

Effect Of Resource Utilization On Implementation Of Strategy On Vocational Training Centers In Bungoma County, Kenya

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Abstract: The main purpose of the study was to establish the influence of resource utilization on strategy implementation. Descriptive study design was employed. The study was guided by resourced based view. The researcher used descriptive research design. This is due to its capacity to enable the study to describe object of research and their relationship to the environment. The study population comprised of principals and departmental heads of the 36 registered government VTCs in Bungoma County, totaling to 193 respondents. Since the study population is homogenous it was sampling was done using Yamane's sampling formula to get 130 respondents. Data was collected by help of questionnaires. Data was descriptively and inferentially analyzed and presented in tables and interpreted. The findings of the study indicated that resource utilization has a statistically significant effect on strategy implementation in VTC centers in Bungoma County, Kenya. The study concluded that appropriate strategy implementation in an organization should be well aligned to the various resources which should be well utilized to realize the desired goal for the strategic plans in place.

Keywords: Resource Utilization, Strategy implementation, Organization Performance & Vocational Training

1. Introduction

1.1 Background Information

The role of technical and vocational educational institutions in any country cannot be neglected as it immensely contributes to diversification in workforce and enhance the labor markets. Most of the students who successfully complete the TVET programs end up either being channeled directly into the various job markets or starting their own businesses, hence, fostering entrepreneurship [1] Today, the world celebrates increase in production of various products and enhanced services especially from those people who may not have achieved academic status that would otherwise take them directly to the university for a degree based education [2].

As the need for TVETs cannot be over emphasized, there are however issues that have crippled the desired productivity of these institutions. For instance in Kenya, there are over 2000 registered TVET institutes but marred with some challenges that for a long time have not been solved in the manner that could dictate their progression and continuity [3]. For instance, the institutions have recorded a good number of intakes but ended up with less completion rates. Studies conducted in relation underlining reasons point towards a number of factors, inter alia, lack of allocation of resources, corruption, politicization of various process from management to execution of duties by employees and more so poor strategic interventions [4].

Speaking about strategic interventions, research indicates that most of organizations are good in the process of strategy formulation but very poor in strategy implementation. In this respect, organizations have made it a norm to create strategy documents just and do very little about them. However, a strategic plan becomes such useful when it has been fully implemented, through this, its strength is fully put at to and tasked for desired outcomes. Proficiency of big companies and brands in the world such as Coca-Cola is realized

through robust process of strategy implementation. Through this, the organization creates a level ground that enables it to realize its vision and expand its niche as their objectives dictate [5]

Today, it is easy for an individual to look back and agree that business environment has totally changed, and for those who advocate for organization change, properly executed strategic plans are the way to foster the needed change [6]. However, for effective change in an organization to occur through properly executed strategic plans, a number of factors ought to be considered. Imperative to strategy implementations process are factors like organization culture, resources (both allocation and utilization), the structure of the organization, the leadership in place and people owned by the organization [7]. Despite the fact the aforementioned factors play an important role in strategy implementation, it is unarguably realistic that every step of strategy implementation requires resources (human resource, information resources, financial resources and physical resources) for the objectives to be attained [8].

Even though the government of Kenya, both County and National have worked hard to see that that the TVET institutions thrive, the desired outcome cannot be achieved if the required resources are not well allocated, budgeted for and well utilized in the process. As the nation nears the vision 2030, one of the milestones that it has achieved is the set-up of such institutions like Vocational Training Centers which have considerably done the nation proud in production of skilled hands on workforce but not to the expected level though [9].

1.2 Problem Statement

Tertiary education has been deemed one of key pillars on realization of vision 2030 in Kenya and Sustainable development goal worldwide. It is important to note that education cannot just be obtained through the normal system that ends up with university education. In Kenya a

considerable number of students do not make it to the university and some even do not cross the line to enter secondary school. Introduction of TVETs in the country was meant to see that the workforce diversity is attained and through hand on and technological skills. However one of the worrying trends in Kenya is the high enrollment of students in such institutions, high rate of drop out and low number of completion rates [10].

One of the factors that contributes to this scenario is the over piling of unimplemented strategic plans which are done by the institutions year in year out. Studies indicate that it is easy to formulate strategies but very hard to implement the same. Additionally, resources have been deemed to play a major role in the process of strategy implementation [4]. Problems have been reported in such institutions like politicization various financial processes, corruption and misplaced priorities in the process of resources utilization. However, no study has been conducted to establish the relationship between resources utilization and strategy implementation in Vocational training centers in Kenya, especially Bungoma County, hence the current study.

1.3 Purpose of the Study

The purpose of the study is to establish the influence of resource utilization on implementation of strategy in Vocational Training Centers in Bungoma County, Kenya.

1.4 Hypothesis of the study

H₀: There is no significant relationship between resource utilization and strategy implementation in VTCs in Bungoma County, Kenya.

2. Literature Review

2.1 Theoretical Underpinnings

The study will be guided by Resource Based View theory credited to [11] who identified that both internal and external factors are key determinants of business success. RBV suggests that differences in enterprise performance are mainly driven by the intrinsic endowment of a firm's resources. According to Resource Based View theory, resources are inputs into a firm's production process and can be classified into three categories as; physical capital, human capital and organizational capital (Currie, 2009). A capability is a capacity for a set of resources to perform a stretch task of an activity. Each organization is a collection of unique resources and capabilities that provides the basis for its strategy and the primary source of its returns. Thus, differences in firm's performances across time are driven primarily by their unique resources and capabilities rather than by an industry's structural characteristics (Currie, 2009).

An approach to strategy with this view then sought find or develop distinctive competencies and resources, applying them to produce superior value. To the degree that these capabilities can be kept extraordinary, to the firm, they can be utilized to build up an upper hand. The resources and capabilities of a firm are the central considerations in formulating its strategy: they are the primary constants upon which a firm can establish its identity and frame its strategy, and they are the primary source of the organization's profitability. This theory is of significance for the study to understand whether there exist unique resources and

capabilities in the vocational training centers that give them an edge when implementing strategies in a manner that influences the performance positively. It was employed to explain the objective on resource utilization and its influence on organizational performance.

2.2 Empirical Review

[11] conducted a study on Organizational Resources and Performance of Kenyan State Corporations. The study was anchored on the resource based view theory which postulates that resources confer a significant influence on the overall performance of any organization. The study deployed cross-sectional survey design and obtained data from 63 state corporations in Kenya. Results indicate that organization resources have a statistically significant effect on performance of any organization. Further, the study recommended that the management of state corporations should consider strengthening resource allocation, renewal and recombination to realize enhanced organization performance.

[13] did a study on assessment of human resource utilization on organizational growth and development of Adamawa State Polytechnic Yola. The study deployed both descriptive and inferential statistics. The findings revealed that in the event of utilizing human resource, training of the staff, dealing with the welfare and recruiting and selecting competent human resource resulted into organizational growth and development as their relationship were significantly positive. The study recommended that the organization managers should ensure that there is functional human resource department that understands the terrain of the organization in terms of growth and development. Furthermore, there should be programmes that can help the employees to improve in terms of productivity at workplace.

[14] examined the effect of organizational resources on performance of mobile phone companies in Kenya. The study used a combination of both exploratory and descriptive research design. The study through stratified random sampling reached a sample of 170 respondents in four mobile phone companies. The study established that capital had a positive significant impact on the element of performance within the four mobile phone companies. Furthermore, technology as a modern resource was found to be significant in explaining the performance variation aspect of the four mobile companies. The study recommended that since human capital was a critical player in establishment of performance, more efforts should be channeled towards training a more robust human resource base. Additionally, technology should be updated from time to time to ensure relevancy in ever technologically advancing world to ensure sustainability in matters performance.

A review of literature on relationship between organizational resources and organizational performance conducted by [15], outlines two critical points. Their work was underpinned on the resource based view where they opine that resources in any organization play a major role in growth and development of the organization. First, the study established that the literature on performance on any organization was done widely but some studies gave inconsistent findings and reflections because they did not capture the aspect of organization resources. Lastly, the study established that

organization's ability to deal with various challenges presented in the process of resource soliciting, allocation and utilization played a major and critical role in ensuring that the organizations goal are met and fulfilled. In this regards, strategic plans in the organizations should be allocated enough resources for the purposes of proper implementation.

3. Research Methodology

The researcher used descriptive research design. This is due to its capacity to enable the study to describe object of research and their relationship to the environment. The study population comprised of principals and departmental heads of the 36 registered government VTCs in Bungoma County, totaling to 193 respondents. Since the study population is homogenous it was sampling was done using Yamane's sampling formula to get 130 respondents. Data was collected by help of questionnaires. Data was analyzed using descriptive statistics and inferential statistics. The analyzed data was presented using tables for interpretation.

4. Findings and Discussion

4.1 Descriptive Statistics for the Resource Utilization and strategy implementation

The objective of the study was to establish the influence of resource utilization on strategy implementation. From the 130 questionnaires administered, 120 were successfully filled and returned. The questionnaire return rate stood at 92.3% which was totally adequate as [16] postulate that a percent of 50% is good and 70% is excellent. From the findings, 42% of the respondents indicated that financial resources are very vital in the process of strategy implementation. However, 30% of the respondents indicated that they prefer physical resources like technology and infrastructure as key resources in the process of strategy implementation while 28% indicated that human resource is the main ingredient for strategy implementation.

Table 1: Descriptive Statistics for Resource Utilization

| Statement | N | Mean | Std Dev | Variance |
|--|-----|------|---------|----------|
| We manage our resources in relation to the strategic plans in place | 120 | 3.16 | 1.140 | 1.210 |
| We have various ways of utilizing resource for proper strategy execution | 120 | 3.48 | 1.120 | 1.137 |
| We understand well the resources at our disposal | 120 | 3.82 | 1.025 | 1.115 |
| We utilize our resources by prioritizing the urgent strategies | 120 | 4.09 | 0.924 | .842 |
| Our budgets are enough to run the daily plans | 120 | 3.40 | 1.250 | 1.200 |
| We work with latest technology to enhance productivity | 120 | 3.44 | 1.201 | 1.320 |
| The organization values enough human resource | 120 | 3.56 | 1.056 | 1020 |

Further the study represented resource utilization sub-variables on a basis of 5 point likert scale to establish how each sub-variable was rated in terms of reception in relation to strategy implementation. In this scenario, the strongest rate was to score 5 points while the least was to score on 1

point. In regards to this, the results were presented in form of mean and standard deviation as presented in table 2 below after computation was done. From the sub-variables that affect the vocational training centers, responses indicate that the organizations prioritize the use of resources in relation to the urgency of the strategies in place with a mean of 4.09. Second on the list sub-variables was the aspect of the organization understanding well the resources at its disposal with a mean of 3.82. The aspect of organization having valuing and having enough human resources, having proper financial utilization plan, working with latest technology in the process of strategy implementation, having enough budget for execution of daily plan and managing resources well in relation to the strategy in place were rated with the mean of 3.56, 3.48, 3.44, 3.40 and 3.16 in that order.

From the findings above, it is evident that no sub variable was rated at the level of 5 point, this could be attributed to the fact that strategy implementation faces some challenges in terms of resources like corruption, low budgetary allocation and politicization of the internal processes on priority programs. This can be backed up with the fact that only the priority of resource sub variable scored a mean of 4 out of 5 points, indicating that if more resources were available, the right priorities would considered in the process of strategy implementation.

4.2 Inferential Statistics for Resource Allocation and Strategy Implementation

4.2.1 The Normality Test

Kolmogorov- Smirnov and Shapiro-Wilk tests were deployed in the effort to test normality of the dependent variable of the study. Scores in the samples were compared and mean and standard deviation were checked to ascertain if they were the same or differed.

Table 2: The Normality Test

| | Kolmogorov-Smirnov ^a | | Shapiro-Wilk | |
|-------------------------|---------------------------------|-----|--------------|------|
| | Statistic | df | Statistic | sig. |
| Strategy Implementation | 2.38 | 120 | .203* | .138 |

*. This is a lower bound of the true significance.

a. Lilliefors Significance Correction

From table 2 above it is Kolmogorov-Smirnov indicate a p-value of 0.203 which way greater than the 0.05 value as well as the Shapiro-Wilk value which indicate .140 which is also above 0.05 value. The two tastes there indicate that there is conformity to the normality and that the data is normally distributed.

4.2.2 Relationship between Resources Utilization and Strategy Implementation

Table 4: Relationship between Resources Utilization and Strategy Implementation

| Variable | Strategy Implementation | Resources utilization | |
|-------------------------|-------------------------|-----------------------|------|
| Strategy Implementation | Pearson Correlation | 1 | .343 |
| | Sig. (2-tailed) | | .000 |
| | N | 120 | 120 |
| Resources utilization | Pearson Correlation | .343 | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 120 | 120 |

Results presented in table 4 shows the correlation results indicating a positive and significant relationship between the two variables; resource utilization and strategy implementation. This can be interpreted that positive change in the utilization of organization resources would lead to an increase in strategy implementation. The relationship in this case is evident from the correlation coefficient of 0.343 which imply the positivity of the relationship between the aspect of resource utilization and strategy implementation in VTC in Bungoma Country.

Table 3: Model Summary for Resource Utilization

| Model | Coefficient |
|---------------------------|--------------------|
| R | 0.343 ^a |
| R Square | 0.119 |
| Adjusted R Square | 0.106 |
| Std Error of the Estimate | 0.570 |

- a. Predictors: (Constant), Resource utilization
b. Dependent Variable: Strategy implementation

Regression analysis conducted in table 3 indicates that resource utilization significantly plays a major role in determining the outcome of strategy implementation in VTC in Bungoma County. This is evident from the fact that the coefficient of determination R square value of 0.119 implying that own its own, resource utilization accounts for about 12% in variation of change in dependent variable (strategy implementation). As indicated in this study in background and literature, some other factors that determine successful strategy implementation account for the remaining 88%. The adjusted R square was 0.106 which did not have substantial change on the results as it had a reducing effect on the explanatory behavior on the predictor to 12%.

Table 4: ANOVA for Resource Utilization and Strategy Implementation

| Indicator | Sum of Squares | Df | Mean Square | F | Sig |
|------------|----------------|-----|-------------|-------|-------------------|
| Regression | 4.920 | 1 | 4.652 | 15.03 | .000 ^b |
| Residual | 35.912 | 119 | .358 | | |
| Total | 41.035 | 120 | | | |

- a. Predictors: (Constant), Resource utilization
b. Dependent Variable: Strategy implementation

The overall model significance is as shown in table 4 As indicated, the table shows F statistics of 15.03 which was obtained from model is greater than the F-critical (15.3) at P

=0.005 implying that the null hypothesis that resource utilization has no significant influence on strategy implementation in VTC in Bungoma County. From these findings, it is evident that resource utilization has a significant influence on strategy implementation in VTC in Bungoma County.

Table 5: Coefficients Statistics

| | Unstandardized Coefficients B | Std Error | Standardized Coefficients Beta | t | sig. |
|-------------------------|-------------------------------|-----------|--------------------------------|-------|------|
| (Constant) | 2.386 | .313 | | 6.489 | .000 |
| Strategy Implementation | 0.321 | .095 | 0.311 | 3.621 | .000 |

- a. Dependent Variable: Strategy Implementation
b. Model (Constant): Resource Utilization

The study conducted a coefficient analysis to ascertain the model used in this study. Using the regression model: $Y = \alpha + \beta_1 X_1 + e$, where Y = Strategy Implementation; α = Constant; β_1 = Beta coefficients; X_1 = Resource Utilization and e = Error term. Table 5 shows the model coefficients resulting from coefficient result of resource utilization and strategy implementation in VTC in Bungoma County. To establish statistical significance of respective hypothesis, multiple linear equation regression analysis was conducted at 95% confidence level ($\alpha = 0.05$). Since the p-value (.000) and $\beta = 0.311$ is less than 0.05 hence. The fitted model equation: Strategy implementation = 2.386 + 0.311X1 + e hence, resource utilization significantly contributes to the strategy implementation.

5. Summary, Conclusion and Recommendation

The study sought to establish the influence of resource utilization on strategy implementation in VTC centers in Bungoma County, Kenya. The findings of the study indicated that resource utilization has a statistically significant effect on strategy implementation in VTC centers in Bungoma County, Kenya. Various aspects of resources utilization were found to have a direct relationship with strategy implementation including the utilization of technological resources, enough budgetary allocation, proper resources application and finding value in human resources. However, the study established that the sub variables had a mean of 3 point out of five which implied that resource utilization has not been fully embraced as a factor that would help in the process of strategy implementation.

From the findings, the study concluded that appropriate strategy implementation in an organization should be well aligned to the various resources which should be well utilized to realize the desired goal for the strategic plans in place. This therefore implies that the management of the organization should prioritize proper utilization of resources through fighting aspects like misplaced priorities, corruption, politicization of resource allocation and utilization processes and budgetary allocations that are worth implementation of the formulated strategic plan.

The study recommended that for effective utilization resources by the VTC in Bungoma county, the university leadership, the county government and the national

government should strengthen the oversight team to oversee resource utilization and bring to book any misconduct on organization resources like corruption. Additionally, the university should deploy managers with strategic touch to help in directing resource utilization for effective and successful strategy implementation. Lastly, the university should do away with the element of internal and external politics and focus on delivery which is only achieved successful strategy implementation process.

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