

# Strategy Implementation and Organizational Performance of Private Security Companies in Nairobi, Kenya

Ahmed Osman<sup>1</sup> Dr. Mary Ragui<sup>2</sup>  
School of Business, Kenyatta University, Nairobi, Kenya

## Abstract

Globally a brilliant strategy may put a company on the competitive map and increase its performance. There still exists a gap as far as strategy implementation in the private security industry in Kenya is concerned. This therefore arouses more critical academic thinking within this subject area. The general objective of this study was to assess strategy implementation components and organizational performance of private security companies in Kenya. The specific objectives were to; establish the effect of structure; find out the effect of resources; determine the effect of leadership; and to examine the effect of information and communications technology on organizational performance of private security companies in Kenya. The study was anchored on two theories: Agency Theory and Resource-Based View. The study adopted a descriptive survey. The population consisted of the all private security companies in Kenya which were 216. Stratified random sampling was used to arrive at 54 respondents. Primary data was used exclusively where questionnaires were used. The data analysis included descriptive statistics, correlations, and linear regression analysis. The findings show that organizational structure was majorly local, with very few security firms operating internationally. The findings also show that majority of the respondents admitted that management was actually mobilizing resources from different stakeholders. However, through interviews and opinion responses, the researcher learned that mobilization of resources was not commensurate to the performance per se. The findings also show that though most firms rated their leadership as good, most security firms lacked the right leadership as revealed from the respondents. This could partly be contributed by the fact that a considerable proportion of leaders were not selected through a democratic process. On average, large population of the respondents agreed that ICT was majorly employed. However, respondents argued that the process lacked seriousness from the management. The study recommends the security firms to adopt an organizational structure that is simple, efficient and one that is universally acceptable by the organizational members. The study further recommends the county government and the financial institutions to consider funding security firms so that they can effectively help the government in reducing the rate of crime in the country.

**Keywords:** Resources, Leadership, Organizational Structure, ICT

## 1.0 Introduction

Globally a brilliant strategy may put a company on the competitive map and increase its performance. Unfortunately, most companies struggle with implementation. Strategy implementation has been increasingly the focus of many numerous studies, particularly because the process from strategy formulation to strategy implementation is not effective and therefore not adequate in today's business environment (Sorooshian, Norzima, Yusuf & Rosnah, 2010). Implementing strategy is putting the chosen strategy into practice, resourcing the strategy, configuring the organization's culture and structure to fit the strategy and managing change. Implementation involves organizing, resourcing and employing change management procedures. It is important that organizations are aware of their internal strengths and weaknesses and their external opportunities and threats (Ehlers & Lazenby, 2007).

Strategy implementation covers almost every aspect of the management and it needs to be started from many different points within the organization. Effective implementation calls for unique, creative skills including leadership, precision, and attention to detail, breaking down complexity into digestible tasks and activities and communicating in clear and concise ways throughout the organization and to all its stakeholders (Thompson, Strickland & Gambler, 2008). Implementation involves reconfiguration of the organization's resource base, bringing the organization's culture and structure into such a position that facilitates a successful outcome. At every stage of implementation, the business needs to continually re-evaluate its environment. Implementation stage is the process where we see a shift in responsibility, from the strategic level down to divisional or functional managers. This transfer of responsibility from few to many sometimes acts as a barrier and indeed a challenge to strategy implementation (Hrebiniak, 2006).

## 1.1 Private Security Industry in Kenya

As at the end of 2015 there were 347 private security firms in the country (Wairagu, Kamenju & Singo, 2004). The private security industry has been flourishing as more companies and property owners hire guards and install security gadgets. More than 300,000 people are employed as security guards by private companies in Kenya. Kenya currently spends between US\$50m to \$100m annually on security equipment. The growth and development of private security in Kenya has come as a result of increasing criminal rates and failure of public security sectors

to offer sufficient security to citizens. They established that the development and growth of an operative private security sector needs a controlling charter that institutes certifying and supervising the values while also taking caution and procedures in advancing the security and protection of security guards.

The increase in criminal rates resulted to development of the private security industry in Kenya and brought about attrition of the nation's security as well as economy (Schreier & Caparini, 2005). The services from the government in Kenya began to worsen more in the late 1980s through the 1990s whereby the nation's spending and investments were diminished during this period of economic decline (Ngugi, 2004). The capability of the administration and civic organizations to bring rule and command services has worsened; fraud and financial malpractice have become undiminished. This has resulted to a sharp rise in criminality and insecurity, especially in the Nairobi City, which is the capital of Kenya (Wairagu, Kamenju & Singo, 2004). This progressively outlawed situation has brought about growth in private security sector, therefore becoming one of the areas with the fastest growth in Kenya's economy.

### **1.2 Statement of the Problem**

In this era of dramatic change, global alliances, and a variety of environmental pressures, the potential for strategy implementation failure is very real. Overwhelming majority of the literature has been on the formulation side of the strategy and only lip service has been given to the other side of the coin, namely strategy implementation (Li, Guohui & Eppler, 2008). On the other hand, problems with implementation continue unabated. Though the reason for the failure of strategies is viewed to be strategy implementation process in the strategic management literature, this issue has attracted less attention than the issue of strategic formulation in research. Private security companies in Kenya have started to get serious about strategic management practices because of the challenges they face today so as to improve on their organizational performance. They must find new ways of dealing with the strategic issues facing them including increasing competition. It is imperative that strategic management is one of the major steps that private security companies can take to address the challenges they face in enhancing their competitive position. The purpose of this study is to assess strategy implementation and organizational performance of private security companies in Kenya. Strategy implementation has been increasingly the focus of many studies both theoretically and empirically in the local and international contexts.

The literature indicates that several studies have been conducted in various industries to identify the challenges of strategy implementation. For example, Kiptugen (2003) in a study to determine the strategic responses of Kenya Commercial Bank to a changing competitive environment but the study focused mainly on strategies that can be adopted in a competitive environment; the study failed to cover the processes involved in strategy implementation and performance. Muturi (2005) on the other hand did a study to determine the strategic responses of Christian churches in Kenya to changes in the external environment. He based his survey on evangelical churches in Nairobi. This study focused on a different context and concept from what the current study seeks to cover. In an attempt to bridge the gap, this research focused on assessing strategy implementation and organizational performance of private security companies in Kenyan context.

### **1.3 Objectives of the Study**

The general objective of this study was to assess strategy implementation components and organizational performance of private security companies in Kenya. The specific objectives were to establish the effect of structure, to find out the effect of resources; to determine the effect of leadership; and to examine the effect of information and communications technology on organizational performance of private security companies in Kenya.

## **2.0 Literature Review**

The study was guided by agency theory and the resource-based view. Laffort and Martimost (2002) contends that the agency theory of strategic Management is so crucial since the action chosen by a particular individual (the agent) affects not only one, but several other parties (the principals). Hence, the agents' role in strategic implementation and the overall strategic management process cannot be underestimated. Agency Theory was used as an important guiding framework in this study. The managers of security companies were taken as the agents who act on behalf of the companies and are tasked with deciding how the company generates and utilizes resources. The study will therefore be evaluating the extent to which these agents act to the interest of the performance of their companies.

The resource-based view (RBV) aspires to explain the internal sources of a firm's sustained competitive advantage (SCA). Hitt et al (2005) describe resources in terms of three categories: "physical, human and organizational capital which includes capital equipment, the skills of individual employees, patents, finances and talented managers". According to Hitt et al (2005) an organization's unique resources and capabilities provide the basis for a strategy. The resource-based view was anchored on the objective that seeks to find out the effect of resources on organizational performance and that will examine the effect of information and communications

technology on organizational performance. In this understanding, both material and human resource are central to this theory. It is important to note that the leadership of the organization determines the deployment of the resources and hence the organizational performance.

### **3.0 Research Methodology**

This study employed a descriptive research design involving all private security firms operating in Nairobi aimed at establishing the competitive strategies that management of different security firms use to enhance their performance. The population area chosen for the study is Nairobi County. It was informed by the fact that most security firms in the country have been established within the county due to its capital city status and the presence of many local and multinational companies. The population included Private Security Firms securing business, residential and institutional (government and private) areas. A population size of 216 Private Security Firms (PSFs) covering both local and multinational firms was considered among small, medium and large PSFs. This is the total population of PSFs that are currently operation in the county. The sample of respondents was determined using stratified sampling which relies on mere chance to determine who would be selected in the sample and called for random selection in the inclusion of the cases into the sample. Stratus was formed on the basis of firm types (small, medium, large). A sample size of 54 managers out of a total frame of 216 respondents was given questionnaires. Primary data was used exclusively in this research. Primary data was derived from questionnaires formulated to target managers. The data analysis included qualitative and quantitative techniques. The qualitative data was summarized and categorized according to common themes and was presented using frequency distribution tables, graphs and charts. Content analysis was used mostly to arrive at inferences through a systematic and objective identification of the specific messages. The quantitative data collected was analyzed using descriptive statistics, correlations, and multiple regression model.

### **4.0 Research Findings and Discussions**

Out of 54 questionnaires, only 48 respondents successfully completed and returned the questionnaires. This gives a response rate of 89 percent which was considered as very good as recommended by Mugenda and Mugenda (2003) that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent.

#### **4.1 Demographic and general characteristics information**

The results show that most of the respondents were male (62.5 percent) while females made up 37.5 percent of the respondents. Since male respondents were more than female respondents by 25 percent, it indicates that the management of security companies in Nairobi is male dominated but it is above the 30% recommended by the government.

The study found out that most of the managers were above 40-50 and 51 and above where they represented 54.2 percent and 33.3 percent respectively. Those aged 21-30 represented only 2.1 percent while 10.4 percent represented those aged 31-40 years. This indicates that most of the security companies under study were headed by individuals aged above 40 years. This could give the companies benefit of experience from the individuals which could enhance performance.

The results indicated that only 2.1 percent of the respondents had Masters degree, 45.8 percent have a Bachelor's degree while most of the respondents had diploma (52.1 percent). This implies that majority of security managers have a degree and above.

It was found that most of the respondents (39.58%) had served in their respective security firms for over five to nine years while 20.8% and 18.75% had served for 2-5 years and 10 to 14 years respectively. Above 5 yrs were the most respondents, thus greater experience in managing the security firms.

Most of the security firms where the managers are working (78%) had up to 500 personnel, 20% had between 500 to 1000 while 2% had over 1000 personnel. The implication is that most of the security firms were classified as small with the large ones representing just a paltry of the proportion.

#### **4.2 Descriptive Statistics**

##### **4.2.1 Organizational Structure**

The study intended to establish the kind of organizational structure prevailing among security firms and how this affected the success of these firms, first, respondents were asked to indicate their geographical coverage. Most of the security firms surveyed in this study operated locally (92%) while only 8% indicated that they were multinationals. Basically, most of the security firms were formed and registered in Kenya. This is further explained by the fact that most of them are small companies.

Respondents were further asked to indicate whether they had operations outside Nairobi City County. Most of the respondents (52%) indicated that their firms had operations in areas outside Nairobi City County. However, 48% indicated they only had security operations within Nairobi. The implication is that most of the security firms

were providing security services any part of the country where they were called upon.

Respondents were further asked to indicate their personnel deployment within Nairobi City County as it was area of interest. From the findings, it was clear that most of the security firms had deployed up 500 personnel in Nairobi county (92%). Only 7% and 1% had deployed between 500 -1000 and over 1000 respectively. The implication is that most of the companies operate at a small scale within the city.

The study further sought to establish the organizations' awareness regarding the growing security threats around Nairobi County. Most of the respondents (38%) indicated that they were aware of the increasing threats of security in Nairobi to a great extent while 20% indicate they were aware of the same to a very great extent. Only 1% of the respondents indicate they were not aware at all. The findings imply that more than 50% of the managers of the security firms operating in Nairobi City County were aware of the increasing threats of security in form of crimes within their area of operation. It was therefore expected that they had laid out some organized strategies to deal with the problem.

The study wished to establish whether the organizations under study used any formal strategy to deal with security issues that were confronted to them on daily basis. Majority of the respondents (68%) indicated that they had a formal strategy while 32% indicated otherwise. However, it is important to note that most of the managers of these firms were unable to produce any evidence of strategy when asked to produce the formal strategy they were using to promote success of their organizations.

Respondents were further asked to indicate the extent to which they felt the aspects of organizational structure described their organization and how their status affected the organizational performance. The results were as displayed in table 1

Table 1: Organizational structure and performance of their firms

| Statement   | N         | Mean        | S.dv         |
|---|-----------|-------------|--------------|
| The structure should be changed to allow room for implementation strategy   | 48        | 2.83        | 0.859        |
| Strategy-structure alignment is a necessary precursor to the successful implementation business strategies                | 46        | 2.73        | 0.818        |
| Most influential perspective needed for business success requires a fit between strategy and organizational architecture. | 48        | 2.79        | 0.898        |
| Organizational structure and design are important as they entail decisions related to resource allocation                 | 47        | 3.00        | 0.923        |
| One of the challenges in strategy implementation is weak coordination of activities                                       | 48        | 2.96        | 0.713        |
| <b>Average</b>  | <b>47</b> | <b>2.96</b> | <b>0.713</b> |

The findings displayed in table 1 show that there were mixed opinions regarding the aspects of organizational structure under study. This can be depicted by the fact the average mean was almost neutral ( $m=2.96$ ). However, it can be explained that majority of the respondents agreed with the statements considering the pattern of responses, the mean and the standard deviation. A considerable proportion of respondents were of the view that their current organizational structure should be changed ( $m=2.73$ ). Moreover, majority agreed that there is need for a fit between strategy and organizational architecture. The findings can explain that most of the respondents were of the opinion that organizational structure influenced organizational performance. It is also important to note that some respondents did not attend to some questions, hence the differences in the number of participants who attended each question. The findings corroborate Drazin and Howard (1984) who see a proper strategy-structure alignment being a necessary precursor to the successful implementation of new business strategies. The structure should be changed to allow room for implementation strategy.

#### 4.2.2 Resources

The second objective sought to evaluate the opinions of respondents regarding influence of resources on organizational performance among the security firms in Nairobi City County. First, respondents were asked whether they felt resources affected their organizations' performance. The findings show that almost all the respondents (98%) admitted that resources significantly influenced their performance. Respondents explained that availability of resources enabled better performance while inadequate resources crippled some of their activities. Furthermore, the study sought the opinions of the respondents regarding the various aspects of resources and organizational performance.

Table 2: Influence of resources on organizational performance

| Statement  | Mean         | S.dv         |
|--|--------------|--------------|
| Strategy implementation success depends largely on people management   | 2.75         | 0.863        |
| Each strategy implies something different about the potential role of human resources in improving firm performance  | 2.85         | 1.010        |
| Application of the strategic fit concept help firms to manage their resources more efficiently   | 1.81         | 1.065        |
| The task environment faced by firms vary according to the competitive environment  | 2.85         | 0.825        |
| Where firms facing more dynamic environments may find greater value in investing in high performance work practices promoting acquisition, development and motivation of individuals | 3.33         | 1.294        |
| <b>Average</b>   | <b>2.718</b> | <b>1.011</b> |

From the findings in table 2, it can be observed that most of the respondents opined that resources influenced performance as can be observed from the average mean (m=2.718). However, it can further be explained that means that are close to neutral imply that there was a significant proportion of respondents who disagreed with these statements. For instance, while majority agreed that application of the strategic fit concept help firms to manage their resources more efficiently (m=1.81), on the other side, majority disagreed that where firms facing more dynamic environments may find greater value in investing in high performance work practices promoting acquisition, development and motivation of individuals (m=3.33). Basically, the results show that respondents were of the opinions that the more the resources the better the performance. The findings corroborates Datta, Guthrie and Wright (2003) who argued that in reality, the task environment faced by firms vary according to the competitive environment. Firms facing environments that are more dynamic may find greater value in investing in high performance work practices promoting acquisition, development and motivation of individuals who are able and willing to adapt to the needs of the environment.

#### 4.2.3 Leadership and organizational performance

The third objective sought to examine the influence of leadership or organizational performance of the security firms in Nairobi. First, respondents were asked to state whether they felt leadership affected organizational performance in their respective firms. All the respondents (100%) admitted that leadership was an important aspect that greatly affects their operations. The explanation from majority of the respondents show that they felt leadership was at the nerve of progress or collapse of these firms since all major decisions were being made by the management. Moreover, the willingness of the leadership to involve the other stakeholders in decision making process was cited as another major way that the leadership can hamper or promote performance of these organizations. Respondents were further asked to indicate their opinions regarding leadership and its influence on organizational performance.

Table 3: Leadership and its influence on organizational performance

| Statement  | Mean         | S.dv          |
|--|--------------|---------------|
| Tactics used in leadership plays an important role in overcoming obstructions from the lower level   | 1.90         | 0.805         |
| Top managers of a firm may be administratively imposed on lower-level managers   | 2.17         | 1.038         |
| Implementation of strategies therefore, may not be successful if the lower level managers and the non-management employees are not adequately informed | 1.87         | 0.959         |
| The agreement among top, middle and operating level managers will result to successful implementation of the strategy                                  | 1.88         | 1.142         |
| Top management and leadership behaviour affect the success of implementation of the strategy   | 2.02         | 0.785         |
| <b>Average</b>   | <b>1.968</b> | <b>0.9458</b> |

From the findings displayed in table 3, it can be observed that most of the respondents agreed that leadership had greatly influenced organizational performance in their firms (m=1.968). Majority of the respondents agreed that tactics used in leadership plays an important role in overcoming obstructions from the lower level (m=1.90). Moreover, respondents agreed that the agreement among top, middle and operating level managers will result to successful implementation of the strategy (m=1.88). Basically, most of the respondents indicated that leadership was an important aspect that either improved or reduced performance among these organizations. Similarly, Schaap (2006) stated that top management and leadership behaviour affect the success of implementation of the strategy. Manager's inadequate understanding of company strategies and future outlook, as well as inadequate attention and support of managers and other influencing people in the organization towards the implementing of business strategies hinder the successful implementation of strategies.

#### 4.2.4 Information and Communications Technology (ICT) and organizational performance

The fourth objective in this study sought to establish the influence of ICT on organizational performance among the security firms operating in Nairobi County. Various aspects were explored where respondents were asked to

give their opinions regarding the role of ICT in promoting performance of security firms. First, respondents were asked to indicate whether they felt that ICT had influenced their organizational performance. Most of the respondents (82%) admitted that ICT has significant influence on organizational performance among their security firms. Only 18% expressed their opinions that ICT was not an important factor in influencing performance. The explanation given by most respondents was that ICT makes operations efficient and cheaper compared to other labour intensive methods. Respondents opined that ICT has been able to improve performance since many activities can be done simultaneously, records can be kept safely and unnecessary employment of workers can be avoided. Respondents were further asked to indicate the extent to which ICT affected organizational performance in their respective firms.

Table 4: Respondents' opinions on ICT and performance

| Statement   | Mean         | S.dv         |
|---|--------------|--------------|
| New ICT in efforts are to improve business productivity and profitability   | 2.46         | 0.988        |
| Organizations can increase the rate at which their cumulative knowledge affects current performance through ICT             | 2.98         | 0.863        |
| ICT can have a significant influence on the mobility of people and good   | 2.52         | 0.652        |
| ICT is potentially important enabler of change in social and organizational practices                                       | 2.85         | 0.825        |
| Poor ICT resource management by one or more actors in the supply chain could have negative repercussions on the performance | 2.25         | 1.062        |
| <b>Average</b>  | <b>2.702</b> | <b>0.832</b> |

From the findings, it can be observed that majority of the respondents opined that ICT aspects had great effect on organizational performance of security firms operating in Nairobi County (m=2.702). The findings show that majority were of the view that organizations can increase the rate at which their cumulative knowledge affects current performance through ICT to a great effect (m=2.98). Similarly, most of the respondents were in agreement that ICT is potentially important enabler of change in social and organizational practices to a great effect (m=2.85). Findings from this study prove that the leadership of the security firms in Nairobi was of the opinion that ICT could spur their growth to greater heights if implemented in the right manner and if the right individuals are installed to work with ICT infrastructure. A study by Cohen & Levinthal (1990) also argued that automating and standardizing complex processes using ICT enables existing employees to recognize opportunities to improve processes based on accumulated experience and instantiate such improvements into the technology.

#### 4.2.5 Success in strategy implementation

The dependent variable in this study was organizational performance, which is basically determined by the success of strategy implementation. Respondents were asked to indicate their extent of agreement or disagreement with the aspects of strategy implementation on organizational performance

Table 5: Success of strategy implementation

| Statement  | Mean        | S.dv         |
|--|-------------|--------------|
| Develop and evaluate strategies that expedite implementation                                   | 3.29        | 1.091        |
| Spend more time in formulation processes   | 3.06        | 1.262        |
| Train employees in strategic implementation skills   | 3.10        | 0.722        |
| Have higher involvement of lower level employees in strategic planning inputs and feedback     | 3.23        | 1.207        |
| Give clear information on key implementation tasks and activities                              | 2.79        | 0.898        |
| Involve employees in the formulation of goals  | 3.00        | 0.923        |
| Involve key decision-makers in the developing implementation tasks                             | 2.17        | 1.038        |
| Clarify the role of organizational structure and positions in the implementation of strategies | 1.87        | 0.959        |
| <b>Average</b>   | <b>3.17</b> | <b>1.071</b> |

The findings of the study show that most of the respondents neither agreed nor disagreed with statements displayed in table 4.8 (m= 3.17). This situation was caused by the fact that some respondents agreed while others disagreed with the statements. The findings show that though there were those who disagreed, majority were of the opinion that the aspects presented correctly described the success of strategy implementation. For instance, majority of the respondents were of the opinion that success of strategy implementation meant to have higher involvement of lower level employees in strategic planning inputs and feedback (m=3.23). On the other hand, majority disagreed that successful strategy implementation meant to clarify the role of organizational structure and positions in the implementation of strategies. The findings of this study support Ingraham (2005) who argue that the importance of strategic performance measurement has grown substantially over the last few decades. The reinvention and results oriented management movements advocated for increased performance measurement for greater accountability and improved organizational efficiency.

### 4.3 Inferential Statistics

The study employed OLS regression model to establish the influence of the independent variables on the dependent variable. The study employed 95 percent confidence interval to test the hypothesis that “the independent variables did not have significant influence on the performance of security firms”. This implies 0.05 was the threshold for statistical significance.

#### 4.3.1 ANOVA

Analysis of variance was determined using F-statistic at 95% confidence interval

Table 6: ANOVA<sup>a</sup>

| Model |            | Sum of Squares | Df | Mean Square | F     | Sig.              |
|-------|------------|----------------|----|-------------|-------|-------------------|
| 1     | Regression | 21.443         | 4  | 5.361       | 1.636 | .003 <sup>b</sup> |
|       | Residual   | 140.870        | 43 | 3.276       |       |                   |
|       | Total      | 162.313        | 47 |             |       |                   |

The results in table 6 shows that organizational structure, resources, leadership and ICT significantly predicts the success of the organizational performance. The combined effect of all the independent variables is therefore significant at 0.003 which is less than 0.05.

#### 4.3.2 Correlation Coefficients

Table 7: Correlation Coefficients

| Model                    | Unstandardized Coefficients |            | Standardized Coefficients | T     | Sig. |
|--------------------------|-----------------------------|------------|---------------------------|-------|------|
|                          | B                           | Std. Error | Beta                      |       |      |
| (Constant)               | 8.778                       | 5.911      |                           | 1.485 | .145 |
| Organizational Structure | .092                        | .212       | .063                      | .435  | .046 |
| 1 Resources              | .189                        | .196       | .165                      | .964  | .001 |
| Leadership               | .183                        | .109       | .259                      | 1.681 | .009 |
| ICT                      | .208                        | .221       | .153                      | .943  | .000 |

The state of organization structure was found to be a significant predictor of the organizational performance of the security firms under study. A unit improvement in organizational structure would improve organizational performance by 0.09. This is in tandem with Bushardt, Glascoff and Doty (2011) who indicated that organizational structures and strategy implementation are positively correlated. They further argued that proper strategy-structure alignment is a necessary precursor to the successful implementation of new business strategies and hence organizational performance. The agents in the formulation of strategy are crucial in implementation of the strategies and subsequent performance of the organization. This is in agreement with the agency theory.

Resource availability was a significant predictor of the organizational performance of security firms. At 95 percent confidence interval, the opinions of the respondents show that resources were important in operation of the firms. The respondents admitted that without resources, implementation of various security activities would be futile. Respondents therefore, suggested that resource mobilization should be central to planning about organizational operations. A unit increase in resource allocation would increase organizational performance by 0.189. This is in line with Viseras *et al* (2005) who argued that strategy implementation success depends largely on people management. The availability and effective use of resources is crucial in ensuring that an organization performs. This argument is in line with the Resource Based View theory of a firm, (Barney, 2002), where the diligent utilization of resource maximize returns and satisfy clients is key to organizational performance.

Leadership was also found to significantly influence the organizational performance of security firms. This implies that the kind of leadership selection employed and the eventual predominant leadership style used significantly affect the outcome of that performance. In fact, a unit improvement in friendly leadership would improve organizational performance of the security firms under study by 0.183. This shows a positive and significant relationship between leadership behaviour and style on organizational performance. Nutt (1986) indicated that leadership tactics play an important role in overcoming obstructions in the implementation of strategies and subsequent organizational performance. Schapp (2006) equally realized that top management and leadership behaviour affect the success of implementation of strategy. The management and employees in an organization are the agents while the organization is the principal. The tactics and behaviours employed by organizational leadership influences to significant extent the performance of the firm.

ICT was a significant and positive predictor of organizational performance of. The findings show that majority of the respondents were of the opinion that ICT reduced the workload and streamlined operations. A unit improvement in ICT utilization would lead to 0.208 improvement in organizational performance of security firms. Less and Wang (2011) proved that ICT strategies improve effectiveness and efficiency in strategy implementation and hence organizational performance. The use of modern technology improves service delivery effectiveness and efficiency and also the procurement, logistics and supply chain process. ICT is a precious resource in an

organization. Effective and efficient use of modern technology contributes to a great deal to organizational performance. This argument is in tandem with the RBV theory of a firm which indicates that organizational resources need to be exploited to improve returns for shareholders and foster employee performance and customer satisfaction.

From table 7, the regression model was thus:

$$Y = 8.778 + 0.092X_1 + 0.189X_2 - 0.183X_3 + 0.208X_4 + e$$

Where Y = organizational performance;  $X_1$  = organizational structure;  $X_2$  = resources;  $X_3$  = leadership and  $X_4$  = ICT.

Table 8: Model Summary

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .763 <sup>a</sup> | .632     | .510              | 1.80998                    |

From the model summary, it can be depicted that organizational structure, resources, leadership and ICT predicts 0.632 of the organizational performance of security firms. It can further be explained that 0.368 of the performance was predicted by other factors that were beyond the scope of this study.

### 5.0 Conclusion and Recommendations

On the influence organizational structure on the organizational performance, this study concludes that organizational structure is an important aspect of performance that cannot be substituted with anything. In fact, respondents admitted that any activity that is implemented without taking in consideration of an acceptable structure is bound to fail. Secondly, the study concludes that availability of resources significantly predicts the organizational performance. Without adequate resources, there is little that can be achieved; hence, security preparedness needs to be allocated adequate human and physical resources. Thirdly, the study concludes that leadership among the security firms under study had failed to achieve the goals of such set to propel the firms to greater heights. Despite the fact that leadership selection and style are crucial elements of organizational performance, a considerable proportion of management team did not practice the recommended leadership styles such as transformational or democratic one. Finally, the study concludes that ICT is an important aspect that was found to be very significant in predicting organizational performance among the security firms. The study therefore finds ICT as an inevitable innovation that must be considered if the management of the security firms are to achieve their objectives.

The study recommends 1. The security firms to adopt an organizational structure that is simple, efficient and one that is universally acceptable by the organizational members; 2. The county government and the financial institutions to consider funding security firms so that they can effectively help the government in reducing the rate of crime in the country; 3. The leadership selection should be wholly democratic and the management should embrace transformational leadership style so that to gain maximumly from their physical and human resources; and 4. The management of the firms to embrace ICT as the preferred innovation since they was able to reduce the operation cost and hence improve the organizational efficiency and financial performance.

### References

- Barney, J. (2002). "Firm Resources and Sustained Competitive Advantage", *Journal of Management*, 1991, Vol. 17, No. 1, 99-120.
- Bushardt, S.C., Glascoff, D.W., & Doty, D.H. (2011). Organizational Culture, Formal Reward Structure, and Effective Strategy Implementation: A Conceptual Model. *Journal of Organizational Culture, Communication and Conflict*, 15(2), 57-71.
- Drazin, R. & Howard, P. (1984). Strategy Implementation: A Technique for Organizational Design. *Columbia Journal of World Business* 19, 40-46
- Ehlers M.B. & Lazenby J.A.A. (2007). *Strategic Management: Southern African Concepts and Case*. Van Schaik: Pretoria.
- Hitt, M.A., Ireland, R.D., Camp, S.M. & Sexton, D.L. (2005). Guest editors' introduction to the special issue strategic entrepreneurship: entrepreneurial strategies for wealth creation. *Strategic Management Journal* 22, 479-491.
- Hrebiniak, L.G. (2006). *Obstacles to Effective Strategy Implementation*. *Organizational Dynamics*. 35, 12-31.
- Ingraham, P. (2003). *Government Performance: Why Management Matters*. Baltimore, MD: Johns Hopkins University Press.
- Kiptugen E.J. (2003). *Strategic Responses to a Changing Competitive Environment. The Case Study of KCB*, Unpublished MBA Project, School of Business, University of Nairobi
- Laffort, J. J. & Martimort D. (2002), *The Theory of Incentives: The Principal-Agent Model*, Princeton University Press.
- Li, Y., Guohui, S., & Eppler, M., (2008). *Making Strategy Work: A Literature Review on the Factors influencing*



- Strategy Implementation*. ICA working paper 2/2008. *Marketing*, 37-52
- Mugenda, O.M., & Mugenda, A.G. (2003). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press.
- Muturi J.G. (2005). *Strategic Responses by Christian Churches in Kenya to Changes in the External Environment, A Case of Evangelical Churches in Nairobi*, Unpublished MBA Project, School of Business, University of Nairobi
- Ngugi, R., (2004), “*Security Risk and Private Sector Growth in Kenya: A Survey Report*”, Nairobi; Kenya Institute for Public Policy Research and Analysis
- Nutt, P.C. (1986). *Tactics of Implementation*“. *Academy of Management Journal*. 29 231-261.
- Schreier, F. & Caparini, M. (2005), “*Privatizing Security: Law, Practice and Governance of Private Military and Security Companies*”, Geneva Centre for the Democratic Control of Armed Forces (DCAF), Occasional Paper no. 6. Geneva, March 2005
- Schaap, J. I. (2006). „*Toward strategy implementation Success: An Empirical Study of the Role of Senior-Level Leaders in the Nevada Gambling Industry*“. *UNLV Gambling Research & Review Journal*, 10, 13-37.
- Sorooshian, S., Norzima, Z., Yusuf, I & Rosnah, Y., (2010) *Effect Analysis on Strategy Implementation Drivers*. *World Applied Sciences Journal* 11 (10): 1255-1261, ISSN 1818-4952 IDOSI Publications.
- Thompson Jr, A.A., Strickland, A.J., & Gambler. (2008), *Crafting And Executing Strategy: The Quest for Competitive Advantage: Concepts and Case*. (16<sup>th</sup> edn). Mc Graw-Hill International Edition.
- Wairagu, F. Kamenju, J. & Singo M. (2004), “*Private Security in Kenya*”, Nairobi: Security Research and Information Centre