

The Effect of Planting Strategy on Competitiveness of The Selected Multinational Tea Companies in Kericho and Bomet Counties, Kenya.

DORNAH CHERONO BOR & DR. KIPKORIR CHRIS SIMON

Kenyatta University, Kenya

IJMSSSR 2020

VOLUME 2

ISSUE 5 SEPTEMBER – OCTOBER

ISSN: 2582 - 0265

**Abstract:** The study sought to evaluate The Effect of Planting Strategy on Competitiveness of The Selected Multinational Tea Companies in Kericho and Bomet Counties, Kenya. The study analyzed past theories related to the topic under the theoretical review that is labor theory of value, resource-based view theory and the balanced score card model theories. The researcher used descriptive research design since it describes in details. The findings further indicated that, there is a relationship between planting strategy on competitiveness.

**Keywords:** Planting Strategy, Multinational Corporations, Competitiveness

### Introduction

Overtime, tea companies have seen an increase in demand for tea which has forced the many to expand their production in an effort to meet customer demands. Consequently, multinationals have moved towards adopting new technologies, which is mostly still under small scale and trial basis, in an effort to maintain their competitiveness in the industry. Crop husbandry constitutes a higher percentage of manual operations in plantations.

Odhiambo (2015) states that some forces of change that have influenced the tea industry in Kenya include intensive competition, globalization and technological advancement which have forced tea companies to re-craft their strategies in the effort to remain competitive. Tea harvesting operations alone accounts for about 70% of the workdays on an estate which translates to approximately 40% of the total cost of production. The expansions in tea plantations, requires a lot of manual labour as the seedlings need to be handled with utmost care.

Other activities in tea production include maintenance, pruning, among other tea agronomic practices; all this requiring labor.

Due to the economic globalization, the product and the market expansions imply that the research development of an enterprise need to be equipped with better present technology-based strategies, as technology continuously substitute development. In recent years, American, Japanese, European multinational corporations realized that the technological strategy of a company shouldn't be "self-sufficient", rather they should embrace the "surpassing type"(Sun, 2009). Multinational corporations which operate in host country devolve some of its technology in form of product, production process, and organization, which largely incorporate suppliers of Multinational corporations within the locality. These days, getting a buy in from a multinational is a sure means of gaining technology.

Reports by Segal, van Wyk, O'Flaherty, Simmons, Osinubi & Yaiche (2016) indicated that there is a great potential for technology to create new markets, increase variety of choice and accelerate service and product delivery. With E-commerce, there is potential to revolutionize retail. Multinational organization which deals with production of flowers, tea and eucalyptus trees are normally the most profitable organization in Kenya. Tea is one of the leading foreign exchange earners in Kenya. While multinational tea companies operate in unfamiliar environmental aspects (Nonis & Relyea, 2012), highly competing multinationals with presence of other Kenyan tea traders demand need for strategies which promise competitiveness. The success of multinational corporations has largely been related to its ability to successfully apply several strategies like diversification, vertical integration, innovation and certification (Kiplangat, 2012).

Competitive strategies involve a range of strategic options which multinational tea companies embrace when dealing with competition, overcoming competition or staying aloof of competitors (Nonis & Relyea, 2012). However, formulation of competitive strategies is the core part of strategic management which is key for organizational long-term existence. Over the earlier years, multinational tea companies have benefited from a growing share of income from participating in international markets. Globalization allows expansion of operations into new geographical areas. This creates opportunities to grow revenue. Through economies of scale and scope, globalization also leads to cost reduction and rise in profits. Through globalization, multinationals are presented with strategic opportunities that purely domestic firms cannot access. Such opportunities include diverse input acquisition ability (Bakan, 2012).

Multinational corporations harnessing technology can make their operations global to achieve foreign incomes by way of local responsiveness and configuration and coordination of value chain (Palvia, 1997). Technology facilitates value chain synchronization and flow of knowledge by providing high quality transfer and consumption of knowledge across the value chain. Multinational corporations adopt a number of the technology-based strategies in their production process, for tea companies, these include planting, harvesting, pruning and input application strategies. This study analyzes competitiveness of multinational tea companies, Kericho and Bomet counties, in relation to the adoption of these technologies-based strategies and how the organization has positioned itself on the global market in face of fierce competition from tea producing organizations.

### Competitiveness

Competitiveness is a process in which corporation in countries stay on the cutting edge in matters productivity, cost, safety and production, with the help of technology. An empirical analysis by Rugman, Hoon, & Lim (2011) suggests that however much of this competitiveness is being achieved within their home regions; world's largest 500 firms have raised their firm-level competitiveness internationally with the adoption of cutting-edge technology. That is to say, international competitiveness does not constitute a global and regional phenomenon, but is dictated by the amount of technology a corporation invests in. Scott and Lodge (1985), move the focus of competitiveness to the country level proposing that competitiveness is a "country's ability to create, produce, distributes and/or service products in international trade while earning rising returns on its resources."

According to Aiginger, Bärenthaler-Sieber & Vogel, (2013) competitiveness is the ability of an organization to deliver beyond its industry competition. Competitiveness is simply the ability to compete. Kenyan tea industry has been experiencing price falls over the past few years due to economic instabilities, poor demand and erratic weather conditions. This has led to upward rising costs of production and low profit margins by the producer firms. Kericho being one of the major tea producing regions in Kenya has seen some of its major tea companies adopt mechanized tea production systems e.g. the use of mechanical planting and harvesting machines, mechanical tea pruning etc. in an attempt to mitigate the rising production costs and stiff competition, therefore ensuring sustained business and firm survival.

### Multinational tea companies

Multinational tea companies have been cultivating tea crops for more than ninety years in Kericho and Bomet counties which are among the largest tea growing regions in Kenya. These firms employ over 40,000 people making them the biggest national agribusiness employers and investors (Dana, 2017). The tea industry is currently facing a series of challenges which threaten its viability both now and, in future. These can be categorized as environmental, economic and social. Erratic weather conditions have contributed to big losses in costs of managing estate operations. With the recent drought effect, these multinational tea companies, have been forced to close down some lines of operations in order to lower production costs. However, the problem has been maintaining the permanent employees who despite insufficient work, have to be paid, as others resisted technology as they see it as a way of driving them out of employment.

Increased competition from lower cost production centers and the downturn of the economy in the recent past has hugely affected sales volumes in a negative way. While technologies which have been adopted have come with a number of safety concerns, some are still on trial basis since they require skilled personnel to manage and operate them. Multinational tea companies have had to bear the cost of training and recruiting experts for such operations. Recognizing that all these are systemic problems which no one company can resolve on its own,

multinational tea companies along with a number of other like-minded businesses, have joined together with Forum for the Future in a project called Tea 2030 which seeks to address these issues and find solutions designed to ensure that tea has a sustainable future.

Overtime, the innovation strategy of a company requires to be adjusted (Davila, Epstein& Shelton, 2006).Choice of innovation strategy can be affected by several factors both internal and external. Value created through innovation can vary from progressive improvements of existing products, formation of completely new products and services, to reduction of costs, etc. In order to keep up with the rapid market changes, an enterprise must innovate effectively (Ongongâ, 2013). Such effective methods as adopted by multinationals include partnering to share heavy costs of implementation as well as managing risks through research and development, customization and phase implementation.

A technological strategy must adapt to the outer condition which is complex and ever evolving. This is because there is considerable amount of uncertainties about current or future developments in terms of technology, competitive threats and market demands. The best technological strategy for a particular firm and the success of a given innovative strategy will depend on the effort extended to align innovation with strategy and management of the entire process with discipline and transparency. This implies that administration assumes a key function in guaranteeing the achievement of a given advancement system and without their help, there are restricted odds of progress. Technology based strategies can likewise help entrepreneurs downplay costs.

The utilization of mechanization in planting, harvesting, cutting, and input application can help corporations diminish its reliance on individuals to play out a portion of the vital creation measures.

Accordingly, the business can decrease worker costs, for example, pay, advantages, and turnover, and furthermore help to smooth out the production cycle. So as to maintain a strategic distance from obsolesce and advance development, multinational companies must know about innovative changes that may impact its industry. This is on the grounds that imaginative mechanical developments can propose opportunities for new items, upgrades in assembling or promoting procedures. Innovation has become a twofold edged blade since it has encouraged advancements and it has also provided chances for future enhancements. Employments of development and innovation empower firms to associate and draw in with their partners in new and fundamentally quicker and less expensive ways. Innovation empowers firms to approach significant assets without fundamentally claiming them through business measures re-appropriating. However, during the time spent associating and drawing in the partners, employments of development has present new interdependencies that if inappropriately overseen can prompt expensive and wasteful activities and can at last decrease readiness and hurt execution of a corporation.

Multinational tea companies operate in large scale. One of the areas of concern is the level of productivity as this affects the competitiveness of an organization. Multinational tea companies have in the recent past been forced to close a tea factory in Kericho citing competitive strategy for reducing maintenance costs by focusing resources in a more productive area hence utilizing its competitive advantage. Overall cost of production is largely contributed by cost of labour used. Unilever submitted a presentation which showed that from 1996 to 1997, the industry wage costs were in conformity to the rise in inflation but the variance between inflation rates and rising labour costs had grown disproportionately since 1998. In general, from 1996 to 2007, there had been about 175 per cent rise in wages and yet the rate of inflation had only grown to an approximate 70 per cent. Finlays and Unilever managing teams and the Chair of KTGA noted that the increasing wages were exclusive to Kenya due to \$3 per day demand from workers unlike in other countries such as Malawi, India and Sri Lanka where the daily wage per worker was less than a \$1.

Competitiveness is also affected by the level of exposure of employees to unsafe conditions. Little has been researched on regarding the technology-based strategies that multinational tea companies have adopted to reduce employee exposure to unsafe conditions. Input application strategies affect crop production levels which also affects competitiveness of an organization. A qualitative study by Owour, Kavio and Siele, (2001)on extension service knowledge and farm adoption levels indicated that technology of applying fertilizer improved crop yields. But how does the mode of input application affect the yield? To what extent have the new technologies so far adopted been of assistance to the companies and what effect do they have in productivity, cost, safety and production levels? The literature available is scanty with the number of the adopted new technologies and the little or no research that has been done on them. This study therefore aimed to assess the efforts that the selected

multinational tea companies have put in place to address specific operational issues, specifically in planting

### Theoretical review

The theoretical framework is the structure that can hold or support a theory of a research study. The theoretical framework introduces and describes the theory the theory that explains why the research probes under study exists. (Swanson&Chermack, 2013)

### Labor Theory of Value

This theory was developed by David Ricardo and refined and modified by Karl Marx theory. This theory states that production of all value in goods and services can be accounted for by the labor that goes into them (Ford& Mc Colloch, 2012). According to Ricardo, who developed it in 1817, price is a result of certain quantities of human labor needed to produce certain quantities of finished products. Ford & Mc Colloch (2012) explains that for a pair of shirt to cost \$12 while a pair of socks to cost \$2, 6 times the man hours needed to make the socks have been used to make the shirt. For Ricardo, this theory analyses the varying value of prices for different commodities.

This theory is very relevant in every organization as it clearly illustrates the relationship between input in cost of production and the output margins; when one inputs a hard and extensive labour, the product cost is expected to be higher than those who do not apply the same labour intensity. Every organization must therefore strive to lower the cost of production for it to achieve high margins on returns through reasonable pricing. In labour theory of value, David Ricardo states that production of all value in goods and services can be accounted for by the labor that goes into them (Ford & Mc Colloch, 2012). He further explains that price results from varying amounts of manpower required making various final products. This theory illustrates the relationship between input in cost of production and the output margins; when one inputs a hard and extensive labour, the product cost is expected to be higher than those who do not apply the same labour intensity. This theory only focuses on cost which is the dependent variable in study but does not touch on productivity, safety and production levels. This study viewed that mechanization process that harness labour which will create the product, hence the planting, harvesting, cutting, and input application are the processes of labour that will see the product compete in the international market. This study reviewed the inputs in the production of tea to match it with the competitiveness of the corporations.

### Resource-Based View Theory

The resource-based theory of the firm propounded by Wernerfelt (1984). This theory postulates that a company needs to first check within its organization to find the sources of competitive advantage before looking at the outside environment. The theory assumes that each organization has unique resources and capabilities and these forms the firms' competitiveness.

In resource-based view, a firm creates a competitive barrier by managing its resources in a manner that cannot be copied by the competitors. In this case, the firm creates a competitive advantage over competing firms when its resources are unique, scarce, firm-specific and valuable, cannot be traded, copied or substituted (Barney, 1999). A firm can realize competitive advantage if its resources exhibit these value, rarity, limitability and organization (VRIO) attributes (Mahoney & Pandian, 1992).

According to Hitt and Hoskisson, (2009), resources are inputs into a firm's production process while capability is the capacity for a set of resources to perform a task or an activity in an integrative manner. With RBV, the variance in business performance among organizations of the same industry is mainly due to the unique resources and capabilities owned by individual organization rather than the characteristics of the industry structure. Resources and capabilities of a firm are the key considerations in its strategy implementation practices (Grant, 1991). This is because they form the basis upon which a firm can establish its identity and source of its competitiveness.

The theory postulates that a company should first look within its organization for opportunities of competitive

advantage before checking the external surrounding. It assumes that each organization has unique resources and capabilities and these forms the firms' competitiveness. This study looked into the identified resources that multinational companies are adopting in an effort to remain competitive in the market; planting resources, harvesting resources, cutting resources and input application resource. This study viewed the mechanization of planting, harvesting, cutting, and input application, as resources that multinational corporations need to have close to their chest so as to compete effectively in the market. In relevance to this theory the study looked into planting resources, harvesting resources, cutting resources and input application resources; the technology-based strategies adapted by the selected multinational companies in their production value chain.

### **The Balanced Score Card Model**

The Balanced Score Card (BSC) is a strategy implementation tool developed by Drs. Robert Kaplan and David Norton. It is a very essential tool in measuring performance and guiding the performance of an organization by providing feedback on processes, progress and results of any strategic goals. BSC model takes into account the financial, learning and growth, business process and customer aspects (Norton & Kaplan, 1992). It complements traditional financial indicators with measures of performance for customers, internal processes, and innovation and improvement activities. It gives a balance between performance drivers and the outcome hence the position of organizational performance.

Managers recognize the impact that measures have on performance and that effective measurement must be an integral part of the management process. The balanced scorecard is therefore an essential tool as it provides executives with a comprehensive framework that translates a company's strategic objectives into a coherent set of performance measures. It is a management system that can motivate breakthrough improvements in such critical areas as productivity, cost management, employee welfare management e.g. monitoring of safety issues and even production in yield. Through BSC model application, organizations are able to see clarity and actionable translations of their vision and strategic options (Atkinson, 2010). This is therefore one of the best performance management tools in which every organization that strive for competitiveness in the global market must adopt and administer to every key player in the strategic implementation process.

The BSC is a strategy implementation tool which is very essential in measuring performance and guiding the performance of an organization by providing feedback on processes, progress and results of any strategic goals. BSC model takes into account the financial, learning and growth, business process and customer aspects (Norton & Kaplan, 1992). Safety of employees at work place has however not been captured among the stated perspectives. This study shall consider safety as a measure of employee welfare and performance, and its effect on competitiveness of an organization. This has not been addressed.

The BSC model in this context borrow a lot from the performance indicators which can be seen in the mechanization of planting resources, harvesting resources, cutting resources and input application as they determine the output which determine the competitiveness of the multinational corporations. This way the model can be used to investigate planting resources, harvesting resources, cutting resources and input application and predict the competitiveness of the corporations.

### **Methodology and Design**

Both descriptive and causal-comparative research designs were used for this study. The two designs incorporated both quantitative and qualitative approaches. The quantitative approach, consisting of closed-ended questions elicited information to be used for descriptive and inferential purposes. The qualitative approach with open-ended questions obtained in-depth information to be used to validate descriptive and inferential results (Mwanje, 2001). Casual design measured the impact a specific change had on existing norms and assumptions as causal effect (nomothetic perspective) occurs when variation in one phenomenon, an independent variable, leads to or results, on average, in variation in another phenomenon, the dependent variable.

Descriptive research designs helped provide answers to the questions of who, what, when, where, and how associated with a particular research problem. Descriptive research was used to obtain information concerning the current status of the phenomena and to describe "what exists" with respect to variables or conditions in a situation. It is often used as a pre-cursor to more quantitative research designs with the general overview giving



some valuable pointers as to what variables are worth testing quantitatively. If the limitations are understood, they can be a useful tool in developing a more focused study. Descriptive studies can yield rich data that lead to important recommendations in practice.

**Results and Discussion**

This section shows the statistics that describe the variables of the study. In order to do so, the researcher gave the respondents statements on a likert scale of strongly agree (SA) agree (A) undecided (U) disagree (D) and strongly disagree (SD) rated 5 to 1 for them to indicate the level of agreement. The researcher did mean calculation to get the average score and calculation of standard deviation to show the variation in responses from the mean. The objective of the study was to investigate the effect of planting strategy on competitiveness of the selected multinational tea companies in Kericho and Bomet Counties, Kenya. This is shown in table 1.

**Table 1**

	Strongly agree	Agree	Undecided	Disagree	Strongly disagree	Mean	Standard deviation
Large scale planting of tea using mechanical machinery affects the number of days required to complete task	31 57.4%	20 37%	1 1.9%	1 1.9%	1 1.9%	4.46	0.794
The number of tea plants planted per man day is higher when the mode of planting is mechanized	23 42.6%	13 24.1%	7 13%	6 11.1%	5 9.5%	3.80	1.351
Use of mechanical machines in tea planting reduces the number of people required to complete task	41 75.9%	12 22.2%	1 1.9%	-	-	4.74	0.483
Mechanical tea planting influences the survival rate of plants	10 8.5%	25 46.3%	14 25.9%	4 7.4%	1 1.9%	3.72	0.920
Planting strategies influence competitiveness	19 35.2%	31 57.4%	4 7.4%	-	-	4.28	0.596
<b>Aggregates</b>						<b>4.2</b>	<b>0.8288</b>

Source: Survey Data 2019

In table 1, 31(57.4%) respondents strongly agreed that large scale planting of tea using mechanical machinery affects the number of days required to complete task, 20(37%) agreed, 1(1.9%) were undecided, 1(1.9%) disagreed and 1(1.9%) strongly disagreed. Majority of them strongly agreed that large scale planting of tea using mechanical machinery affects the number of days required to complete task(mean of4.46), variation in the number of days was low(standard deviation of 0.794).

About 23(42.6%) respondents strongly agreed that the number of tea plants planted per man in a day is higher when the mode of planting is mechanical, 13(24.1%) agreed, 7(13%) were undecided, 6(11.1%) disagree and 5(9.5%) strongly disagreed. Majority of them agreed that mechanized planting output is moderately high. The change in planting was slightly significant (mean of 3.80). Variation was quite high(standard deviation of 1.351).

On whether the use of mechanical machines in tea planting reduces the number of people required to complete task; 41(75.9%) respondents strongly agreed, 12(22.2%) agreed and 1(1.9%) were undecided. Large number of the respondents agreed that using mechanical machines to plant tea greatly reduces the number of people required to

complete task (mean of 4.74) but the deviation in the latter was low (standard deviation of 0.483).

Ten (8.5%) respondents strongly agreed that mechanical tea planting influences the survival rate of plants, 25(46.3%) agreed, 14(25.9%) were undecided, 4(7.4%) disagreed and 1(1.9%) strongly disagreed. A significant number of the respondent agreed that the survival rate of plants is somehow influenced by mechanical tea planting (mean of 3.72). Variation in survival rate was low (standard deviation of 0.920).

Concerning whether planting strategies influence competitiveness, 19(35.2%) respondents strongly agreed, 31(57.4%) agreed and 4(7.4%) were undecided. Respondents agreed that planting strategies had high influence on competitiveness (mean of 4.28) but variation in competitiveness was low (standard deviation of 0.596). Further findings indicated that the mechanical planting has reduced the cost of planting, the time taken in planting and the handling of the plants is also enhanced. This finding was in line with the findings of Hill & Jones (1995) who argued that planting strategies is key to sustenance of the competitiveness of an organization.

### Competitiveness

The researcher sought to assess the competitiveness of the companies. This is shown in table 2.

**Table 2: Competitiveness**

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Mean	Standard deviation
The level of productivity per man day in tea harvesting influences the competitiveness of the organization	39 72.2%	14 25.9%	1 1.9%	-	-	4.70	0.500
The cost of production for area of tea harvested affects the competitiveness of the organization	40 74.1%	13 24.1%	1 1.9%	-	-	4.69	0.668
Safety incidences related to company operations has an impact on the competitiveness of the organization	45 83.3%	7 13%	2 3.7%	-	-	4.76	0.642
The level of tea production in yield per hectare influences the competitiveness of the organization	47 87%	6 11.1%	-	-	1 1.9%	4.81	0.617
Productivity, cost, safety and production directly affects the competitiveness of an organization	44 81.5%	8 14.8%	-	1 1.9%	1 1.9%	4.77	0.640
<b>Aggregates</b>						<b>4.746</b>	<b>0.6134</b>

Source: Survey Data 2019

Table 2 shows that, 39(72.2%) respondents strongly agreed that the level of productivity per man day in tea harvesting influences the competitiveness of the organization, 14(25.9%) agreed and 1(1.9%) were undecided. Majority of the respondent agreed that the level of productivity per man day in tea harvesting has a great influence on competitiveness of the organization (mean of 4.70) but the variation in competitiveness was low (standard deviation of 0.500).

On whether the cost of production for area of tea harvested affects the competitiveness of the organization, 40(74.1%) respondents strongly agreed, 13(24.1%) agreed and 1(1.9%) were undecided. Majority of the

respondent agreed the cost of production for area of tea harvested highly affects the competitiveness of the organization(mean of 4.69)and deviation on the cost of production for area of tea harvestedwas low (standard deviation of 0.66).

Regarding safety incidences related to company operations has an impact on the competitiveness of the organization, 45(83.3%) respondents strongly agreed, 7(13%) agreed and 2(3.7%) were undecided. Majority of the respondent agreed that the safety incidences related to company operations has effect on the competitiveness of the organization (mean of 4.76) and the variation in competitiveness was low(standard deviation of 0.642).

About 47(87%) respondents strongly agreed that the level of tea production in yield per hectare influences the competitiveness of the organization, 6(11.1%) agreed and 1(1.9%) strongly disagreed. High number of respondents agreed that the level of tea production in yield per hectare largely influences the competitiveness of the organization(mean of 4.8)and the variation in competitiveness due to the level of tea production in yield per hectare was low (standard deviation of 0.617).

On whether productivity, cost, safety and production directly affect the competitiveness of an organization, 44(81.5%) respondents strongly agreed, 8(14.8%) agreed, 1(1.9%) disagreed and 1(1.9%) strongly disagreed. Respondents agreed that productivity, cost, safety and production directly affect the competitiveness of an organization(mean of 4.77) and the variation in competitiveness due to productivity, cost, safety and production was low(standard deviation of 0.644).According to Niță& Dura (2011) competitiveness is a general indicator that shows the level of stability and resistance of the company to internal and external environment challenges, challenges that are becoming increasingly acute due to the manifestation of the globalization phenomenon and to the expansion of activities of many companies beyond the borders of their country. The argument corroborates the findings of the current study.

**Regression analysis**

The regression analysis of the study sought to bring out how dependent variable, competitiveness, is affected by the independent variables which are planting strategies.

**Table 3: Analysis of coefficient of determination**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.536 <sup>a</sup>	.287	.227	.435	.287	4.828	4	48	.002	1.791

- a. Predictors: (Constant), planting strategy
- b. Dependent Variable: Competitiveness

**Source: Survey Data 2019**

Table 3 shows that, a correlation coefficient of 0.536<sup>a</sup>show a fairly weak linear relationship or dependence of competitiveness and planting strategies. A coefficient of determination (R-square) of 0.287, indicate that planting strategiesexplained28.7% variation in competitiveness of the selected multinational tea companies in Kericho and Bomet Counties, Kenya. The remaining 71.3% can be explained by other factors such as government regulation and taxation policies, packaging of the tea, taste and preference of customers, marketing not considered in the current study.



Table 4: Analysis of Variance (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.659	4	.915	4.828	.002 <sup>b</sup>
Residual	9.096	48	.189		
Total	12.755	52			

a. Dependent Variable: Competitiveness

b. Predictors: (Constant), input application strategy, harvesting strategy, planting strategy, cutting strategy

Analysis of Variance (ANOVA) is computed by summing the squared differences between each variable and the overall sample mean. Analysis of Variance was used to test the significance of the regression model as pertains to significance in the differences in means of the dependent and independent variables, which in this case is competitiveness and the planting strategies respectively. The ANOVA test produced an F-value of 4.828 which was significant at 0.05 and the significance value ( $p = 0.002$  b). Therefore, since  $p$  is less than 0.05, the regression model is significant at 95% confidence level. The regression model statistically significantly predicts the outcome variable. Therefore, the planting strategies are significant on the competitiveness of an organization.

### Conclusions and Recommendations

The results show that planting strategies implemented by the companies is very crucial to the to their competitiveness. It was therefore concluded that adoption of that is planting strategies in their mechanized form is important as they play a role in putting the final product of the company on the competitive edge in the market. From the findings of the study, it is recommended that adopting of the planting strategy to have the multinational companies compete fairly in the market in as the whole process right from preparing the field to having the final product is a chain that is very connected. The study concludes that planting strategies remains the top operations competitive priority for Multinational corporations in Kenya. This is in agreement with the studies by Muzamil et al (2012) in Malaysian service industry and Kathuria et al (2010) in Indian manufacturing sector who found out that quality remains the top competitive priority. However, the sequence of emphasis of competitive priorities differed. Muzamil et al (2012) found out that quality came first followed by delivery, flexibility and cost. Kathuria et al (2010) found out that quality came first followed by delivery then cost and flexibility.

The study shows that regardless of the planting strategies an organization has adopts, there is an aspect of competitiveness achieved through increased efficiency. However expensive operational zing the technologies is, positive gains are more as there are associated benefits in productivity, cost, safety and production capacity. The study therefore recommends adoption of planting strategies for multinational companies to remain competitive in the market.

The study findings indicate that the introduction of planting strategies have high cost benefit due to reduction of manual labour used in the production value chain. Organizations should therefore have clear manpower-machinery replacement policies for any new technology.

### References

1. Aiginger, K., Bärenthaler-Sieber, S., & Vogel, J. (2013). Competitiveness under new perspectives (No. 44). WWW for Europe Working Paper.
2. Bakan, J. (2012). The corporation: The pathological pursuit of profit and power. Hachette UK.
3. Barney, J. (1991). Firms resources and sustained competitive advantage. *Journal of Management*, 17(1) 99-120.
4. Dana, L. P. (2017). International entrepreneurship research: how it evolved and directions for the future. *International Journal of Entrepreneurship and Small Business*, 30(4), 477-489.
5. Davila, T., Epstein, M. J., & Shelton, R. D. (Eds.). (2006). *The creative enterprise: Managing innovative organizations and people*. Greenwood Publishing Group.

6. Ford, K., & McCulloch, W. (2012). Thorstein Veblen: a Marxist starting point. *Journal of Economic Issues*, 46(3), 765-778.
7. Grant, R.M. (1991). The resource-based theory of competitive advantage. Implication for strategy formulation. *California Management Review*.
8. Hill, C. W. L., & Jones, G. R. (1995). *Strategic Management: An Integrated Approach* (3rd Ed.). Boston, USA: Houghton Mifflin.
9. Hitt, M.A., Ireland, R.D. & Hoskisson, R.E. (2009). *Strategic management: Competitiveness and globalization* (8th ed.). South-Western: Cengage Learning.
10. Kaplan, R.S. & Norton, D.P. (1992, January). The Balanced Scorecard. Measures that drive performance. *Harvard Business Review*, pp. 71-79.
11. Kathuria, R., Porth, S.J, Kathuria, N.N., & Kohli, T.K., (2010). Competitive priorities and strategic consensus in emerging economies: Evidence from India. *International Journal of Operations & Production Management*, Vol. 30 Issue: 8 pp. 879 - 896
12. Kavoi, M. M., Kosura, W. O., Owuor, P. O., & Siele, D. K. (2003). Gender Analysis of Economic Efficiency in Smallholder Tea Production in Kenya. *Eastern Africa Journal of Rural Development*, 19(1), 33-40.
13. Kiplangat, R. J. (2012). Strategic responses by James Finlay (Kenya) limited to competitive environment in Kenya (Doctoral dissertation).
14. Mahoney, J. T., & Pandian, J. R. (1992). The resource-based view within the conversation of strategic management. *Strategic management journal*, 13(5), 363-380.
15. Muzamil, M., Naqshbandi, & Idris, F. (2012). Competitive priorities in Malaysian service industry. *Business Strategy Series*, Vol. 13 No. 6.
16. Niță, D., & Dura, C. (2011). Approaching competitiveness at the level of multinational companies. *Annals of the University of Petroșani. Economics*, 11, 223-232.
17. Nonis, S. A., & Relyea, C. (2012). Business innovations from emerging market countries into developed countries: Implications for multinationals from developed countries. *Thunderbird International Business Review*, 54(3), 291-298.
18. Odhiambo, L. A., (2015). *Strategy Implementation and Performance of Major Tea Factories in Kericho County, Kenya*
19. Ongongâ, J. O. (2013). Innovation in the tea industry: the case of kericho tea, Kenya. *Global Journal of Management and Business Research*.
20. Palvia, P.C., (1997) Developing a Model of the Global and Strategic Impact of Information Technology. *Information & Management Journal*, vol 32, pp. 229-244.
21. Rugman, A. M., Oh, C. H., & Lim, D. S. (2012). The regional and global competitiveness of multinational firms. *Journal of the Academy of Marketing Science*, 40(2), 218-235.
22. Scott, B. R., Lodge, G. C., & Bower, J. L. (1985). *US competitiveness in the world economy*. Harvard Business School Press.
23. Segal, J., van Wyk, A., O'Flaherty, M., Simmons, M., Osinubi, F., & Yaiche, N. (2016). *Disrupting Africa: Riding the wave of the digital revolution*. In PwC.
24. Sun, J. (2009). Multinational Corporation Technology Innovation Globalization Tendency and China's Countermeasure. *International Journal of Business and Management*, 4(1), 11-16.
25. Swanson, R. A., & Chermack, T. J. (2013). *Theory building in applied disciplines*. Berrett-Koehler Publishers.
26. Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic management journal*, 5(2), 171-180.