

ORGANIZATION’S STRUCTURAL ALIGNMENT AND PERFORMANCE OF SUGAR COMPANIES IN WESTERN KENYA

Patrick Waswa Kachisa¹ & Prof. Wills Otuya, PhD²

¹ PhD Student, Masinde Muliro University of Science and Technology, Kenya

² Lecturer, Masinde Muliro University of Science and Technology, Kenya

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ABSTRACT

Organizations rely on strategic adaptation and structural alignment to have a competitive advantage over others. Firms in sugar industry in western Kenya have been performing poorly irrespective of support from the government of Kenya supporting them with resources. The management of any current organizations strives to involve process innovation practices with an essence of improving on performance. Most of the studies have been done on strategic adaptation with little on structural alignment and performance of sugar industry. Since structural alignment is a vital element of strategic adaptation, it is necessary for the variable to be regressed with the performance of an organization. The study's objective was to examine structural alignment's effect on the performance of sugar companies in Western Kenya. The study applied dynamic capabilities theory, resource-based theory and capability-based theory. This study employed descriptive survey design. The targeted population was based on six sugar companies in Western Kenya. The study applied purposive sampling Technique. The Questionnaire was used as an instrument of primary data collection. The study applied Descriptive statistics to determine the mean, standard deviations and frequencies of the data under study. Inferential statistics was applied to determine the correlation within the variables. The descriptive and inferential statistics were analyzed by use of Statistical Package for Social Sciences (SPSS) software. The regression model was determined and analyzed by use of similar software (SPSS). The overall results provided statistical evidence of a positive correlation of structural alignment practices and performance of the sugar companies in Western Kenya. In terms of impact, structural alignment had significant effect on performance of sugar companies. It was recommended that Sugar companies in Western Kenya need to enhance, foster and vary their dynamic capabilities with respect to structural alignment since it leads to the improvement of performance. The study recommended for further research on the variables using other methods and companies of other sectors.

Key words; *Structural Alignment, Strategic Adaptation, Performance*

INTRODUCTION

Organizations basically recognize the environmental changes with reliance on the management set up, however with managerial effects that includes risk analysis management, environmental changes have to be put into consideration. Walsh (2017) suggests strategic managers should recognize and find appropriate adaptation form, consider the configuration and apply within the functional effects of adaptation for improvement of organization performance. Bryson (2018) embrace some companies can influence their operating environmental functions actively. Adaptation is the answer of companies to environmental challenges (Chang, Memili, Chrisman & Welsh, 2011). Companies basically either recognize or do not recognize on time the environmental changes and hence, in case they recognize them, they either find an appropriate adaptation form, configuration to them or do not (Anamanjia & Maina, 2022). According Motoc (2019) some companies can influence their operating environment actively and consequently; it is important that an organization comes up with appropriate strategies that make the firm operations to be aligned with the prevailing market conditions.

Ng'ang'a, Waiganjo and Njeru (2017) suggest strategic alignment as the degree to which the needs, demands, goals, objectives, and structures of one component are consistent with the needs, demands, goals, objectives, and structures of another component, hence, basing on the definition, a firms' strategic alignment involves both an internal and external process across an organization or organizations. Musumal (2019) opine sustainable competitive advantage is enhanced by a business unit through external alignment with business environment in which the organization operates in as well as with internal alignment with its available resources and infrastructure.

Kim and Mauborgne (2019) stipulate organizations align its value chain accordingly, creating manufacturing, marketing, and human resource strategies in the process. On the basis of these strategies, financial targets and budget allocations are set. Lumineau and Malhotra (2020) embrace, when the structural conditions of an organization is attractive and has the resources and capabilities to carve out a viable competitive position, structural alignment approach is likely to lead to better performance.

Cherry (2018) embrace for the organizations to perform well in competitive environments, they must utilize their internal resources well, ranging from human, technology and physical capital. Ahmed (2018) proposes that companies' internal resources must be strategically structured to be rare, non-substitutable and imperfectly imitable for the firm to gain maximally in terms of performance. Walsh (2017) notes companies need to be up to date with changing external environments to formulate strategies for adapting effectively and performing well and more so, stresses the importance of assessing markets first and aligning strategies by combing internal resources properly to achieve competitive advantages.

The sugar production sector has been very competitive globally, with sugar companies doing their best to keep pace with the environment. The World Bank sugar production report (2018) ranked Brazil at the top as its sugar companies produced 37.3 million metric tons of sugar in the 2017/2018 period. The production accounted for fifty two percent of the world's sugar production globally, while African companies had only five percent of world production. Out of the total sugar production in Africa, thirty percent came from East Africa. Locally, the sugar industry has far-reaching implications on Kenya's Economy. It is vital for organizations to adapt the environment strategically otherwise failure renders the local sugar companies uncompetitive and may lead to ultimate collapse. Kenya National Bureau Statistics economic survey report (2018) on the state of local sugar companies in Kenya showed that in May 2018, Muhoroni Sugar Company closed its doors, dealing a blow to more than 23,000 farmers relying on it. Nzoia Sugar Company operates on diseconomies of scale while Mumias Sugar, having stopped crushing and now distilling ethanol on a low scale, has been placed under receivership with suspension Nairobi Security Exchange underway. In the researcher's view, strategic adaptation is inevitable for these companies to stay competitive because they are operating in an open system whose predictions are uncertain.

Structural alignment starts from reviewing the external environment in terms of current happenings and expected changes. Necessary steps within the structural alignment strategy can then include alignment of objectives, leadership design alignments, alignment of employees with roles, aligning employee roles within teams, and reorganizing management's design (Forbes, 2020). The adoption of effective structural alignment strategies improved resource utilization levels and increased performance (Shou *et al.*, 2017). In cases where markets are collapsing, for instance, the alignment of internal processes and strategy in line with the current situation may enable the organization to save on costs when competitors are suffering. However, the process of strategic alignment is costly as it requires investment in the right technology and the employment of sharp individuals to track happenings in the external environment. It also requires a flexible management system, and wrong projections may be detrimental to its overall performance (Koskei, 2016). According to Agriculture and Food Authority (AFA, 2020), the fast-growing demand for both maize and sugar is due to the population and per capita income growth.

Organizational performance is a key dimension that managers direct their attention to achieve due to its effect on the firms short- and long-term sustainability. However, the performance of an organization is affected by the dynamic nature of the business environment that firm operates in, hence structural alignment is very important for the success of an organization in a competitive environment (Umer & Salmon, 2019)

Statement of the Problem

Developing economies account for approximately three quarters of global manufacturing sugar consumption. Organizational goals are achieved when the management structurally align its internal activities with the environmental demands through continuous adjustment of its process in a way that will enable it be able to get optimal returns. Different internal process, though they work independently, need to supplement the other organizational activities in a way that will result in a synergy for optimal performance (Lude & Prugl, 2017). Despite the undertaking of the enlisted strategies by the Government of Kenya, the Kenyan sugar industry still performs poorly with Mumias currently under receivership and now distils ethanol as its only source of income, Nzoia no longer breaks even, showing evident signs of collapsing and more so, most of the sugar firms have similar effects (Mati & Thomas, 2019). Having different activities of an organization, when they work independently, result in sub-optimality, thus necessitating the need of aligning both the organization internal activities and the external business environment demands in order for an organization to react appropriately to changes in the environment which requires structural alignment (Anamanjia & Maina, 2022). Most of the scholars have done studies on general strategic capabilities and performance but with little strategic focus structural alignment and performance. Basing on literature on implication of sugar production deterioration while the government of Kenya has placed resources into production of sugar leaves a lot for researching. More so some scholars among them; Forbes (2020) support the relevance of structural alignment to performance while other researchers have little support to structural alignment for the strategy being costly. It is due to these mixed reactions that makes differences that allow this study to be undertaken. This research, therefore, sought to determine the effect of structural alignment on the performance of sugar companies in western Kenya.

Specific objective

To establish the effect of organization's structural alignment on the performance of sugar companies in Western Kenya

Research Hypothesis

H₀₁: Organization's structural alignment has no significant effect on the performance of sugar companies in western Kenya

LITERATURE REVIEW

Resource-Based Theory

The resource-based theory is founded on the works of Penrose (1959), who stated that organizations have resources that can enable them to achieve competitive advantage when effectively employed in productive opportunities. The internal resources, combined with the development of ideas, knowledge of management and experience, facilitate the introduction of innovations within the firm - an incentive to expand and a source of competitive advantage. Barney (1991) builds on the works of Penrose (1959) by stating that organizations have three main types of resources. The first category is physical capital which comprises technology, equipment, plant and property. The second is human capital consisting of knowledge, experience and intelligence of the workforce and the final category is organizational capital resources comprising of policies, control systems and intra-organizational relationships. The resources should be rare, valuable, imperfectly imitable and non-substitutable for the organization to gain maximally improved performance and sustainable competitive advantage.

The resource-based theory will be relevant in explaining the strategic adaptation and process innovation by organizations and how it impacts their performance. Through improved human resource education, investment in modern technology and engaging employees in creative processes, organizations can design quality process innovations to adapt to changing environments. This, according to Hartmann (2006), can help the firm achieve improved performance through renewed strategic position, improved market share, improved resource utilization and ability to speed up to time. The Company can similarly put to task its physical and human resources in Research of markets, customers and competitors, according to Porter (1990), to come up with effective competitor orientation strategies to survive in turbulent market environments. Understanding the market and defining a brand for the Company in line with the resource-based view theory can also help the firm adopt clear product differentiation strategies that increase customer loyalty for its products and help achieve competitive advantages (Schemmener, 2008). Still, effective structural alignment in organizations dramatically relies on how the organization utilizes its internal resources, ranging from management expertise, technology adopted, and staff experience. If organized in rare, non-imitable and value-adding processes, these internal resources result in the improved competitive edge of the firm over other firms in the industry (Nyangi *et al*, 2015).

However, the resource-based theory has been criticized for its inability to define the creation of future resources (Barney, 2001). It tends to limit its discussions on the current happenings in the market, a concept that may be misleading since businesses are meant to last into unforeseeable future periods. The theory has also been criticized for implicitly focusing on profits as the performance metric and overlooking other metrics such as customer satisfaction, performance and environmental sustainability as attributes for supreme competitive advantages. The criticisms notwithstanding will be considered academic, and the resource-based view theory will help understand and define objectives one, two, three and four. This is because nearly all aspects of strategic adaptation in organizations are pegged on their physical, human, capital and internal financial resources.

Dynamic Capabilities Theory

The Dynamic capabilities theory is founded on Schumpeter's innovation-based competition where creative destruction of existing resources and planned recombination into new processes results in competitive advantage (Pavlou, 2011). According to Shuen (1997), the dynamic capabilities theory was developed as a reaction against the resource-based view theory's inability to address the development and redevelopment of resources in rapidly changing environments. The dynamic capabilities theory considers the impact of external environments changing significantly in the current and future periods in defining how companies should organize internal resources and operations to gain competitive advantages. According to Winter (2003), the dynamic capabilities theory addresses two types of capabilities: ordinary capabilities that help firms operate in

their lines of business effectively and efficiently and dynamic capabilities that help firms create a new process in changing environments. For the above to be achieved, organizations need to recombine, renew, replicate, redeploy, retrench and retire resources (Peteraf, 2003).

The dynamic capabilities theory will be relevant in explaining product differentiation and process innovation and they are related impacts on the performance of these organizations. The adoption of strategies like Process innovation and product differentiation can be categorized under dynamic capabilities in line with winter's (2003) perspective of the dynamic capability's theory. These are processes that result in creating new products and provision of new services by organizations to cope with changing environments to improve performance (Cavaco & Crifo, 2014). Competitors' orientation and strategic alignment can be categorized into either ordinary capabilities or dynamic capabilities basing on the desired vision. When the goal is to redefine normal processes to gain competitive advantage, strategic alignment and the firm's orientation follows a conservative approach. Whether ordinary or dynamic capabilities, organizations choosing to align the organizational structure with the external environment, differentiating products, undertaking process innovations and even orientating themselves in line with competitors' actions often follow the processes of redefining, recombining, renewing or retiring resources as proposed by (Helfat *et al.*, 2003).

However, Zahra, Sapienza and Davidson (2006) argued that the adoption of dynamic capabilities in line with the theory does not necessarily result in improved performance of firms. Renewals changing directions in organizations may follow opposite directions to happenings in the external environment. Collier (2009) further stress that desired positive results of dynamic strategies can only be achieved when perceived dynamism is correctly matched with real dynamism in the external environment. Despite the criticisms, the dynamic capabilities theory remains best suited in explaining companies' performance in the sugar manufacturing industry, which is very dynamic. The theory will help explain and define strategic adaptation by the companies in the industry and how this helps in their performance.

The Capability-Based View

Grant (1991) argued that capabilities are the source of performance while resources are the source of capabilities. Shoemaker (1993) adopted a similar position and suggested that resources do not contribute to sustained performance for a firm, but its capabilities do. Hansen (2005), as well as Long and Vickers-Koch (1995), supported the importance of capabilities and suggest that a sugar company can gain performance from its ability to apply its capabilities to perform important activities within the sugar industry. Shoemaker (1993,) defined capabilities in contrast to resources, as a firm's capacity to deploy resources, usually in combination using organizational processes, and affect the desired end. It is relevant to structural alignment through alignment of employee roles, departmental and team alignment. They are information-based, tangible or intangible processes that are firm-specific and developed over time through complex interactions among the firm's resources.

Teece *et al.* (1997) define dynamic capabilities as, 'the firm's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments. Grant (1996) defines organizational capability as, a firm's ability to perform repeatedly a productive task which relates either directly or indirectly to a firm's capacity for creating value through effecting the transformation of inputs to outputs. Grant (1996) also divides capability into four categories: cross-functional capabilities, broad-functional capabilities, activity-related capabilities and specialized capabilities. Sirmon *et al.* (2003) stressed the importance of organizational learning. They suggest that capabilities and organizational learning implicitly and explicitly are a part of any strategy within a firm. It has been argued (Zack 1999) that the ability to learn and create new knowledge is essential for gaining the performance of a firm. Lee *et al.* (2001) discussed the influence of internal capabilities and external networks on firm performance.

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survive in turbulent market environments. Understanding the market and defining a brand for the Company in line with the resource-based view theory can also help the firm adopt clear product differentiation strategies that increase customer loyalty for its products and help achieve competitive advantages (Hayes & Schemmener, 2008). Still, effective structural alignment in organizations dramatically relies on how the organization utilizes its internal resources, ranging from management expertise, technology adopted, and staff experience. If organized in rare, non-imitable and value-adding processes, these internal resources result in the improved competitive edge of the firm over other firms in the industry (Nyangi *et al.*, 2015). However, the resource-based view theory has been criticized for its inability to define the creation of future resources (Barney, 2001). It tends to limit its discussions on the current happenings in the market, a concept that may be misleading since businesses are meant to last into unforeseeable future periods. The theory has also been criticized for implicitly focusing on profits as the performance metric and overlooking other metrics such as customer satisfaction, performance and environmental sustainability as attributes for supreme competitive advantages. The criticisms notwithstanding will be considered academic, and the resource-based theory will help understand and define objectives one, two, three and four. This is because nearly all aspects of strategic adaptation in organizations are pegged on their physical, human, capital and internal financial resources.

Conceptual Framework



Independent Variables

Dependent Variable

Figure 1: Conceptual Framework

Source: Author

METHODOLOGY

Research Design: Kothari (2007) defines a research design as the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. This study used descriptive survey design which involved collecting data of the answered questions about the respondents of the study. This design could be appropriate when the researcher wished to provide an accurate representation of persons, events or situations (Saunders *et al.*, 2012).

Target Population: A target population usually has varying characteristics and it is also known as the theoretical population. This study explored each individual characteristic in the theoretical population within the universe. A population is the full universe of people or things from which the sample is selected (Greener, 2008). Target population consisted of Nzoia Sugar Company Limited employees who were directly linked to procurement and supply chain operations. Target population refers to total collection of elements about which the study wants to make some references (Mugenda & Mugenda 2003). Target population for the purpose of the study was Nzoia Sugar Company Limited and consisted of officers in the departments; Finance, Procurement, Warehousing, Audit and ICT.

Sampling and Sampling Techniques: The study adopted a stratified sampling technique to select six sugar companies which are almost ninety-nine per cent of the number of companies in western Kenya. This was so because most of the sugar companies within western Kenya have adopted the same techniques and mechanisms of strategic adaptation. The sample size of thirty-six was representative and substantial to satisfy the objective of this study. According to a book on quantitative and qualitative approaches by Mugenda (2008), it recommended sample size of at least ten per cent of the targeted companies. The size gave the

researcher enough data to complete my research. The information from the companies with more than one branch was taken from the head office branch, thus treating the multi-branch sugar company as a Single Business Unit (SBU). (Mwanyota, 2004) used a similar methodology for his study comprising all sugar companies in western Kenya as listed in the link fang of the Nation Business Direction, (NBD, 2021).

Data Collection Instruments: The study relied on both primary and secondary data collection instruments. Primary data was collected using structured questionnaires that were prepared based on the study's objectives and the conceptual framework. It had three sections. Section A was having the general information of the respondents. Section B on strategic adaptation practices enlisted as product differentiation, competitor orientation, structural alignment and process innovation. Section C was on performance. Section B and C was structured on a five-point Likert scale. Questionnaires were chosen because of their advantages of accessibility to large populations at low costs, proof of recorded evidence and chance to seek clarity. The questionnaires were distributed to senior-level managers or their equivalent in sugar companies in western Kenya.

Pilot Study: A sample of 10 respondents was used in rolling out the pilot test, which was 10% of the total expected number of respondents. The sample size was appropriate as was proposed by Baker (1994) that a sample of 10% is reliable for pilot testing. One of the companies I considered and visited was Busibwabo Sugar Company due to its strategic location next to my residential place. The company attained its commercial trade license in the year 2011. The pilot test for this study was within the recommendation. Convenience sampling used respondents who were voluntarily available (Leedy & Ormrod 2005) and therefore the method was found appropriate due to distance constraints considering the location of the companies. The reason of Busibwabo Company limited being chosen was as a result of rich alluvial soils of the area, an ideal for the cultivation of sugar cane which is an important raw material.

Data Processing and Analysis: The quantitative data collected was analyzed by Statistical Package for Social Sciences (SPSS 24) where descriptive statistics was computed to help in describing and interpreting data in line with study objectives. For variable relationships, correlation and regression analysis was also examined. Analyzed data was presented by use of tables and in prose form. The Analytical model for the study took form of: $Y = \alpha + \beta_1 X_1 + \epsilon$

Where;

Y= Organization Performance

α = Constant Term

β = Beta Coefficient –These measures how many standard deviations a dependent variable was change, per standard deviation increase in the independent variable.

X_1 = Structural Alignment.

ϵ = Error term

FINDINGS AND DISCUSSIONS

Response Rate

The pilot study targeted 4 respondents drawn from sugar companies in meeting the threshold for the target population but outside Western Kenya. The 4 respondents were surveyed using the questionnaire as it would be done in the actual study. Out of the 4 issued questionnaires, 3 were dully filled and returned for analysis. This represented a response rate of 75% which was considered adequate and sufficient for analysis.

Descriptive Statistics: Influence of structural alignment on the performance of sugar companies in Western Kenya.

The second specific objective of the research study was to determine the Influence of structural alignment on the performance of sugar companies in Western Kenya. For the purpose of establishing how well each

structural alignment practice in reference to strategic adaptation is implemented, respondents were to respond statements on a Likert scale of 1 to 5 where, 1 meant that the respondents No extent, 2-small extent, 3-Moderate extent 4 they to a large extent Agreed and 5 meant to a very large extent. For purpose of interpretation, a mean score of $0 \leq 1.5$ means that the respondents strongly disagreed on the extent of structural alignment, between $1.50 \leq 2.50$ means they disagreed it's to a small extent, $2.50 \leq 3.50$ they were respondents feel there is moderate extent of structural alignment, $3.50 \leq 4.50$ means it's to large extent and above 4.50 means the respondents strongly agreed that to a very large extent there is process innovation within the organization.

Table 1: Structural alignment and performance

Structural alignment	Mean	Std. Dev.
Our organization reorganizes its employees to meet changing industry requirements.	3.27	1.064
Leadership style and organizational management changes alongside market changes.	3.61	1.21
Our organization redefines policies, strategies and goals frequently to meet changing market needs.	2.38	1.26
Our organization adopts use of technology frequently.	3.48	1.1
Average	3.14	1.14

Structural alignment has helped sugar companies to improve their performance in the sugar sector with a standard deviation 1.14 and a mean 3.14. This implies a slightly positive correlation between structural alignment and performance in the sugar companies hence need to dynamically focus on structural alignments to ensure strategic adaptation thus performance. This is agreement with Forbes (2020) who argues that organizations must have the required capabilities to match their strategies to turbulent environment in order to optimize profitability. He further indicates that the relationship between environment and strategy and in turn to performance cannot be underestimated. Organizations are left with little to do other than respond to environmental changes accordingly to enhance their survival and competitive advantage. In this regard, companies ought to be constantly alert by identifying their strengths and weaknesses in relation to environmental threats and opportunities (Mati & Thomas, 2017).

Inferential Statistics

Inferential results based on simple and multiple regression models as shown in the subsections herein.

Structural alignment and Performance

The objective was to determine the influence of structural alignment on the performance of sugar companies in western Kenya. From the findings the correlation coefficient (R) is 0.838 which is a positive, a significant relationship between process innovation and performance and the R-Square value of 0.702 shows that the model accounts for 70.0% of the variation or change in the performance of sugar companies in Western Kenya.

Table 2: Model summary for Structural alignment and Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.838 ^a	.702	.700	.17131	.000	.005	1	33	.849

a. Predictors: (Constant), X2

The results of the ANOVA test show a P-value of 0.000 is less than the set level of significance of 0.05 for a normally distributed data as shown in Table 3. The results further revealed that the model had an F-ratio of 88.104 which was significant at 5% level of significance. The findings show that the model is statistically significant in explaining the relationship between structural alignment and the performance of Sugar Companies in Western Kenya hence structural alignment influences the performance of sugar companies in Western Kenya.

Table 3: ANOVA for Structural alignment and Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.713	1	12.711	88.104	.000 ^b
	Residual	23.767	35	.679		
	Total	36.470	35			

Predictors: (Constant), X2
Dependent Variable: Y

Table 3 shows the coefficients of the influence of structural alignment on performance of sugar companies in Western Kenya. The Beta coefficients was .804 at a p-value of 0.000 indicate the extent to which firm performance changes due to positive change in structural alignment by 80.4%.

Table 4: Coefficients for Structural alignment and Performance

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	0.674	0.216		1.561	.001
X2	0.804	0.027	0.565	34.064	0.000

a. Dependent Variable: Y

The equation;

$Y = \beta_0 + \beta_2 X_2 + \epsilon$, holding all other factors constant, this becomes,

$$Y_0 = .674 + .804 X_2$$

The positive Beta coefficients imply that a change in the structural alignment results in increased firm performance by 80.4%. The t-value of 34.064 indicates greater evidence against null hypothesis hence confidence in rejecting the null hypothesis.

Hypothesis Testing

Null Hypothesis (H₀₁): Structural Alignment has no significant influence on the performance of sugar companies in western Kenya.

Alt. Hypothesis (H_{a1}): Structural Alignment has a significant influence on the performance of sugar companies in western Kenya.

Model summary results indicate that Process innovation has significant influence on performance of sugar companies in Western Kenya ($\beta_1 = 0.804$ at $p < 0.05$). Other factors remaining constant, process innovation, explains 80.4% of changes in performance of sugar companies in Western Kenya. The positive beta coefficient implies that a unit change in use of Structural Alignment results in a rise in firm performance by 0.804 units. As such the null hypothesis was rejected.

CONCLUSIONS AND RECOMMENDATIONS

The objective was to establish Structural Alignment on the performance of sugar companies in Western Kenya. Results revealed that process innovation had positive influence on performance of sugar companies in Western Kenya.

The test for significance also showed that the influence was statistically significant and hence the alternate hypothesis was accepted. Most of the respondents agreed that through structural alignment stewardship, their respective Sugar Companies were able to adapt to the external changes thus enhancing their performance. This can be attributed to the fact that structural alignment, such as implementation of a new production methods, presence of quality team that monitors areas for improvement hence performance enhancement.

This study found a positive and significant influence of structural alignment on the performance of the sugar companies in Western Kenya. It therefore, follows that management of Sugar companies in Western Kenya management need to enhance, foster and vary their capabilities in respect to the their strategies to suit the ever changing demands in their business environment. These changes should be well aligned with the changes taking place in the competitive and dynamic environment these firms find themselves in today. The organization should continuously redesign production methods, processes and technologies to meet changing market needs.

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