THE INFLUENCE OF STRATEGIC LEADERSHIP ON THE ORGANIZATIONAL PERFORMANCE OF SELECTED SUPERMARKET CHAINS IN KIAMBU COUNTY, KENYA

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ABSTRACT

The business world has experienced tremendous changes in the 21st century which can be attributed to various factors including extreme competition, uncertainty in different markets, and complexity of business operations. Business leaders with the necessary capabilities have therefore become extremely vital for the survival of business entities in the current world. The retail industry in Kenya has experienced tremendous challenges over the past two decades. Despite the leadership challenges facing supermarkets in Kenya, there is no research that has been conducted to determine how the adoption of strategic leadership could positively impact the organizational performance of supermarket chains in Kiambu or Kenya in General. The objective of the study was to determine the influence of strategic leadership on the organizational performance of selected supermarket chains in Kiambu County, Kenya. The study adopted a quantitative research design to explain the relationship between the study variables. A sample of 120 respondents was selected from 40 supermarket chains in Kiambu. The research used questionnaires to collect the required information. Leadership style has a coefficient value of tobt = 3.321>1.96 hence the null hypothesis is rejected and the research hypothesis accepted. Therefore, it was concluded that leadership style had a statistical influence in organizational performance. Leadership culture had a coefficient value of tobt = 2.369>1.96. hence leadership culture had a statistical influence in organizational performance. Development of human capital had a coefficient value of tobt = 0.205<1.96. hence human capital had no statistical influence in organizational performance. Ethical Practices had a coefficient value of tobt = 2.245>1.96. hence ethical practices had a statistical influence in organizational performance. The study found that strategic leadership does influence the organizational performance of supermarket chains in Kiambu County, Kenya. In particular, leadership style, leadership culture, and ethical practices were found to have a significant impact on organizational performance. Development of human capital was not found to have a significant impact on organizational performance. These findings suggest that supermarket chains in Kiambu County, Kenya should focus on developing their leadership style, leadership culture, and ethical practices in order to improve organizational performance.

Keywords: Strategic leadership, leadership style, leadership culture, human capital, ethical practices, organizational performance.

INTRODUCTION

The business world has experienced tremendous changes in the 21st century which can be attributed to various factors including extreme competition, uncertainty in different markets, pandemics like covid-19 pandemic, and complexity of business operations among other factors. Business leaders with the necessary capabilities have therefore become extremely vital for the survival of business entities in the current world. Strategic leadership aims at providing business leaders with the necessary skills and capabilities to implement change hence ensuring that their business entities respond appropriately to the current changes. Strategic leaders create a strategic vision for the business entity, utilize various strategies to better manage employees and execute organizational change. Strategic leadership therefore involves stirring strategic productivity and assisting employees to achieve their goals and objectives. Strategic leadership requires organizational leaders to adopt the most appropriate leadership style based on the needs of the specific industry.

Strategic leaders create a suitable organizational culture that motivates employees and aims at achieving the vision and objective of the entity under consideration. Maziti, Chinyamurindi and Marange (2018) evaluated the relationship between strategic leadership and organizational performance of small businesses operating in the retail industry in South Africa. The study evaluated organizational performance in terms of increased competitiveness and innovation performance. Questionnaires were administered to 275 small business owners of small businesses operating in the retail market. The results showed a strong relationship between strategic leadership and organizational performance. In particular, the study highlighted how leaders can increase the competitiveness of their firms through various practices including creating a clear vision for their businesses, incorporating employees in decision-making practices and creating a suitable culture for innovation.

Ogbechie (2018) who conducted a research to evaluate how various entities across Africa have effectively adopted strategic leadership obtained similar results. The study showed that various companies operating in different countries across Africa have successfully adopted strategic leadership including creating a clear vision for the entity, prudent management and empowerment of employees and embracing innovativeness to boost their growth and development. Kanano and Wanjira (2021) also conducted a research to evaluate the relationship between strategic leadership and organizational performance of supermarket chains in Nakuru County Kenya. The study acknowledged that supermarket chains operating in Kenya are facing increasing challenges that threaten their survival. The study evaluated strategic leadership in terms of strategy formulation, strategy implementation and strategy implementation. A total of 100 managers in 12 supermarkets operating in Nakuru County participated in the research. The study was based on three theories including strategic choice theory, open systems theory and the agency theory. The study showed a strong positive relationship between strategic management and supermarket performance. Supermarket performance was evaluated in terms of the effectiveness of risk management.

Mutinda and Mwasiaji (2018) conducted a research to evaluate the relationship between strategic leadership and performance of family owned supermarkets operating in Machakos County, Kenya. The study also demonstrated that the retail industry in Kenya experiences stiff competition and the nature of competition is changing. Numerous family owned supermarkets in Machakos have collapsed due to repeated losses and stiff competition. The study evaluated strategic leadership in terms of cost leadership strategy, differentiation strategy and focus strategy. Questionnaires were administered to 75 respondents selected from various parts of the county. The study demonstrated that differentiation strategy was positively correlated to increased organization performance of the supermarket chains. Additionally, focus strategy also had a positive relationship with organizational performance. The study recommended that leaders of retail supermarkets operating in Machakos County should focus on their customers and aim at reducing costs to ensure their survival in the retail industry.

Osman (2018) demonstrated that the retail industry is a major driver of the Kenyan economy. The sector has employed numerous people. The study however showed that numerous entities operating in the industry are experiencing tremendous decline in income and a number of major companies have been forced out of the market. The study evaluated numerous internal and external publications to determine factors leading to increased exit from the market and reduced profits. The study demonstrated that the major challenges facing the retail industry include mismanagement and increased competition. According to the study, some of the leaders of the supermarkets are corrupt hence steal from the companies. Adopting high ethical standards would therefore be vital in ensuring increased profitability and survival of the supermarkets.

Statement of the Problem

The retail industry in Kenya has experienced tremendous challenges over the past two decades. Various previously dominating supermarkets have exited the Kenyan market including Ukwala Supermarket, Choppies and Ebrahims. According to research conducted by Kanyora (2019), Tusky's Supermarket, like numerous other supermarkets in Kenya is in a "near-collapse state" which can be attributed to poor leadership. Similarly, Nandonde (2020) also attributed the fall of Nakumat Supermarkets to poor leadership. Despite the leadership challenges facing supermarkets in Kenya, there is no research that has been conducted to determine how the adoption of strategic leadership could positively impact the organizational performance of supermarkets in Kiambu or Kenya in general.

Various scholars have demonstrated that numerous supermarkets in Kenya continue to register losses while other are forced to close down entirely. Nandonde (2020) evaluated the increased losses of Nakumatt until its declaration of bankruptcy in October 2017. The study showed that Nakumatt was the largest retailer in East Africa but registered increased losses until it closed almost all its stores. The study attributes Nakumatt's losses to poor management and stiff competition. Mwangi (2017) also attributes the failure of Uchumi to Supermarket, the only government owned supermarket in Kenya to poor leadership. Kanyora (2019) conducted a research to evaluate the performance of Tusky's Supermarket, which operated in Kenya but has continuously recorded losses. The study showed that the management of the supermarket failed to adopt effective strategic management measures and policies, which led to the closure of branches. The supermarket had 64 branches but closed down its branches to only five. Ratemo (2018) demonstrated that the performance of supermarkets in terms of profitability has been on a decrease between 2006 and 2016. The study stated that Uchumi and Nakumatt have been forced to close down most branches and sell-off some of their assets to pay their debts. The research attributed the decline in profits to the failure of the management to properly and prudently manage the supermarkets' working capital.

The current research was therefore timely, crucial and contributed immensely to saving Kenya's retailers which employ millions of people across the country. Kiambu County is home to numerous supermarket chains including Quick Mart, Cleanshelf, Kamindi Supermarket, Naivas, Stanmart and Nakumatt among others hence findings can be generalized to understand the influence of strategic leadership on the performance of supermarket chains across the country and continent.

Objectives of the Study

The study sought to determine the influence of strategic leadership on the organizational performance of selected supermarket chains in Kiambu County, Kenya.
The study was guided by the following specific objectives;

1. To assess the influence of leadership style on the organizational performance of selected supermarket chains in Kiambu County, Kenya.
2. To explore the influence of leadership culture on the organizational performance of selected supermarket chains in Kiambu County, Kenya.
3. To determine the influence of human capital on the organizational performance of selected supermarket chains in Kiambu County, Kenya.
4. To establish the influence of ethical practices on the organizational performance of selected supermarket chains in Kiambu County, Kenya.

THEORETICAL REVIEW

Traits Theory

The traits theory was developed by Allport (1937) who suggested that cardinal traits control an individual's behavior. According to this theory, central traits can be viewed as attributes found in every person while secondary traits are portrayed in specific circumstances that create a complete image of human complexities (Ali, 2019). There are numerous traits of effective leaders that have been developed aimed at ascertaining whether an individual will be a successful leader or not. The traits theory uses subjective judgment to determine if a leader will be successful or not. The traits theory, however, does not provide clear traits for an effective leader. The tenet of the trait theory distinguishes between individuals (strategic leaders) and their actions and behaviors. The trait theory therefore demonstrates that a leader's personality is determined by how he or she behaves, react in different situations, influence other people, interact with other people and the environment and the qualities they demystify.

Examples of traits that are essential for leaders include empathy, integrity, decision making and assertiveness. Leaders, however, are not guaranteed to succeed if they possess the traits in isolation with other factors. Northhouse (2013) demonstrated that leadership can be steincluding self-confidence, intelligence, integrity, sociability and determination. The Trait Theory is essential in determining specific traits suitable for a given environment and the most preferable way to exploit the traits to realize maximum gains. The Trait Theory is relevant in business entities as it enables them identify leaders based on their qualities and traits. Leadership traits have a major role in strategic leadership since leaders who possess certain leadership qualities are vital assets of the organizations.

Organizational Culture Theories

There are numerous theories that evaluate how the culture adopted by leaders affect the performance of the entities. The Handy model of organizational culture demonstrates that culture involves various elements including power, roles, tasks and the persons in the entity (Kompaniiets, 2019). The handy model of organizational culture classifies culture based on four Greek mythological deities (Kompaniiets, 2019). The first type of culture is known as Zeus and focuses on power or "Club culture". Leaders who adopt the Zeus culture hold all the reigns of power and make all the important decisions by themselves. Such leaders control all the essential resources and have a low acceptance of what they view as under-performance.

The second type of culture under the Charles Handy model of organizational culture is Apollo which is based on the roles culture. Organizations that adopt the Apollo culture are reliable and rule-based where every employee has a specific role (Muafi and AdhykaKusumawati, 2020). Employees are aware of their expectations and they rarely step beyond the set boundaries. The organizations create well-defined reporting lines and set procedures. Job positions confer authority to make the required decisions and are inflexible to changing authority.

The third category of culture under the model is Athena which is also referred to as task culture. The Athena culture is meritocratic where employees are valued based on their ability to think and undertake various activities successfully. Business entities that have embraced the Athena culture reward talents and embrace teamwork (Kompaniiets, 2019). Such entities are forward-thinking and focus on knowledge, expertise and ability to influence as opposed to authority.
The last type of culture under the Handy model is Dionysus which is also referred to as the existential culture. The Dionysus culture is individualistic in nature where employees are self-motivated who only care about their positions as opposed to the performance of the organization (Kebede, 2020). The Dionysus is adopted mostly by partnerships where the partners are more determined to achieve their personal growth as opposed to the growth of the entity. The model is relevant to the current project since it aids in defining the culture created by the leaders and how the chosen culture influences the performance of the retail selected supermarket chains in Kiambu County, Kenya.

The Hofstede model of organizational culture was created by Geert Hofstede. The model identifies various components that make up the six-dimension model. The model has six dimensions or elements including power distance, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance, long-term versus short-term orientation, and indulgence versus restraint (Vafakhah, Yar Ahmadi and TamjidYamche Loo, 2018). Power distance aspect of culture evaluates the extent to which individuals who have lesser power accept that power is distributed unequally.

According to research conducted by Hofstede (2018), the type of culture adopted by a business entity, based on the Hofstede model of organizational culture affects the performance of the entity. The study demonstrated that majority of the companies that record high performance in terms profitability, high employee retention and high customer satisfaction have adopted restraint culture, long-term orientation culture, low uncertainty avoidance culture, feminist culture and collectivism culture.

Upper Echelon Theory

The Upper Echelon Theory was formulated by Hambrick and Mason (1984) who argued that managerial traits can be partially adopted to determine the outcome of the organization (Syamsudin, Setiany and Sajidah, 2017). The theory demonstrates that leaders' personal characteristics can be evaluated based on the decisions they make in their organizations. The proponents of the upper echelon. Theory based their argument on the premise that organizational outcomes are determined by knowledge, experience and expertise of the leaders. The knowledge, experience and expertise or skills are therefore essential elements of Strategic leadership and organizational performance. According to (Kurucz et al. (2017), organizations can be defined as a reflection of the strategic leaders. Some of the variables of the Upper Echelon Theory include age of the leader, number of years worked in a similar position, and their educational achievement. Menz (2012) demonstrated that strategic leaders are vital organizational assets since their actions determine the performance of the entities. The arguments expressed by the Upper Echelon Theory are in line with strategic leadership as a tool to enhance organizational performance of Selected Supermarket Chains in Kiambu County, Kenya.

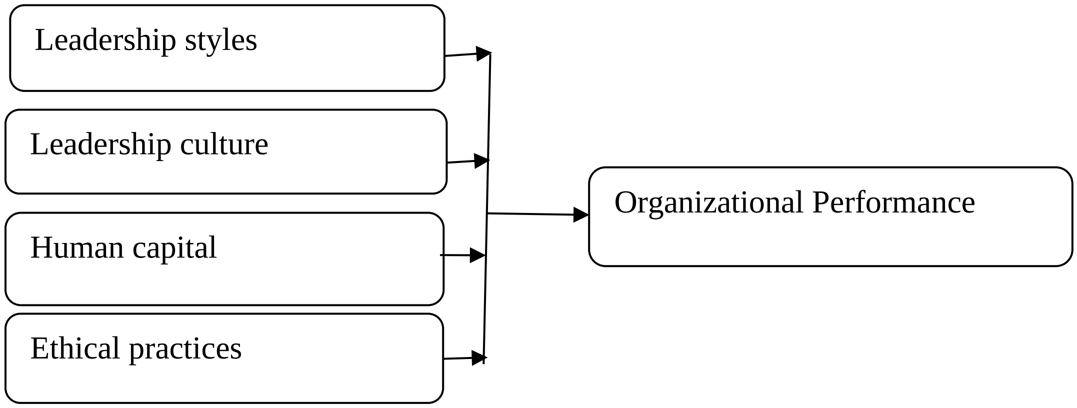
Ethical Leadership Theories

Ethical leadership Theory focuses on the ethical concepts of right behavior as a guide to managing subordinates. Ethical leaders therefore influence other people through ethics or right behavior. Ethical leadership theory shows that there is a relationship between the well-being of the employees, wider community and the entity's profitability. Ethical leadership theory takes the form of three main approaches which include the Utilitarianism theory, the libertarianism theory and the Immanuel Kant's ethical theory of doing what is right (Igwe, Takwi and Gani, 2020). The utilitarianism theory demonstrates that leaders should maximize the welfare of their subordinates. The theory focuses on ensuring that subordinates feel good before making decisions. Leaders who adopt the utilitarianism theory are concerned on the proper ends of the action as opposed to how to get to the actions. The utilitarianism theory is closely associated with the ethical cost-benefit analysis developed by John Stuart Mill.

The libertarianism theory protects the freedom of the individuals which is the main concern of the leaders. Leaders who adopt the Libertarianism Theory only proceed with actions and decisions that do not restrain the subordinates' freedom (Wendt, 2019). Leaders therefore focus on the intent of individual in line with Aristotle's idea of virtue ethics or eudemonism. Immanuel Kant's theory of doing the right thing focuses on the proper means when making a certain decision. Leaders who adopt the Immanuel Kant Ethical Theory seek to understand the specific rules and customs of the organization and ensuring that they are strictly followed based on the theory. Ethical leaders understand and consider the common rules and agreed values when making certain decisions. Ethical leadership theory is a crucial factor of strategic leadership and organizational performance since some entities like Enron and the Lehman Brothers went to bankruptcy due to unethical behavior.

The research conducted by Shafique, Kalyar and Ahmad (2018) demonstrated that ethical leadership is a major factor that increases the employees' job satisfaction and enhances organizational performance. According to the study, entities that adopt a tasks culture (Athena) motivate their employees. Employees in such organizations strive to achieve their highest performance since they are aware that their hard work will be rewarded. The increased performance of the employees is then translated to the increased performance of the entity. Additionally, entities that embraced Apollo culture were deemed as effective as the employees are aware of their specific roles. However, the culture did not encourage creativity as the employees only focus on their assigned roles.

Conceptual Framework



Empirical Review

Kerubo, Kerubo and Muturi (2019) conducted research to evaluate how strategic leadership affects organizational performance. The study adopted a case study approach where tea factories in Kisii County, Kenya were evaluated. The study evaluated how various factors of strategic leadership including creating a strategic direction, staff training and ethical practices affected the organizational performance of tea factories in Kisii County. The research adopted a descriptive research design where the views of 795 employees working in different tea factories in the county were collected. The study showed that strategic leadership was a crucial factor that enhanced organizational performance. The research demonstrated that majority of the tea factories in Kisii are registering low performance due to the failure to conduct staff training, failure to create strategic direction and failure to adopt specific ethical practices like integrity.

Chacha (2018) conducted a research to evaluate the influence of strategic leadership on the performance of selected government ministries in Kenya. The study evaluated strategic leadership exhibited when implementing change and therefore various variables were evaluated including organizational structure, employee empowerment, change implementation strategies, top management commitment and organizational communication. The research adopted a descriptive research design where 340 employees of various government ministries were surveyed.

Inferential statistics were used to develop a straight-line predictor model. The study demonstrated that leaders have to adopt various strategies and policies to ensure that organizational performance is increased after the adoption of changes. Such policies include enhanced recruitment processes, training of staff and improved communication between the employees and top-level managers. The study demonstrated that the findings were focused on the public sector hence the findings cannot be generalized to understand private entities.

Nyamwega (2019) conducted research to evaluate the Strategic Leadership Development Programme (SLDP) in Public Service Commission of Kenya for effective service delivery. The program was provided by the Kenya School of Government (KSG) and was aimed at creating strategic leadership. The study evaluated the effectiveness of the program, the satisfaction levels of different stakeholders, efficiency of trainees of the program and challenges facing the implementation of the program. The study was based on the human capital theory. Participants were selected through random and purposive sampling techniques while interviews and questionnaires were used to collect data. The study showed that the Programme was effective in transforming managers into efficient strategic leaders and that beneficiaries were satisfied with the approach engaged. The study also advised KSG to ensure that such programs should be sizeable to reduce the student-facilitator ratio and increase learner-trainee interaction.

Naidoo and Gasparatos (2018) conducted research to evaluate how corporate environmental sustainability practices adopted by leaders in the retail industry affect the performance of the entities. The study adopted a literature review strategy to analyze corporate environmental sustainability (CES) actions and strategies adopted towards enabling retail companies to realize economic benefits of environmental policies. The study demonstrated that the main motivation for retailers to implement CES policies is economic performance, mainly cost-savings from reducing resource use. The study however demonstrated a lack of literature on stakeholder engagement initiatives for CES strategies in the retail sector, especially regarding customer-focused sustainability strategies.

Olsson et al. (2019) conducted a study to evaluate the influence of strategic leadership on organizational performance of Swedish retail organizations. In particular, the study analyzed how leaders in retail companies create a workplace culture that enhances innovation and creativity. The study used a mixed-methods approach using an established organizational climate survey and semi-structured, one-on-one interviews. The study showed that retailers in Sweden are struggling to implement strategic leadership to enhance their operations and productivity. According to the study, retailers, mostly, conventional retailers, can benefit immensely if the leaders create a climate that supports innovation and creativity.

Gatutha and Namusonge (2020) conducted research to evaluate competitive strategies adopted by leaders in supermarkets in Nairobi City, Kenya and their influence on the supermarkets' performance. The study showed that the current business environment for supermarket chains is experiencing stiff competition hence leaders have to adopt unique strategies to enhance their performance and competitiveness. The study aimed at determining factors leading to a decline in profits in most supermarket chains and closure of numerous supermarket chains in the county. Closed-ended questionnaires were administered to 10 staff members selected from 102 supermarket chains across the county. The study showed that a unit increase in cost leadership strategies leads to a significant increase in performance of Supermarkets in Nairobi City, Kenya by 0.898 times. The study also demonstrated that the adoption of differentiated strategies led to further increment in the performance of the supermarkets. The study evaluated the performance of the entity mainly in terms of financial elements like profitability and reduced costs.

Muiruri (2020) conducted research to evaluate the relationship between competitive strategies and organizational performance of supermarkets by focusing on the case of Tuskys Retail Supermarket in Nairobi, Kenya. Relevant data for the study was collected through cross-sectional and correlational research design. The study targeted 264 employees of Tuskys Supermarket where a sample of 159 senior employees was incorporated in the final sample. A multiple regression analysis was adopted to evaluate the relationship between dependent and independent variables. The research showed that adopting differentiation strategies strongly and significantly contributes to organizational performance of the supermarket. The negative growth of the supermarket can therefore be attributed to the failure of the management to adopt numerous and differentiated strategies. The study also showed that a cost leadership strategy strongly and significantly contributes to organizational performance of the supermarket. The study recommended further research on the relationship between competitive leadership strategies and performance of other retail supermarkets with the operating environment as a moderating variable.

Kosgey and Njuguna (2019) conducted research to evaluate competitive strategies and the performance of family-owned supermarkets in Bomet County, Kenya. The study demonstrated that supermarkets in Kenya are currently operating in a very competitive environment. Supermarkets are therefore compelled to adopt innovative strategies to ensure their survival in the environment. The study therefore evaluated various family-owned supermarkets in Bomet County to determine whether strategies adopted by their leaders positively affect their performance. The study was based on three theories which include the Porter Generic Strategies model, Resource-Based View theory and Resource Dependency Theory. The research adopted a descriptive research design where data was collected through questionnaires. The study showed that differentiated strategies adopted by the family-owned supermarkets in Bomet County had positively affected their performance. The strong positive relationship between differentiated strategies adopted by the supermarkets and the increased performance was supported by a regression coefficient score of 0.891. The study also demonstrated that most of the firms had adopted the cost leadership strategy to increase its performance where the entities focused on increasing profits and sales. The study recommended that similar research should be carried out on other entities in the retail sector including small and medium size enterprise (SMEs), other supermarkets not owned by families, and merchandisers.

The study conducted by Kerubo, Kerubo and Muturi (2019) demonstrated that tea factories in Kisii county have adopted limited strategies policies that have led to reduced organizational performance. Although the companies had adopted staff training and had a strategic direction, they still registered low financial performance. The study failed to consider other crucial but non-financial elements of organizational performance and only assumed that leaders only focus on financial performance of the company. Similarly, Chacha (2018) and Gatutha and Namusonge (2020) also evaluated only the financial elements of target companies which also disregards other important non-financial elements like customer satisfaction, environmental conservation and employee retention which are crucial elements of organizational performance.

Chacha (2018) and Nyamwega (2019) conducted critical studies to evaluate the relationship between strategic leadership and organizational performance. However, the studies focused on government-owned companies and departments. Majority of the supermarket chains in Kenya are owned by individuals and companies hence adversely affecting the generalizability of such studies. Kosgey and Njuguna (2019) focused on the performance of family-owned supermarkets in Bomet County, Kenya. The results cannot therefore be generalized to understand supermarkets owned by partners or cooperatives. Nguyen, Ntim and Malagila (2020) demonstrated the need for evaluating both financial and non-financial aspects of organizational performance. The study therefore offered more insight on supermarkets but evaluating both financial and non-financial factors.

RESEARCH METHODOLOGY

The study adopted a quantitative research design to explain the relationship between the study variables. The target population for the research include all supermarket chains operating in Kiambu County, Kenya. The target population for the research was therefore include a list of all known and registered supermarket chains in Kiambu County. The sampling frame for the research included a list of 40 supermarket selected from the target population. This included all medium and large size supermarket operating in Kiambu County. A sample of 120 respondents was selected from 40 supermarket chains selected out of the numerous supermarkets chains operating in Kiambu County, Kenya. The study adopted purposive sampling method and a two-stage sampling procedure. The first stage involved purposively selecting of 40 supermarket chains from the target population. The second stage involved purposively sampling heads of departments including Human resource, Finance and Operations from the selected 40 supermarket chains.

There were three respondents from each of the 40 supermarket chains totaling to 120 respondents. The research used questionnaires to collect the required information. The research utilized semi-structured questionnaires to collect the relevant data and information. The drop-and-pick technique was used to administer the questionnaires. Based on the drop-and-pick procedures, the questionnaires were presented to the targeted participants at the supermarket chains then they were collected after two weeks. The introduction letter from the university to the firms and introduction letter from the researcher to the potential respondents are shown in Appendix II and III respectively. The descriptive statistics which include mean and standard deviation were used to assess the trend of association. Various measures were used to measure the relationship between the variables, in particular, the Pearson's Product Moment Correlation analysis(r) and multivariate regression analysis. The study used regression analysis in cases where the independent variables were correlated to the dependent variables. The multiple regression model for the study was:

$Y= \beta_0 + \beta_1X_1+ \beta_2X_2+ \beta_3X_3 + \beta_4X_4+ \varepsilon$……………………………………Equation 1

Where:

Y represented Organizational performance

β_0 represents Constant; β_1, β_2, β_3 & β_4 represents Regression coefficients of the independent variables, respectively.

X_1 = Leadership style; X_2 = Leadership culture; X_3 = Human capital; X_4 = Ethical leadership; ε represents Error term.

RESEARCH FINDINGS AND DISCUSSIONS

The study found that leadership style (LS) has a significant influence on organizational performance. Leadership style has a coefficient value of t_{obt} = 3.321>1.96. Since the t-value is greater than 1.96 and the p-value is less than 0.05, the null hypothesis is rejected and the research hypothesis accepted. Therefore, it was concluded that leadership style had a statistical influence in organizational performance. From the regression model, a unit change in leadership style led to a 36.3% change in organizational performance.

The study found that leadership culture (LC) has a significant influence on organizational performance. Leadership culture had a coefficient value of t_{obt} = 2.369>1.96. Since the t-value is greater than 1.96 and the p-value is less than 0.05, the null hypothesis was rejected and the research hypothesis accepted. Therefore, it was concluded that leadership culture had a statistical influence in organizational performance. From the regression model, a unit change in leadership culture led to a 16.1% change in organizational performance.

The study found that development of human capital (HC) has a significant influence on organizational performance. Development of human capital has a coefficient value of t_{obt} = 0.205<1.96. Since the t-value is greater than 1.96 and the p-value is greater than 0.05, the null hypothesis is not rejected and the research hypothesis rejected. Therefore, it was concluded that development of human capital had no statistical influence in organizational performance. From the regression model, a unit change in leadership culture led to a 2.1% change in organizational performance.

The study further established that ethical practices (EP) has a significant influence on organizational performance. Ethical Practices has a coefficient value of t_{obt} = 2.245>1.96. Since the t-value is greater than 1.96 and the p-value is less than 0.05, the null hypothesis is rejected and the research hypothesis accepted. Therefore, it was concluded that ethical practices had a statistical influence in organizational performance. From the regression model, a unit change in leadership culture led to a 29% change in organizational performance.

Inferential Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.64[a]	.41	.32	.18706

a. Predictors: (Constant), EP, HC, LS, LC

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5.173	.853		6.063	.000
	Leadership Style (LS)	.363	.101	.058	3.321	.000
	Leadership Culture (LC)	.161	.094	.145	2.369	.000
	Human Capital (HC)	.021	.105	.019	.205	.838
	Ethical Practices (EP)	.290	.264	.014	2.245	.001

a. Dependent Variable: Organizational Performance (OP)

		Organizational Performance
Leadership Style	Pearson Correlation	.758
Leadership Culture	Pearson Correlation	.621
Human Capital	Pearson Correlation	.522
Ethical Practice	Pearson Correlation	.306

The correlation coefficient (R) was 0.64 while the coefficient of determination (R squared) was 0.41. The R squared results showed that 41 percent variation in organizational performance was explained by strategic leadership.

At 5% significant level the following strategic leadership variables, namely LS, LC, HC and EP had 0.000, 0.000, 0.838 and 0.001 levels of significance respectively. Therefore, LS, LC and EP were found in this study to be statistically significant while HC were not.

These values give the following regression model:

Organizational Performance = 5.173 + 0.363 Leadership Style + 0.161 Leadership Culture + 0.021 Human Capital + 0.290 Ethical Practices

The intercept of the model is 5.173 which is where the curve cuts the y-axis. The model demonstrate that when all explanatory variables are zero the organizational performance would remain at 5.173.

The model also demonstrates that a unit change in leadership style causes 36.3% change in organizational performance, a unit change in leadership culture causes 16.1% change in organizational performance, a unit change in human capital causes 2.1% change in organizational performance and a unit change in ethical practices causes 29.0% change in organizational performance. The study is in compliance with the study conducted by Kitonga, Bichanga and Muema (2016) which showed that a unit change in determining strategic direction, developing human capital, ethical practice and organizational control causes a 31.6%, 29.2%, and 42% increase in organizational performance.

The correlation shows a strong positive statistical relationship between organizational performance and leadership style. The correlation also shows that the relationship between OP and LS is statistically significant at 1% level of significance. The table shows a strong positive statistical relationship between organizational performance and leadership culture. The correlation also shows that the relationship between OP and LC is statistically significant at 1% level of significance.

The correlation shows a strong correlation between organizational performance and development of human capital. The correlation also shows that the relationship between OP and HC is statistically significant at 1% level of significance. The correlation between OP and EP is 0.306 which is positive but not as strong as the relationship between OP and the other variables.

CONCLUSIONS

The study concludes that the adoption of various forms of leadership styles that enhance cooperation, teamwork and reduces organizational conflicts is likely to positively contribute to organizational performance. The study therefore compels supermarket chains in Kiambu County to re-evaluate the type of leadership style adopted by various leaders in the supermarket chains. Servant leadership style and coaching leadership style can be an appropriate leadership styles for supermarket chains in Kiambu County.

The study also concludes that leadership culture can be viewed as how leaders interact with one another and their team members. The study demonstrated that ensuring that leaders interact effectively with other stakeholders in the entity translates to enhanced organizational performance. Supermarket chains in Kiambu County should therefore regulate leaders' behaviors, interactions, beliefs, and values to improve their performance.

The study further deduces that the development of human capital in terms of training may be a positive activity but has no relationship to enhanced organizational performance. Supermarket chains in Kiambu County should train their staff and adopt other strategies to ensure their development but should not engage in such practices to boost their performance.

The study finally concludes that ethical Practices had a statistical influence in organizational performance. Ethical practice is the application of ethical values in organizational behavior. Supermarkets in Kiambu County should therefore ensure that all employees engage in ethical practices including obeying the company's rules, effective communication, taking responsibility, and being accountable. Additionally, employees should be professional and engage in mutual respect towards all stakeholders of the supermarket chains.

RECOMMENDATIONS

The research recommends that supermarket chains in Kiambu County should implement strategies that affirm strategic leadership practices to enhance organizational performance. The research recommends that supermarket chains in Kiambu County should adopt the right leadership styles such as Servant leadership style and coaching leadership style that positively contribute to organizational performance.

The research recommends that supermarket chains in Kiambu County should focus on creating a conducive leadership culture. They should regulate leaders' behaviors, interactions, beliefs, and values to improve their organizational performance.

The research recommends that supermarket chains in Kiambu County should embrace ethical practices to improve the performance of the supermarket chains. Supermarkets should apply various aspects of organizational conduct, including corporate governance, employment practices, sales techniques, stakeholder relations, accounting practices, and issues of product and corporate responsibility.

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