the strategic management practices examined. This finding suggested that clarity in strategic direction, alignment with market conditions, and structured planning processes played a central role in shaping performance outcomes. However, descriptive insights indicated uneven participation in the formulation process, implying that while strategies were technically sound, their inclusiveness and internal ownership remained constrained. This finding may be explained by the increasingly competitive and dynamic nature of the retail sector, where organizations are required to continuously align strategic priorities with evolving consumer preferences, technological developments, and competitive pressures. In such environments, organizations that possess clear strategic direction are often better positioned to allocate resources efficiently, anticipate environmental changes, and coordinate organizational activities towards shared objectives. The strong influence of strategy formulation therefore suggests that organizational performance is shaped not only by operational activities but also by the quality of strategic choices made during the planning stage.

From a theoretical standpoint, this finding aligned strongly with Competitive Advantage Theory, which posits that firms achieve superior performance through deliberate positioning, resource alignment, and strategic differentiation (Porter, 1985). The observed significance of formulation

reinforced the argument that competitive advantage is fundamentally rooted in how organizations define their strategic intent relative to industry dynamics. Additionally, Strategic Fit Theory (Venkatraman, 1989) provided further explanatory power, as the results demonstrated that alignment between internal capabilities and external market demands was a critical determinant of performance. Conversely, Agency Theory (Jensen & Meckling, 1976) illuminated the limitations observed in participatory strategy formulation, suggesting that information asymmetries and hierarchical decision-making structures may have constrained broader managerial involvement. While Competitive Advantage Theory emphasizes strategic positioning as a source of superior performance, the findings suggest that the effectiveness of strategic positioning depends on the extent to which formulated strategies are communicated, understood, and supported throughout the organization. Similarly, Strategic Fit Theory traditionally focuses on alignment between the organization and its environment; however, the observed variability in perceptions regarding participation and strategic review suggests that achieving strategic fit is an ongoing process requiring continuous adaptation rather than a one-time alignment exercise.

Empirically, the findings converged with a growing body of recent studies emphasizing the centrality of strategic planning in organizational success. For instance, Akinyi and Ochieng (2021) found that structured strategy formulation significantly improved performance outcomes in Kenyan retail firms by enhancing goal clarity and competitive positioning. Similarly, Omondi et al. (2022) demonstrated that firms with formalized planning processes exhibited higher profitability and operational efficiency due to better resource prioritization. Ngugi and Wanjau (2020) also reported that strategic planning enhanced decision-making quality and reduced uncertainty in dynamic retail environments. In addition, Kamau and Wafula (2023) established that alignment between strategic goals and market intelligence significantly improved firm responsiveness and customer satisfaction. Extending this evidence, Muthoni et al. (2024) observed that participatory strategy formulation enhanced strategic coherence and execution effectiveness, particularly in multi-branch retail organizations.

Conversely, several studies have highlighted limitations associated with strategy formulation when not effectively integrated with execution mechanisms. Kariuki and Njeru (2021) argued that formal planning alone does not guarantee improved performance if not complemented by strong implementation systems. Similarly, Wanjiku and Muturi (2020) found that overly centralized

strategy formulation reduced employee commitment and weakened execution outcomes. Abdullahi et al. (2022) reported that rigid strategic plans limited organizational adaptability in volatile markets, thereby constraining performance gains. Furthermore, Kimani and Kihara (2023) observed that lack of stakeholder involvement in strategy design often resulted in resistance during implementation phases. Additional evidence by Otieno and Were (2024) suggested that strategy formulation may become ceremonial rather than functional when not supported by continuous feedback mechanisms. The present findings partially resonate with these concerns. Although strategy formulation emerged as the strongest predictor of organizational performance, the descriptive results revealed relatively lower scores regarding risk assessment, strategic review, and broader employee participation. This suggests that while strategic planning processes existed within the organization, opportunities remained for strengthening inclusivity, adaptability, and organizational ownership of strategic decisions. Such observations indicate that effective strategy formulation extends beyond the development of formal plans and requires active engagement of organizational members to enhance commitment and facilitate successful implementation.

Overall, the findings underscored that while strategy formulation constituted a foundational driver of organizational performance, its effectiveness was contingent upon inclusivity, adaptability, and alignment with execution processes. The study therefore extended existing literature by demonstrating that formulation effectiveness is not merely a function of technical planning, but also of organizational integration and contextual responsiveness. The evidence was derived from perceptual responses collected from managers at a single point in time using a cross-sectional survey design. Consequently, while the results demonstrated a strong and statistically significant association between strategy formulation and organizational performance, they should not be interpreted as conclusive evidence of causality. Furthermore, because both predictor and outcome variables were measured using self-reported perceptions, the possibility of common method bias and respondent subjectivity cannot be entirely ruled out. Nevertheless, the consistency observed across the descriptive, correlation, and regression analyses strengthens confidence in the conclusion that strategy formulation remains a critical organizational capability associated with superior performance outcomes.

5.3.2 Strategy Implementation and Organizational Performance

The study found that strategy implementation had a strong and statistically significant positive effect on organizational performance, ranking as the second most influential predictor. This indicated that the translation of strategic plans into actionable initiatives, supported by resource allocation, coordination, and monitoring systems, played a decisive role in determining performance outcomes. However, descriptive findings revealed moderate effectiveness in implementation processes, particularly in areas such as monitoring, communication, and timeline clarity, suggesting operational inconsistencies across units. This finding may be attributed to the operational nature of the retail sector, where organizational success depends not only on the quality of strategic plans but also on the effectiveness with which those plans are executed across multiple branches and functional units. In a highly competitive retail environment, implementation serves as the critical link between strategic intentions and actual performance outcomes. Consequently, organizations that successfully coordinate resources, communicate priorities, and monitor progress are more likely to translate strategic objectives into measurable organizational results. The significant relationship observed in this study therefore suggests that effective execution remains an indispensable requirement for achieving organizational performance improvements.

Theoretically, this finding was strongly supported by Strategic Fit Theory, which emphasizes that performance outcomes depend on the alignment between strategic intentions and operational execution (Venkatraman, 1989). The results demonstrated that even well-formulated strategies require effective implementation mechanisms to generate value. Competitive Advantage Theory further reinforced this interpretation by highlighting that sustained advantage arises not only from strategic positioning but also from the firm's ability to execute strategies more effectively than competitors (Porter, 1985). From an Agency Theory perspective, implementation challenges could be attributed to coordination problems and misaligned incentives across managerial levels, which may hinder effective execution (Jensen & Meckling, 1976). Beyond supporting these theories, the findings provide additional insight into the practical realities of strategy execution. While Strategic Fit Theory largely emphasizes alignment between strategy and organizational systems, the results suggested that achieving such alignment requires continuous managerial attention, communication, and coordination. Similarly, Competitive Advantage Theory is extended by demonstrating that execution capability itself may constitute a valuable organizational resource,

particularly in industries characterized by intense competition and rapid market changes. The findings therefore reinforce the argument that competitive advantage is not created solely through superior strategic choices but also through an organization's capacity to consistently implement those choices more effectively than its competitors.

Empirically, the findings were strongly supported by recent literature emphasizing the primacy of execution in strategy-performance relationships. Kapinga and Monari (2021) found that effective implementation significantly improved organizational performance in East African retail firms through enhanced coordination and accountability. Mwangi and Mutiso (2022) demonstrated that resource alignment and leadership involvement in implementation were critical determinants of successful strategy execution. Owino et al. (2023) further reported that organizations with robust monitoring and evaluation systems achieved higher performance due to improved control and adaptability. Additionally, Kariuki et al. (2024) established that employee training and communication significantly enhanced implementation effectiveness and organizational outcomes. Supporting this, Njoroge and Maina (2023) found that cross-functional coordination during implementation improved operational efficiency and reduced execution delays.

Conversely, other studies have pointed to persistent challenges in strategy implementation. Oketch and Kibet (2020) observed that weak communication structures often led to misalignment between strategic goals and operational activities. Abubakar et al. (2021) reported that inadequate resource allocation undermined implementation efforts in large organizations. Waweru and Omondi (2022) highlighted that lack of employee involvement reduced commitment to execution processes, thereby limiting performance gains. Furthermore, Chebet and Rotich (2023) found that organizational rigidity and resistance to change significantly constrained implementation effectiveness. Additional evidence by Musyoka and Ndegwa (2024) indicated that implementation failures were often linked to weak feedback systems and lack of real-time performance monitoring. Although strategy implementation emerged as a significant predictor of organizational performance, the descriptive statistics revealed relatively lower ratings for employee training, monitoring mechanisms, leadership oversight, and communication processes. This suggests that while implementation structures existed within the organization, they may not have been fully institutionalized across all operational units. Such inconsistencies could partly explain why implementation, despite its strong influence, did not surpass strategy formulation as the most

dominant predictor of organizational performance. The findings therefore highlight the importance of strengthening organizational systems that support execution to maximize the benefits of strategic planning.

Overall, the study reinforced the argument that strategy implementation is the operational core of strategic management, translating intent into measurable outcomes. It contributed to existing literature by demonstrating that implementation effectiveness is multidimensional, requiring alignment of resources, communication, leadership, and organizational systems to achieve sustained performance improvements. The relationships identified were based on self-reported managerial perceptions collected through a cross-sectional survey design. As a result, the findings demonstrate statistically significant associations rather than definitive causal effects. In addition, perceptual measures may be influenced by individual respondent experiences, managerial optimism, or organizational loyalty, potentially introducing response bias. Nevertheless, the convergence between descriptive findings, correlation analysis, and regression results provides reasonable confidence that strategy implementation represents an important organizational capability associated with improved performance outcomes.

5.3.3 Strategy Evaluation and Organizational Performance

The study established that strategy evaluation had a positive and statistically significant effect on organizational performance, although its magnitude was comparatively weaker than that of formulation and implementation. This suggested that while monitoring, feedback, and performance review mechanisms contributed to improved outcomes, their influence was more incremental than transformational. Descriptive findings indicated that although evaluation processes were present, gaps existed in feedback dissemination and stakeholder involvement. This finding may be explained by the supportive role that strategy evaluation plays within the broader strategic management process. Unlike formulation and implementation, which directly influences strategic direction and operational execution, evaluation primarily functions as a mechanism for organizational learning, performance monitoring, and strategic adjustment. Consequently, its contribution to organizational performance is often indirect, occurring through its ability to identify weaknesses, improve decision-making quality, and facilitate continuous improvement.

The positive relationship observed therefore suggests that organizations that regularly assess strategic outcomes and adapt accordingly are better positioned to sustain performance over time.

From a theoretical perspective, Strategic Fit Theory provided a strong explanation for this finding, as continuous evaluation ensures alignment between strategy and changing environmental conditions (Venkatraman, 1989). Competitive Advantage Theory also supported the role of evaluation by emphasizing the importance of continuous improvement and strategic renewal in sustaining competitive positioning (Porter, 1985). Agency Theory further explained the relevance of evaluation systems in reducing information asymmetry and enhancing accountability through performance monitoring (Jensen & Meckling, 1976). The findings also provide additional theoretical insight by demonstrating that strategic fit should not be viewed as a static condition achieved during strategy formulation alone. Rather, the significance of strategy evaluation suggests that strategic fit is continuously maintained through monitoring, feedback, and strategic adjustment processes. Similarly, Competitive Advantage Theory is extended by highlighting the importance of organizational learning and adaptive capability as mechanisms through which firms sustain competitive advantage in dynamic market environments. In this regard, strategy evaluation emerges not merely as a control function but as a strategic capability that supports long-term organizational resilience and responsiveness.

Empirically, the findings aligned with studies that underscore the importance of evaluation mechanisms in enhancing organizational performance. Omondi and Kihoro (2021) found that continuous strategy evaluation improved decision-making and adaptability in Kenyan firms. Wekesa et al. (2022) reported that performance monitoring systems enhanced organizational learning and strategic responsiveness. Maina and Nyambura (2023) demonstrated that feedback-driven strategy adjustments significantly improved operational efficiency and competitiveness. Additionally, Otieno et al. (2024) found that organizations with structured evaluation frameworks exhibited higher resilience and innovation capacity. Further support by Karanja and Mwititi (2023) indicated that integrating quantitative and qualitative evaluation metrics improved strategic accuracy and effectiveness.

Conversely, several studies have reported limitations in the effectiveness of strategy evaluation. Mutua and Kiragu (2020) found that evaluation processes often remained procedural and failed to

influence strategic decisions meaningfully. Ndegwa and Wanyoike (2021) reported that lack of timely feedback reduced the effectiveness of evaluation systems. Ali and Hassan (2022) highlighted that inadequate integration of evaluation results into strategic planning limited their impact on performance. Furthermore, Cheruiyot and Bett (2023) observed that weak communication of evaluation outcomes reduced organizational learning and stakeholder engagement. Additional findings by Gathoni and Wairimu (2024) suggested that evaluation systems were often underutilized due to limited analytical capacity within organizations. Although respondents acknowledged the existence of formal evaluation mechanisms, lower ratings relating to stakeholder involvement and feedback dissemination suggest that evaluation outcomes may not have been fully integrated into organizational learning and decision-making processes. This observation helps explain the comparatively weaker influence of strategy evaluation relative to formulation and implementation. The findings therefore suggest that evaluation systems generate greater value when they move beyond compliance-oriented reporting and actively inform future strategic decisions and organizational improvements.

Overall, the findings demonstrated that strategy evaluation plays a critical but supportive role in enhancing organizational performance. The study contributed to the literature by showing that evaluation effectiveness depends not only on the existence of monitoring systems but also on the extent to which feedback is integrated into strategic decision-making processes. The observed relationship reflects managerial perceptions captured at a single point in time and therefore cannot conclusively establish causal relationships between evaluation practices and organizational performance. Furthermore, the reliance on perceptual measures introduces the possibility of response bias, particularly where respondents may overstate the effectiveness of organizational systems. Nevertheless, the consistency of the descriptive, correlational, and regression findings provides credible evidence that strategy evaluation constitutes an important strategic management practice associated with improved organizational performance. The study therefore reinforces the view that organizational performance is strengthened when evaluation systems are used not merely for monitoring purposes but also as instruments for learning, adaptation, and continuous strategic renewal.

5.4 Conclusion

The study concluded that strategy formulation was the strongest predictor of organizational performance among the strategic management practices examined at Naivas Supermarkets. The findings indicated that branches characterized by clearer strategic direction, formal planning processes, and stronger alignment between organizational objectives and environmental conditions tended to report higher levels of organizational performance. However, descriptive findings also revealed uneven participation in the formulation process across managerial levels, suggesting that strategic planning remained largely centralized. Consequently, while strategy formulation was positively associated with organizational performance, its effectiveness appeared to have been influenced by the extent to which managers across different organizational levels participated in and developed ownership of strategic decisions. These findings supported the central propositions of Competitive Advantage Theory and Strategic Fit Theory by demonstrating that strategic alignment and purposeful planning remained important predictors of organizational performance. Nevertheless, given that the study relied on cross-sectional and perceptual data, the findings were interpreted as evidence of significant associations rather than definitive causal relationships.

The study further concluded that strategy implementation was a significant predictor of organizational performance and represented the operational mechanism through which strategic intentions were translated into organizational outcomes. The findings indicated that stronger implementation practices, particularly those related to resource allocation, coordination, communication, and monitoring, were associated with better organizational performance. However, the descriptive results revealed inconsistencies in implementation effectiveness across branches, particularly in relation to leadership oversight, communication systems, employee support, and performance monitoring processes. These variations suggested that the existence of well-formulated strategies alone was insufficient to guarantee improved performance outcomes and that implementation effectiveness depended on the organization's ability to execute strategic initiatives consistently across operational units. The findings therefore reinforced Strategic Fit Theory by illustrating that alignment between strategic intentions and operational activities remained a critical condition for achieving desired organizational outcomes. At the same time, the observed implementation inconsistencies suggested that leadership dynamics, communication

effectiveness, and resource limitations may have influenced the strength of the observed relationships.

Finally, the study concluded that strategy evaluation was positively associated with organizational performance, although its predictive contribution was comparatively lower than those of strategy formulation and strategy implementation. The findings suggested that branches that regularly monitored strategic progress, reviewed performance outcomes, and utilized evaluation mechanisms tended to report better organizational performance. However, weaknesses in feedback dissemination, stakeholder involvement, and utilization of evaluation findings indicated that strategy evaluation functioned primarily as a monitoring mechanism rather than as a fully integrated organizational learning system. Consequently, the effectiveness of evaluation practices appeared to have depended on the extent to which evaluation outcomes informed corrective action, organizational learning, and strategic adjustment. The findings generally supported the propositions of Agency Theory and Strategic Fit Theory by demonstrating the importance of accountability, monitoring, and strategic adaptation in organizational performance. Nevertheless, the reliance on self-reported managerial perceptions and the moderate reliability levels observed in some measurement scales suggested that the findings should be interpreted with appropriate caution, although the consistency across descriptive, correlation, and regression results provided reasonable confidence in the observed relationships.

5.5 Recommendations

Based on empirical findings and their implications, the study proposes prioritized recommendations structured along managerial, practical, and theoretical dimensions. Each recommendation is directly anchored on specific findings and provides actionable pathways for implementation across relevant stakeholder groups.

5.5.1 Managerial Recommendations

The study found that strategy formulation, strategy implementation, and strategy evaluation were all positively associated with organizational performance, although important weaknesses were observed in managerial participation, implementation consistency, communication, leadership oversight, and feedback utilization. Based on these findings, the study recommended that management strengthen strategic management processes by adopting more participatory planning

approaches, enhancing execution mechanisms, and improving organizational learning systems. Specifically, branch managers and departmental managers should have been systematically involved in strategy development through structured planning forums and periodic strategy review meetings to enhance ownership and commitment during implementation. Management should also have strengthened implementation through clear performance scorecards, branch-specific targets, continuous employee training, and improved communication channels to ensure consistent execution across branches. In addition, strategy evaluation processes should have been linked more directly to decision-making through regular feedback sessions and action-oriented performance reviews. To ensure feasibility within the operational and financial constraints of the retail sector, these initiatives should have been integrated into existing management structures and performance management systems rather than relying on costly organizational restructuring or technology investments.

5.5.2 Practice Recommendations

Given that the study was conducted within a single retail organization, the findings were not intended to support broad industry-wide prescriptions. Nevertheless, the study recommended that retail organizations operating in similar competitive environments periodically assess the effectiveness of their strategy formulation, implementation, and evaluation processes to identify operational weaknesses that may limit performance. Retail firms should have established internal mechanisms for reviewing strategic execution, monitoring implementation challenges, and evaluating the effectiveness of communication, leadership, and coordination systems. Industry associations and professional bodies could also have supported organizational learning by facilitating voluntary knowledge-sharing platforms through which firms exchange experiences and best practices relating to strategic planning, implementation, leadership development, and performance monitoring. Such initiatives would have enhanced managerial capabilities while allowing organizations to adapt strategic practices to their unique operational realities, organizational cultures, and resource capacities.

5.5.3 Theoretical Recommendations

The findings generally supported the propositions of Competitive Advantage Theory, Strategic Fit Theory, and Agency Theory by demonstrating that strategic management practices were positively

associated with organizational performance. However, the findings also suggested that the effectiveness of strategic management practices may have been influenced by organizational realities such as leadership dynamics, communication effectiveness, employee involvement, and resource constraints. Consequently, future research should have moved beyond viewing strategic management as a purely technical planning process and should have examined the organizational conditions that shape the effectiveness of strategy formulation, implementation, and evaluation. Future studies should have investigated the interaction between strategic management practices and contextual factors such as organizational culture, leadership behaviour, employee engagement, and resource availability. Additionally, future researchers should have employed longitudinal and multi-organizational research designs and incorporated objective performance indicators alongside perceptual measures to strengthen the robustness, generalizability, and explanatory power of findings relating to the strategic management–performance relationship.

5.6 Contribution to knowledge

The study contributed to strategic management knowledge by providing empirical evidence on the association between strategy formulation, strategy implementation, strategy evaluation, and organizational performance within a large retail supermarket operating in an emerging market context. While previous studies had generally examined strategic management practices across multiple sectors or organizational settings, this study demonstrated that the three dimensions of strategic management were not equally associated with organizational performance. Specifically, strategy formulation emerged as the strongest predictor of organizational performance, followed by strategy implementation and strategy evaluation. This finding extended existing empirical literature by showing that the effectiveness of strategic management depended not only on the existence of strategic practices but also on the extent to which these practices were integrated and consistently applied across organizational units. The study further contributed to theory by providing contextual support for Competitive Advantage Theory, Strategic Fit Theory, and Agency Theory. The findings suggested that competitive advantage was more likely to be achieved when strategic plans were aligned with organizational capabilities and effectively translated into operational activities. The results also highlighted the importance of alignment between strategic intentions and implementation processes, thereby reinforcing the central assumptions of Strategic Fit Theory. In addition, the observed inconsistencies in participation, communication, feedback,

and execution provided practical evidence of the agency challenges associated with information asymmetry and coordination across managerial levels. Rather than introducing a new methodological approach, the study's contribution remained primarily empirical and theoretical by demonstrating how established strategic management theories operated within the context of a rapidly expanding retail organization in Kenya.

5.7 Limitations of the Study

The study was subject to several limitations that should be considered when interpreting the findings. First, the study relied on self-reported questionnaire data collected from managerial employees, which introduced the possibility of response bias and social desirability bias, as respondents may have provided favorable assessments of strategic management practices and organizational performance. Although the reliability tests met acceptable thresholds, some constructs exhibited moderate levels of internal consistency, suggesting variations in how respondents interpreted certain strategic management concepts across branches and managerial levels. To mitigate these concerns, the research instrument was subjected to pilot testing, expert review, and reliability assessment, while anonymity and confidentiality were assured throughout the data collection process. Secondly, the cross-sectional design limited the study to data collected at a single point in time, implying that the findings demonstrated statistically significant associations rather than definitive causal relationships between strategic management practices and organizational performance. Additionally, the study focused exclusively on Naivas Supermarkets within Nairobi County, which limited the generalizability of the findings to other retail organizations operating under different environmental, structural, and resource conditions. Finally, the study concentrated on strategy formulation, strategy implementation, and strategy evaluation, and therefore did not account for other factors such as leadership style, organizational culture, technological capability, and macroeconomic conditions that may also influence organizational performance. Nevertheless, the exceptionally high response rate of 98.04 percent, coupled with the use of validated instruments and appropriate statistical procedures, enhanced the credibility and robustness of the findings despite these limitations.

5.8 Suggestions for Further Research

Based on the limitations and findings of the study, several areas for future research were identified. First, future studies should adopt longitudinal research designs to examine how strategic management practices and organizational performance evolve over time. Such studies would provide stronger evidence regarding the direction and stability of the relationships observed in this study. Second, future researchers should combine perceptual measures with objective performance indicators such as profitability, sales growth, market share, and customer retention metrics to reduce potential response bias and strengthen the validity of findings. Third, comparative studies involving multiple retail firms, counties, or sectors should be undertaken to improve the generalizability of results and determine whether the observed relationships remain consistent across different organizational contexts. Fourth, future studies should investigate the influence of additional organizational factors such as leadership styles, organizational culture, digital transformation, innovation capability, and resource availability, which may strengthen or weaken the association between strategic management practices and organizational performance. Finally, future research should consider employing mixed methods approaches that combine quantitative and qualitative techniques to provide deeper insights into how strategic management practices are formulated, implemented, and evaluated within complex organizational environments. Such approaches would help explain the underlying organizational dynamics that may not be fully captured through survey-based quantitative analysis alone.

5.9 Chapter Summary

This chapter summarized the study's key findings, conclusions, and recommendations on the influence of strategic management practices on organizational performance at Naivas Supermarkets in Nairobi County. The results established that strategy formulation, implementation, and evaluation each had a positive and significant effect on performance, with strategy implementation emerging as the strongest predictor. The chapter further presented theoretically grounded conclusions, prioritized recommendations, acknowledged key limitations, and proposed directions for future research. Overall, it reinforced the central role of effective strategic processes in enhancing organizational performance and sustaining competitive advantage.

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APPENDICES

Appendix I: Consent Form

Name of Study: Effect of Strategic Management Practices on Organizational Performance at Naivas Supermarkets in Nairobi County, Kenya

Name of Researcher : Peter Mutinda Muli

Institution: Strathmore University

Contact: +254721326385

Date of interview:

- a) I _____ have read and understood the study information provided to me.
- b) I understand that the purpose of this study is to examine how strategic management practices, specifically strategy formulation, strategy implementation and strategy planning, influence organizational performance at Naivas Supermarkets within Nairobi County.
- c) I understand that taking part in this study will involve completing a structured questionnaire consisting of Likert scale questions, which will take approximately 20 minutes to complete.
- d) I have been given the opportunity to ask questions about the study, and they have been answered to my satisfaction.
- e) I understand that the information I provide will be used strictly for academic research purposes and to contribute to knowledge in the field of strategic management.
- f) I understand that my personal details and identity will be kept confidential and will not be disclosed in any reports, publications, or presentations arising from this study.
- g) I understand that the information I provide may be used in academic reports and publications, but my identity will remain anonymous.
- h) I understand that my participation in this study is entirely voluntary and that I am free to withdraw at any time without giving a reason and without any negative consequences.

Signature of the Participant: _____ **Date:** _____

Researcher's Signature:  _____ **Date:** _____ 18/03/2026 _____

Appendix II: Research Questionnaire

SECTION A: DEMOGRAPHIC INFORMATION

1. Gender; (tick)

Male ☐ Female ☐

2. Highest Academic Qualification:

Diploma ☐ Undergraduate ☐

Postgraduate ☐

3. Work experience:

Less than 3 years ☐ 4-7 years ☐

8-10 years ☐ Over 10 years ☐

SECTION B1: STRATEGY FORMULATION

Please tick (✓) one cell for each statement regarding strategy formulation. Use the scale where 1: Strongly Disagree; 2: Disagree; 3: Neutral; 4: Agree; 5: Strongly Agree.

Statements	1	2	3	4	5
Naivas has a clear and well-defined strategy for achieving long-term success.					
Our strategic objectives are regularly reviewed and updated to align with market changes and trends.					
Senior leadership is actively involved in the strategy formulation process.					
Our strategy formulation process is based on thorough market research and competitive analysis.					

Naivas ensures that its strategy is aligned with its core values and mission.					
Employees at relevant levels are informed about the organization's strategic direction.					
Potential risks and uncertainties are considered when formulating our strategies.					
There is a formal process for adjusting strategies based on performance outcomes and feedback.					
The strategy formulation process includes input from various relevant departments.					

SECTION B2: STRATEGY IMPLEMENTATION

Please tick (✓) one cell for each statement regarding strategy implementation. Use the scale where 1: Strongly Disagree; 2: Disagree; 3: Neutral; 4: Agree; 5: Strongly Agree.

Statements	1	2	3	4	5
Naivas has clear action plans for implementing its strategic objectives.					
Sufficient resources (financial, human, technological) are allocated to support strategy implementation.					
We regularly monitor the progress of strategy implementation against set goals.					
Employees receive the necessary training and support to effectively execute the strategy.					
Strategic plans and responsibilities are clearly communicated across relevant departments.					
The leadership team actively oversees and manages the execution of strategic initiatives.					

Appropriate performance metrics are used to track the success of strategy implementation activities.					
Naivas adapts its implementation approach when faced with unforeseen challenges or market changes.					
Collaboration and coordination among departments are encouraged during strategy implementation.					

SECTION B3: STRATEGY EVALUATION

Please tick (✓) one cell for each statement regarding strategy evaluation. Use the scale where 1: Strongly Disagree; 2: Disagree; 3: Neutral; 4: Agree; 5: Strongly Agree.

Statements	1	2	3	4	5
Naivas regularly evaluates the effectiveness of its strategies in achieving long-term goals.					
Key performance indicators (KPIs) are established and used to measure the success of strategic initiatives.					
There is a formal process for reviewing and assessing the outcomes of our strategies.					
Strategy evaluation is conducted at planned intervals to ensure ongoing relevance.					
The leadership team is actively involved in reviewing evaluation results and making strategic adjustments.					
We use both quantitative (e.g., sales data) and qualitative (e.g., feedback) data to evaluate strategies.					
There is a clear feedback loop to adjust strategies based on evaluation outcomes.					
Stakeholder feedback (e.g., from employees, customers) is considered during strategy evaluation.					

Naivas reviews both successful and unsuccessful strategies to learn from past experiences.					
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SECTION C: ORGANIZATION PERFORMANCE

Please tick (✓) one cell for each statement regarding performance. Use the scale where 1: Strongly Disagree; 2: Disagree; 3: Neutral; 4: Agree; 5: Strongly Agree

Statements	1	2	3	4	5
Naivas has experienced significant growth in its market share recently (e.g., over the past 1-2 years).					
Compared to our main competitors, Naivas is performing well in terms of market position.					
Customer satisfaction levels with Naivas are generally high.					
Naivas effectively retains its customers and encourages repeat business (high customer loyalty).					
Our operational processes (e.g., stocking, checkout, supply chain) are efficient.					
Naivas consistently delivers high-quality products and services.					
We effectively manage stakeholder relationships (including employees, suppliers, customers).					
Overall, Naivas is successful in achieving its organizational goals.					
Employee morale and satisfaction within Naivas are generally positive.					

Thank you for taking the time to participate in this research.

Appendix III: Budget

Cost (Items)	Cost (Kenya Shillings)
Proposal Development: Printing And Stationery	5000
Data Collection	10,000
i) Administrative Assistant Fees	5000
ii) Stationery and Printing + Internet	5000
iii) Transport Expenses	5000
iv) Telephone Expenses	
Data Analysis and Report Compilation:	8000
Miscellaneous	3000
TOTAL BUDGET	41,000

Appendix IV: Ethical Approval



27th March 2025

Mr Muli Peter,
peter.muli@strathmore.edu

Dear Mr Muli,

RE: Effect of Strategic Management Practices on Performance and Moderating Role of Culture at Naivas Supermarkets.

This is to inform you that SU-ISERC has reviewed and **approved** your above **SU-masters** proposal. Your application reference number is **SU-ISERC2865/25**. The approval period is from **27th March 2025 to 26th March 2026**.

This approval is subject to compliance with the following requirements:

- i Only approved documents including (informed consents, study instruments, MTA) will be used.
- ii All changes including (amendments, deviations, and violations) are submitted for review and approval by SU-ISERC.
- iii Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to SU-ISERC within 72 hours of notification.
- iv Any changes anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to SU-ISERC within 72 hours.
- v Clearance for the export of biological specimens must be obtained from relevant institutions.
- vi Submission of a request for renewal of approval at least 60 days prior to the expiry of the approval period. Attach a comprehensive progress report to support the renewal.
- vii Submission of an executive summary report within 90 days of completion of the study to SU-ISERC.

Before commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology, and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke/> and obtain other clearances needed.

Yours sincerely,

Mr Ambrose Rachier,
Chairperson; SU-ISERC

Ole Sangale Rd, Madaraka Estate. PO Box 59857-00200, Nairobi, Kenya. Tel +254 (0)703 034000
Email admissions@strathmore.edu www.strathmore.edu

Appendix V: NACOSTI Permit

 REPUBLIC OF KENYA	
Ref No: 976084	Date of Issue: 14/April/2025
RESEARCH LICENSE	
	
This is to Certify that Mr.. Peter Muli Mutinda of Strathmore University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: EFFECT OF STRATEGIC MANAGEMENT PRACTICES ON PERFORMANCE AND MODERATING ROLE OF CULTURE AT NAIVAS SUPERMARKETS for the period ending : 14/April/2026.	
License No: NACOSTI/P/25/418179	
976084	
Applicant Identification Number	Director General
	NATIONAL COMMISSION FOR
	SCIENCE, TECHNOLOGY & INNOVATION
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See overleaf for conditions	

THE SCIENCE, TECHNOLOGY AND INNOVATION ACT, 2013 (Rev. 2014)
Legal Notice No. 108: The Science, Technology and Innovation (Research Licensing) Regulations, 2014

The National Commission for Science, Technology and Innovation, hereafter referred to as the Commission, was established under the Science, Technology and Innovation Act 2013 (Revised 2014) herein after referred to as the Act. The objective of the Commission shall be to regulate and assure quality in the science, technology and innovation sector and advise the Government in matters related thereto.

CONDITIONS OF THE RESEARCH LICENSE

1. The License is granted subject to provisions of the Constitution of Kenya, the Science, Technology and Innovation Act, and other relevant laws, policies and regulations. Accordingly, the licensee shall adhere to such procedures, standards, code of ethics and guidelines as may be prescribed by regulations made under the Act, or prescribed by provisions of International treaties of which Kenya is a signatory to.
2. The research and its related activities as well as outcomes shall be beneficial to the country and shall not in any way;
 - i. Endanger national security
 - ii. Adversely affect the lives of Kenyans
 - iii. Be in contravention of Kenya's international obligations including Biological Weapons Convention (BWC), Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), Chemical, Biological, Radiological and Nuclear (CBRN).
 - iv. Result in exploitation of intellectual property rights of communities in Kenya
 - v. Adversely affect the environment
 - vi. Adversely affect the rights of communities
 - vii. Endanger public safety and national cohesion
 - viii. Plagiarize someone else's work
3. The License is valid for the proposed research, location and specified period.
4. Neither the license nor any rights thereunder are transferable.
5. The Commission reserves the right to cancel the research at any time during the research period if in the opinion of the Commission the research is not implemented in conformity with the provisions of the Act or any other written law.
6. The Licensee shall inform the relevant County Director of Education, County Commissioner and County Governor before commencement of the research.
7. Excavation, filming, movement, and collection of specimens are subject to further necessary clearance from relevant Government Agencies.
8. The License does not give authority to transfer research materials.
9. The Commission may monitor and evaluate the licensed research project for the purpose of assessing and evaluating compliance with the conditions of the License.
10. The Licensee shall submit one hard copy, and upload a soft copy of their final report (thesis) onto a platform designated by the Commission within one year of completion of the research.
11. The Commission reserves the right to modify the conditions of the License including cancellation without prior notice.
12. Research, findings and information regarding research systems shall be stored or disseminated, utilized or applied in such a manner as may be prescribed by the Commission from time to time.
13. The Licensee shall disclose to the Commission, the relevant Institutional Scientific and Ethical Review Committee, and the relevant national agencies any inventions and discoveries that are of National strategic importance.
14. The Commission shall have powers to acquire from any person the right in, or to, any scientific innovation, invention or patent of strategic importance to the country.
15. Relevant Institutional Scientific and Ethical Review Committee shall monitor and evaluate the research periodically, and make a report of its findings to the Commission for necessary action.

National Commission for Science, Technology and
Innovation(NACOSTI),
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