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Strategy Implementation and Performance of Manufacturing Pharmaceutical Companies in Kenya

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ABSTRACT

Purpose: The current study aimed to investigate the extent to which strategy implementation affects organizational performance in Kenyan pharmaceutical manufacturers,

Methodology: A census sample of all 20 pharmaceutical manufacturing companies registered in Kenya at the time of this research was used. Questionnaire data was used to collect data from 74 respondents sampled purposively from to ensure they met the pre-defined inclusion criteria. A linear regression model comprising resource allocation, effective communication, employee support and training, and strategic leadership as the constructs of the independent variable strategy implementation was the basis of statistical analysis to estimate influences of strategy implementation factors on the dependent variable, organizational performance.

Findings: Effective communication (p-value = 0.000) and resource allocation (p-value = 0.001) significantly impact organizational performance. Employee support and training (p-value = 0.044) also contribute, but less so. Strategic leadership (p-value = 0.260) was not significant, suggesting leadership effectiveness depends on contextual factors like culture, size, and structure.

Unique Contribution to Theory, Practice and Policy: Based on these findings, it is recommended that pharmaceutical manufacturing firms in Kenya prioritize effective communication and strategic resource allocation as key drivers of organizational performance. They should consider adopting targeted communication strategies for clarity and alignment, besides robust financial planning to direct resources toward high-impact initiatives. Moreover, the firms should ensure that employee support and training complement communication and resource allocation strategies. Lastly, companies should evaluate their strategic leadership structures, based on the realization that their impact may vary based on contextual factors such as organizational culture and structure.

Keywords: *Effective communication, Resource allocation, Organizational performance, Employee support and training, Strategic leadership.*

INTRODUCTION

Background of the Study

The pharmaceutical industry in Kenya has been growing steadily, driven by factors such as an expanding middle class, increased healthcare awareness, and rising disposable incomes (IFC, 2020). As the demand for pharmaceutical products increases, there is a greater need for strategic management practices within the sector to enhance operational efficiency and competitiveness (Mumo, 2014; Mailu et al., 2018). Strategy implementation is key to achieving long-term goals, involving resource allocation, human resource development, supply chain optimization, and technological integration (Dhananjay, 2021). The Kenyan pharmaceutical industry's growth is also influenced by the increasing prevalence of non-communicable diseases (NCDs), such as diabetes and hypertension, which have led companies to diversify their product offerings (Ministry of Health, 2015).

Globally, pharmaceutical companies navigate complex regulatory environments, market competition, and technological advancements (Daly, 2009). Strategic management is crucial in these areas, involving innovation, research partnerships, and mergers to expand market reach (Festa et al., 2021). In East Africa, the demand for healthcare products has surged due to urbanization and a rising middle class, while the regulatory environment has made strides toward harmonizing standards across countries (Mugisha et al., 2021). However, challenges such as counterfeit medicines and the reliance on imports persist, hindering supply chain resilience (Aigbogun et al., 2014).

In Kenya, the Pharmacy and Poisons Board (PPB) regulates pharmaceutical products to ensure quality, safety, and efficacy (Kamer, 2022). Despite regulatory efforts, counterfeit drugs remain a significant issue (World Health Organization, 2017). The adoption of strategic management practices has been found to positively influence organizational performance, with companies that implement clear strategies experiencing improved efficiency and competitiveness (Davila, 2006). However, challenges like resource constraints and inadequate communication hinder effective strategy implementation (Mumo, 2014; Asewe, 2022). These findings suggest that while the Kenyan pharmaceutical industry is positioned for growth, addressing the challenges of strategy implementation, resource allocation, and regulatory adherence will be crucial for its continued success.

Statement of the Problem

The Kenyan pharmaceutical industry faces significant challenges, particularly regarding limited local manufacturing capacity, which makes the country heavily reliant on pharmaceutical imports. This dependency creates vulnerabilities in the supply chain, especially during global health crises like the COVID-19 pandemic (Akande-Sholabi & Andersen & Lueg, 2017). Short-term solutions involve pre-planning, while long-term strategies focus on enhancing local manufacturing capabilities to improve self-reliance (HERU-KEMRI, 2021). Data from the

Pharmacy and Poisons Board (2024) reveals that the number of licensed pharmaceutical manufacturers in Kenya has decreased from 30 in 2015 to just 20 in 2024, reflecting the industry's struggles. Despite this, Kenya controls 30% of its $1 billion pharmaceutical market, and plans to increase local production to 65% by 2026 (IFC, 2020). The Ministry of Health (2024) aims to locally produce 50% of health products listed in the Kenya Essential Medicines List by 2026. However, inefficiencies in operations and business processes hinder this progress (Ministry of Health, 2024). Strategy implementation, particularly in maintaining quality management systems and Good Manufacturing Practices (GMP), is crucial for improving performance (Daly, 2019). Studies show that strategy implementation often fails, with 80% of organizations having the right strategies but only 14% succeeding in execution (Alharthy, 2017). This highlights the need for more research on strategy implementation in Kenya's pharmaceutical sector, a gap identified in existing studies (Odeny, 2018). The current study seeks to address this problem by using a sample of respondents from all the manufacturing pharmaceutical firms in Kenya to investigate the extent to which strategy implementation affects organizational performance in Kenyan pharmaceutical companies. Specifically, the study focused on how resource allocation, organization communication, strategic leadership and optimal employee support and training on the performance of manufacturing pharmaceutical companies in Kenya.

LITERATURE REVIEW

Theoretical Review

The Resource-Based View (RBV) theory, introduced by Barney (1991), posits that a firm's unique bundle of resources, both tangible and intangible, is critical in achieving sustained competitive advantage and superior performance. According to this theory, organizations should allocate resources based on their strategic value and their potential to create a competitive edge. However, critics argue that RBV overemphasizes internal factors, ignoring the role of external forces, such as market conditions and competition (Collis, 1994). Additionally, the theory lacks clear guidelines on resource identification, development, and management (Gerhart & Feng, 2021). Despite these criticisms, RBV remains influential in strategic management, particularly in industries like pharmaceuticals, where leveraging unique resources can enhance competitive positioning (Shaw, 2021).

Organizational Information Theory (OIT), developed by Webb and Weick (1979), emphasizes the importance of information processing and communication within organizations. OIT suggests that effective communication is crucial in reducing uncertainty and ensuring shared understanding, especially during strategic implementation (Daft & Lengel, 1986). By adopting appropriate communication technologies and channels, firms can enhance decision-making and implementation effectiveness. Critics, however, argue that OIT oversimplifies communication, neglecting social dynamics, power influences, and emotional factors (Sapkota & Salaza, 2023).

Despite these shortcomings, OIT provides valuable insights into improving organizational communication during strategy execution (Yu et al., 2021).

Human Resource-Based Theory, introduced by Becker and Gerhart (1996), asserts that human capital is essential for achieving competitive advantage. It emphasizes employee development, motivation, and engagement as key drivers of organizational success. Effective training programs align employee skills with strategic goals, improving performance during strategy implementation (Collins, 2021). However, the theory has been criticized for neglecting external factors and assuming a homogeneous workforce (Pfeffer, 1998). Despite this, it remains vital in understanding how human resources contribute to strategic success.

The Upper Echelons Theory (UET), proposed by Hambrick and Mason (1984), highlights the importance of strategic leadership in organizational success. It suggests that the characteristics of senior managers, such as their skills, values, and experience, directly influence organizational outcomes, including strategy execution. Effective strategic leaders transform plans into actionable strategies, ensuring the successful realization of strategic goals (Tian, 2022). This theory is relevant to the pharmaceutical industry in Kenya, where strategic leadership plays a crucial role in overcoming implementation challenges (Ater et al., 2023).

Review of Empirical Literature

The study by Men, Jiang, and Choi (2018) investigated how publics react to crisis communication strategies, considering the interplay of information form and source. First, the public's reactions are influenced by the form of the information. The study found that the interplay of information form and source can have a significant impact on the public's reactions to crisis communication strategies. Pereira et al. (2019) explored how strategic communication mitigates barriers to strategy implementation. Defining it as purposeful meaning sharing, the study highlights its role in surmounting challenges—like insufficient communication, comprehension gaps, commitment shortfall, and resistance. Strategies such as transparent dissemination, stakeholder engagement, and expectation management leverage communication for effective implementation (Pereira et al., 2019).

A study by Li and Chen (2020) examined the relationship between corporate communication quality (CCQ) and firm performance. The study used a sample of Chinese listed firms from 2011 to 2016. The researchers measured CCQ using a scale that included dimensions such as accuracy, clarity, timeliness, and transparency of communication. Firm performance was measured using return on assets (ROA). The study found that CCQ was positively associated with firm performance. Research by Imam and Zaheer (2021) used a sample of 236 team members from IT projects in Pakistan to measured shared leadership using delegation, empowerment, and collaboration. Cohesion was measured based on team spirit, commitment to the team, and perceived support from the team. The study found that shared leadership was positively associated

with knowledge sharing, cohesion, and trust. It also found that knowledge sharing, cohesion, and trust were all positively associated with project success.

Effective leadership is another critical factor in strategy implementation. In their study, Wakhisi (2021) highlights the role of strategic leaders in guiding and driving the implementation process. Another research by Wudhikarn (2016) emphasizes the importance of providing a clear strategic vision, setting goals, allocating resources, and cultivating an organizational culture that promotes employee commitment and accountability. According to Wakhisi (2021), organizations with flexible and adaptive structures are better positioned to execute strategies successfully. Njoroge et al. (2022) investigated the influence of strategic leadership on the performance of pharmaceutical organizations in the Kenyan scenario and found that visionary leadership, inspirational leadership, strategic decision-making, communication and teamwork are critical dimensions of strategic leadership.

Kogan et al. (2017) analyzed technology innovation, resource allocation, and economic growth using a US firm sample from 1976-2010. They establish a positive tech-innovation-growth link, mediated by optimized resource allocation. Additionally, Mailu et al. (2018) examined how strategy implementation affects organizational performance in the Kenyan pharmaceutical industry, using census sample of 64 participants, based on a questionnaire. Their analysis showed a significant positive relationship between the two variables, suggesting that effective strategy implementation characterized by resources utilization efficiency, suitable culture, and an effective organizational structure lead to improved performance.

Wang et al. (2018) on their part investigated the relationship between strategic resource allocation, organizational ambidexterity, and financial performance. The study used a sample of Chinese listed firms from 2010 to 2015. The study found that strategic resource allocation was positively associated with organizational ambidexterity. Zaman et al. (2019) explored the interplay of strategic orientations, dynamic capabilities, and firm performance in Pakistan's pharmaceutical sector, analyzing a sample of 180 firms. Measured by ROA, firm performance demonstrated positive correlations with both strategic orientations and dynamic capabilities. Dynamic capabilities emerged as mediators, elucidating their pivotal role in translating strategic orientations into tangible firm performance.

Dhananjay (2021) studied how strategy implementation influences the performance of large Kenyan pharmaceutical organizations. He focused on how resource allocation, leadership, and monitoring and control influence strategy implementation. After analyzing data from 334 distributors and 30 manufacturers of pharmaceutical products, gathered from 364 respondents using a close-ended questionnaire, the researcher concluded that effective resource allocation, good leadership, and efficient monitoring and control are associated with positive effects on overall organizational performance. Research by Jabbar and Hussein (2017) based on a review of existing literature revealed that leadership is crucial in the strategic management process, noting

that leaders are charged with the role of not only crafting and directing strategies, but also carrying out ongoing evaluations to identify areas needing improvements, and providing necessary resources and support.

On their part, Njeri and Rugami (2017) investigated 13 motor vehicle retailing firms in Kenya, and following robust statistical tests found a strong, statistically significant positive relationship between effective strategic leadership and strategic implementation. The authors highlighted leadership communication effectiveness, competence of leaders, employee engagement, and strategy monitoring and evaluation, and employee involvement as relevant measures for effective strategic leadership. Moreover, the importance of strategic direction, which is the role of the leader to define and lead, was highlighted by Olaka et al. (2017), after studying Kenya commercial banks. The researchers reported a positive correlation between strategic leadership and effective strategy implementation.

On their part, Doeleman et al. (2021) investigated 37 different locations of a Dutch state organization, and based on the empirical findings conclude that successful strategy implementation calls for open strategizing practices, characterized by employee involvement, research, ongoing evaluation and improvement, and the role of the leader in guiding strategy formulation and execution through transformational leadership approaches. Ngigi et al. (2021) agree with the idea that the strategic leadership styles adopted by leaders in a business context are crucial in influencing strategy implementation processes, transformational leadership approaches and styles that involve employee engagement and motivation, promotion of an innovative organizational culture, teamwork, and employee autonomy. A comparative study by Ogaja and Kimiti (2016) comparing the influence of strategic leadership on outcomes of implementing tactical decisions between Egerton University and Jomo Kenyatta University of Agriculture and Technology found that strategic leadership is an important predictor of effective strategy execution. The findings demonstrated that while organizations and institutions may have great strategies and tactical decisions, the competence, quality, and styles of leaders charged with the implementation influenced the effectiveness or ineffectiveness of the implementation processes.

Huselid and Becker (2015) conducted a quantitative study to explore the nexus between workforce differentiation and strategic human resource management (HRM). Data was collected from a sample of 1,800 US organizations. Findings reveal a positive link between workforce differentiation, involving skill, knowledge, and ability variance, and strategic HRM adoption. Organizations embracing workforce differentiation are more inclined to deploy HRM practices aligned with strategic objectives. Huselid et al. (2016) shed light on the role of training in conferring competitive advantage to organizations. The findings reveal that technical HRM effectiveness, centered on HR practices enhancing employee performance, correlates positively with firm performance.

Guest and Conway (2017) underscore employee support's fundamental role in enhancing financial outcomes. Their study examined how employers communicate the psychological contract (PC) to employees. Effective PC communication attracts and retains talent, boosts motivation and performance, and curbs employee turnover. Noe (2017) underscores strategic alignment as crucial for training success. Findings highlight key success factors, including alignment with strategic objectives, job relevance, active learning methods, and follow-up plans to apply learned skills. Furthermore, success varies with organizational culture and training type, compelling managers to factor these considerations into training program design and implementation. Karenye and Murigi (2020) revealed a significant positive relationship between the two variables, based on census technique to collect primary data from 100 respondents.

Research Gaps

Despite a growing body of literature, gaps remain in understanding how strategy implementation affects organizational performance in Kenya's pharmaceutical manufacturing sector. Existing studies, such as Mumo (2014) and Karenye and Murigi (2020), had narrow scopes and small sample sizes, often focusing on isolated variables like leadership style or organizational culture. Mailu et al. (2018) explored limited constructs using fewer than 64 firms. In contrast, the current study uses a mixed-methods approach with a broader conceptual scope—including communication, resource allocation, employee development, and leadership—while analyzing data from 100 respondents to explore both individual and interactive effects on performance (Karenye, 2020; Mumo, 2014; Mailu et al., 2018).

METHODOLOGY

The study adopted a descriptive survey design to explore the research problem. It is deemed suited for this study because it enables the researcher to gather data about the influence of strategic implementation on performance of firms, based on the experiences and insights of the decision makers in the sector in Kenya. In the present study, the population in terms of companies comprises 20 licensed pharmaceutical companies involved in the manufacture of pharmaceutical products in Kenya. The respondent population, includes all the top-, middle- and lower-level managers in the pharmaceutical companies in Kenya. They are assumed to be knowledgeable and experienced in management processes, operations, and strategies in the pharmaceutical industry, hence expected to provide relevant and meaningful responses in the study. In this research, the sampling frame comprised 20 Kenyan pharmaceutical firms based in Kenya, which provided participants to complete the survey (PPB, 2024). The 20 licensed pharmaceutical manufacturing firms in Kenya were the unit of analysis for the study and the sample size was 100 managers. Quantitative data were collected using a close-ended questionnaire. Reliability and validity were confirmed before further analysis. Questionnaire data was analyzed quantitatively, using IBM Statistical Package for the Social Science Version 26.0. All the data was coded appropriately, and descriptive and inferential statistics implemented.

RESULTS AND FINDINGS

Correlation Results

The correlation analysis in Table 2 revealed that effective communication had the strongest and most statistically significant positive relationship with organizational performance (r = 0.802, p = 0.003), indicating that clear and strategic communication practices were essential in enhancing performance. Strategic management leadership also exhibited a strong positive correlation with performance (r = 0.675, p = 0.016), suggesting that leadership played a crucial role in guiding successful strategy implementation. Employee support and training demonstrated a moderate yet significant correlation (r = 0.535, p = 0.040), reflecting the importance of continuous staff development in improving firm outcomes. Conversely, resource allocation had a weak and negative correlation with performance (r = -0.022, p = 0.476), implying that resource distribution alone did not significantly influence organizational success unless strategically aligned with performance goals. These findings underscored the need for organizations to prioritize effective communication, leadership, and staff capacity building to drive superior performance outcomes.

Table 2: Correlation matrix.

		Resource Allocation	Effective Communication	Strategic Mgt. Leadership	Employee Support/Training	Org. Performance
Correlation	Resource Allocation	1.000	-.140	-.110	-.096	-.022
	Effective Communication	-.140	1.000	.698	.632	.802
	Strategic Mgt. Leadership	-.110	.698	1.000	.755	.675
	Employee Support/Training	-.096	.632	.755	1.000	.535
	Org. Performance	-.022	.802	.675	.535	1.000
Sig. (1-tailed)	Resource Allocation		.350	.381	.396	.476
	Effective Communication	.050		.012	.025	.003
	Strategic Mgt. Leadership	.381	.012		.006	.016
	Employee Support/Training	.396	.025	.006		.046
	Org. Performance	.476	.003	.016	.040	

a. Determinant = .065

Regression Results

First, the R square statistic is 0.683, or 68.3% when converted to the percentage format, as table 3 illustrates.

Table 3: Regression model summary.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.826[a]	.683	.429	.62837	2.710

a. Dependent variable: Organizational performance.
b. Predictors: (Constant), independent variables.

The R square value indicated that 68.3% of the change in the dependent variable (organizational performance) can be explained by the predictors (independent variables), namely employee support and training, resource allocation, effective communication, and strategic leadership. To analyze the relationship between organizational performance and its predictors, the regression model used in this study takes the following form:

$$Y=\beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\mu$$

Where:

Y represents organizational performance (dependent variable).

$\mathbf{X_1}$ denotes effective communication.

$\mathbf{X_2}$ represents resource allocation.

$\mathbf{X_3}$ corresponds to strategic leadership.

$\mathbf{X_4}$ stands for employee support and training.

$\boldsymbol{\beta_0}$ is the constant term.

μ represents the error term.

After fitting the data to the regression model, the estimated equation based on the coefficients (Table 10) is as follows.

$$Y = -0.275+0.395X_1+0.631X_2-0.128X_3+0.185X_4+\mu$$

Model Fit and Analysis

To assess the reliability and explanatory power of the regression model, the ANOVA test results provide valuable insights, as summarized in Table 4.

Table 4: ANOVA statistics.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	24.219	4	6.055	8.295	.000[b]
	Residual	21.320	78	.273		
	Total	45.539	82			

a. Dependent variable: Organizational performance.
b. Predictors: (Constant), employee support and training, resource allocation, effective communication, and strategic leadership.

The F-statistic of 8.295 with a p-value of 0.000 indicated that the overall model is statistically significant. This suggests that at least one of the independent variables contributes to explaining variations in organizational performance. The inference based on the data is therefore that strategy implementation has a meaningful influence on the performance of the pharmaceutical manufacturing firms in Kenya. The model's sum of squares for regression (24.219) compared to the residual sum of squares (21.320) further indicates that a significant proportion of variance in organizational performance is explained by the independent variables.

In addition, the statistical significance and coefficients of the independent variables based on the regression analysis revealed the results tabulated in 5

Table 5: Coefficients and significance levels.

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	-.275	.741		.898
	Resource Allocation	.631	.171	.322	.001
	Effective Communication	.395	.131	.636	.000
	Strategic mgt. leadership	-.128	.122	-.150	.260
	Employee support& training	.185	.117	.065	.044

The constant term $\beta_0 = -0.275$ represents the predicted level of organizational performance when all independent variables are equal to zero. The p-value associated with this constant is 0.898, which is much greater than the significance threshold of 0.05. This suggests that the constant is not statistically significant and does not contribute meaningfully to the model's predictive power. In practical terms, this means that organizational performance cannot be explained solely by the intercept; rather, it depends on the independent variables included in the model.

The coefficient for effective communication (β_1= 0.395, p = 0.000, VIF = 2.024) is statistically significant at the 95% confidence level, indicating that effective communication has a strong and positive impact on organizational performance. Specifically, a one-unit increase in effective communication results in a 0.395 increase in organizational performance, assuming all other factors remain constant. The low VIF value (2.024) suggests that multi-collinearity is not a concern for this variable, meaning that its predictive power is not overly influenced by other independent variables in the model. This outcome is in agreement with previous research findings, such as Pereira et al. (2019), who in their study highlighted the role of strategic communication in surmounting strategy implementation hindrances such as resistance to change and lack of employee morale. In the same way, research findings by Li and Chen (2020) had indicated that high quality levels of corporate communication within an organization are positively and significantly correlated with good firm performance, especially in a dynamic corporate environment where coordination and constant communication and engagement would be critical to effective operations and processes. However, unlike the work by Li and Chen (2020), who in their research work reported that communication impacts were more pronounced in uncertain corporate environments, the current study indicates a broad significance of effective communication across enterprises, which suggests that communication is universally vital notwithstanding environmental stability or otherwise.

Resource allocation (β_2 = 0.631, p = 0.001, VIF = 1.087) also shows a significant and positive effect on organizational performance. The coefficient value of 0.631 suggests that improving resource allocation by one unit leads to a 0.631 increase in organizational performance. Since its p-value is below 0.05, it is considered a statistically significant predictor. Additionally, the VIF of 1.087 indicates no multi-collinearity concerns, reinforcing the reliability of this predictor in explaining variations in organizational performance. The positive, statistically significant influence of resource allocation on firm performance aligns with findings reported previously by Kogan et al. (2017), who demonstrated that efficient resource allocation has a direct influence on technological innovation and economic growth in an organization. What is more, the work by Pereira et al. (2019) underscored the idea that optimal allocation of human and financial resources enhances pharmaceutical companies' performance, as they foster innovation and overall operational efficiency.

In contrast, strategic leadership (β_3 = -0.128, p = 0.260, VIF = 1.881) does not have a statistically significant impact on organizational performance at the 95% confidence level. The negative coefficient of -0.128 suggests that an increase in strategic leadership may lead to a slight decline in organizational performance; however, since its p-value (0.260) is greater than 0.05, this effect is not statistically reliable. The relatively low VIF value (1.881) indicates that it does not suffer from multi-collinearity issues, yet its insignificance suggests that other factors may play a stronger role in driving organizational performance. This finding contrasts with Njoroge et al. (2022), who reported a positive correlation between strategic leadership and pharmaceutical firms'

performance in Kenya. In the same way, Wudhikarn (2016) emphasized the importance of strategic leadership in cultivating a strategic alignment within organizations that is crucial for effective strategy execution. It is noteworthy that strategic leadership practically plays a crucial role in the process of formulating, executing and evaluating strategies (Palladan et al., 2016; Olaka et al., 2017; Varelas et al., 2023). The present findings may arguably imply that although strategic leadership is not statistically significant as per the current estimations, it nonetheless has some influence.

Lastly, employee support and training ($\beta_4 = 0.185$, $p = 0.044$, VIF = 1.231) is a statistically significant predictor, with a p-value below 0.05. The coefficient of 0.185 indicates that for every one-unit increase in employee support and training, organizational performance improves by 0.185 units. While this impact is smaller compared to effective communication and resource allocation, it remains meaningful within the model. The VIF of 1.231 confirms the absence of multi-collinearity concerns for this predictor, allowing for reliable interpretation. This outcome concurs with those reported by Ozkeser (2019), demonstrating that employee training enhances workforce motivation and, consequently, firm performance and productivity. In addition, Rodriguez and Walters (2017) found that structured employee training programs improved both individual employee productivity and overall organizational performance. Businesses that are investing in employee development programs should also consider performance-based training plans to align skill acquisition with strategic business objectives (Noe, 2017). As opposed to previous studies that highlighted the overarching benefits of training (Jeffrey & Prasetya, 2017; Ozkeser, 2019), the current research implies that employee training alone is possibly insufficient to achieve substantial organizational performance improvements if it is not supported by complementary strategic elements.

Theoretically, the study concurs with the resource-based view (RBV) as current findings demonstrate that business organizations that have better resource allocation mechanisms are more likely to achieve superior performance than those that do not. In the context of strategy implementation process, the RBV framework postulates that firms should allocate resources on the basis of their strategic value and in a way that they would contribute towards a sustainable competitive advantage for the organization (Barney, 1991). These insights are also relevant to and support the human resource-based view, given employee support and training, which are found in the current study to be significant contributors to firm performance, are crucial components of the human resource-based theory as they enable organizations to align employee competencies with strategic goals (Collins, 2021). Moreover, the findings in this study are in alignment with the organizational information theory (OIT), whose primary argument is that effective communication enhances strategic decision-making and execution (Daft & Lengel, 1986). The significance of effective communication implies that implementing an OIT perspective, organizations can design communication processes, utilize appropriate technologies, and promote a shared understanding to enhance communication effectiveness and support successful strategic implementation.

Conclusions

Based on the analysis, the regression model effectively explains a significant portion of the variation in organizational performance. The findings highlight that among the independent variables, effective communication and resource allocation have the strongest and most statistically significant impact on organizational performance**.** Their positive coefficients and low p-values reinforce their importance as key drivers of organizational success. Employee support and training also contribute positively to organizational performance, albeit to a lesser extent. Despite its relatively smaller coefficient, its statistical significance confirms that investments in employee support and training can enhance performance outcomes. Strategic management leadership, however, does not emerge as a significant predictor in this model. While leadership is widely acknowledged as a crucial factor in organizational success, its impact may be more nuanced, requiring further investigation to determine how specific leadership styles or practices influence performance. From a methodological perspective, the absence of multi-collinearity and the statistical significance of the overall model suggest that the regression equation provides a robust framework for understanding organizational performance. Future research may explore additional variables or interaction effects to refine the model further.

Recommendations

The findings provide actionable recommendations for managers and policymakers, emphasizing the need for efficient resource distribution, clear communication strategies, and targeted employee development programs for businesses. Future research should build on these insights to refine strategy implementation frameworks and explore emerging influences such as technological innovation. By integrating these findings into practice, organizations can enhance their strategic execution capabilities, ultimately improving performance and competitiveness in an increasingly dynamic business environment. Overall, the regression analysis confirms that fostering strong communication, ensuring efficient resource allocation, and supporting employees through training are key strategic levers for enhancing organizational performance.

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