



INTERNAL GROWTH STRATEGIES AND PERFORMANCE OF KENYA PRISONS ENTERPRISE

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ABSTRACT

Recently, much attention has been paid to internal development plans and organizational success. The focus is on business development, product development, market entry and diversification strategies as a lineage for the organization's internal growth, in response to growing interest in both the local and global market. Previous studies have confirmed simple direct links that are not integrated with other contextual features of the market, as supported by several theoretical arguments in favor of such links. If implemented properly, these strategies can contribute to a company's sustainable competitive advantage. This study examined the effect of internal growth strategies on the performance of the Kenya prison enterprise at the Shimo La Tewa Prison. A particular focus was to determine the impact of market development, product development, market entry, and diversification on performance. The research variables were anchored on resource-based view theory. A cross-sectional descriptive analysis design guided the investigation. Prison officers at the management and artisan levels were randomly recruited using stratified sampling as the target population. Primary data was collected using structured questionnaires. Data analysis was conducted using descriptive and inferential statistics. Market development strategies ($\beta=0.349$, $p=0.000$), market penetration strategies ($\beta=0.183$, $p=0.009$), diversification strategies ($\beta=0.157$, $p=0.010$), and product development strategies ($\beta=0.325$, $p=0.000$) were found to have a positive and significant relationship with the performance of Kenya Prisons enterprise. From the findings, the study concluded that market development strategies, product development strategies, market penetration strategies and diversification strategies have a positive and significant influence on the performance of Kenya Prisons enterprise. The study recommended that firms should emphasize on internal growth tactics such as product and market advancements in bid to ensure that their internal capabilities drive their competitiveness through the roof. In extension, methods involving diversification has been acknowledged by other scholars to induce an element of spreading risks. Therefore, firms could leverage the idea and mitigate short- and long-term risks via product and market diversification.

Keywords: Internal Growth Strategies, market penetration, market development, product development, diversification strategies, organizational performance, Kenya Prisons Enterprise

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INTRODUCTION

Organizational effectiveness is seen as the most important criterion for evaluating the actions and environment of the organization (Habermann & Schulte, 2017). The capacity of the organization to execute its goal through sound control practices, powerful governance, and a persistent dedication to achieving the intended outcomes (Abdi & Kinyua, 2018). According to the arguments of Pobegaylov, Myasishchev, and Gaybarian (2016), the ability to update and maintain high-level organizational efficiency, effectiveness, and efficiency is a critical concern that today's leaders must face.

Hatane (2015) also claims that the idea of success is linked to the growth of company capital in an ever-changing market climate and global economy. Kaplan and Norton (2007) update their theoretical prescriptions for assessing performance in four dimensions to provide a more balanced integration of financial and non-financial indicators of organizational performance.

Several researchers have used income, return on investment, and return on funding for commercial enterprise overall performance (Akhavan & Mehdi, 2015; Huang, Meschke & Guthrie, 2015). Because finance is the fundamental resource, financial measurements exist at all levels of the organization, but nonfinancial indicators like as new products, product improvement, the speed with which new processes adapt to market crises have been discounted by other academics. Non-financial metrics are more reliable than financial indexes, which have limited implications for future operations (Sifuna, 2014).

The relationship between organizational characteristics and the nature of its growth strategy has been studied by Dang, Houanti, and Bonnard (2016). A business can grow in two ways, either through mergers and acquisitions, or by increasing its own wealth by reinvesting its cash flow in an existing company. For a variety of purposes, internal growth gives the company more control, promotes internal entrepreneurship, and safeguards the organizational culture. Managers

have a better view of the company's assets and reinvestment, and exploiting synergies can also be costly, which in turn makes it more attractive to invest in firms (Plaskova et al., 2019).

Internal growth strategies are more personal and show fewer hostile actions by competitors, resulting in better rewards in the capital market (Wanjiru & Gongera, 2015). Internal growth strategy is usually defined as the level of organizational growth, excluding the increase in the size of acquisitions, mergers and acquisitions (Jayawarna & Dissanayake, 2019). Domestic expansion is accomplished by offering more goods to existing consumers (market penetration) as well as selling products to new customers. Companies that rely upon inner boom accomplish most people in their expansion via enhancing and expanding existing customer relationships. Most notably, capital markets support the internal development plan (Velasco-Gutiérrez et al., 2020). In this research, internal growth strategy is defined as market penetration, market development, product development and diversification.

Kenya Prisons Enterprise Corporation was established through a State Corporation Act (Cap.446) to take over the running and management of all assets and liabilities of the defunct KPE. Its objective is management of all assets and resources, developing and maintaining a meaningful work program to fully utilize prison labour and finally engaging with any public or private organization to further its objectivity (Kenya Prison Enterprise Corporation Order, 2018). The creation of the new organization means that all inventions, reading and writing skills, artwork, designs, symbols, names and images are generated during the course of the program, regardless of whether they are in the funds and exams (Prison Industry Fund) and Exchequer and Audit belong to the company, unless expressly provided for in a contractual obligation (KPECO, 2018). Shimo la Tewa industries was established in the early 1960s with its core functions being manufacture of furniture,

metallic products, construction works, farm products and mat making.

Statement of the Problem

Kenya prison industries products performance in the market has been on a downward trend for several years prompting an internal audit commissioned by the national treasury to the Kenya Prisons Enterprise for the financial year 2018-2019. It revealed that prisons industries were on the verge of insolvency and could not sustain their operation as the managers were also turning their eyes away from a loss-making robust vehicle number plate section, furniture and farm produce sections (Ministry of interior and national coordination report, 2019). The prison enterprise was projected to raise 246 million ksh in revenue but it could only manage 147 million ksh, which was a sharp shortfall of over 98 million ksh. At the same time the budgeted expenditure was 234 million ksh with an actual expenditure amount of only 130million ksh (Auditor general report, 2019). At the start of each financial year, the Kenyan government sets targets for prison enterprises to meet, along with the ability to spend money based on the previous year's performance (Prisons industries report, 2012). The importance of prison enterprises to the Kenyan economy, according to Aidati (2010), cannot be overstated.

There has been very little research into the relationship between internal growth plans and the performance of Kenyan correctional firms. Studies such as Chu-mei (2014) indicated contextual gaps since they were conducted in different contexts from the current study. For instance, Chu-mei (2014) was carried out in Thailand, which is a different context from Kenya. Local studies such as (Mwangi, 2015; Muturi & Mbithi, 2015) focused on other industries such as manufacturing and sugar industry. Further, there exist methodological gaps since some studies (Gladson Nwakoh & Ofoeghu, 2009; Akintoye, Ajolabi & Akamoli, 2015) relied on descriptive statistics and neglected the use of inferential statistics. Descriptive statistics can only be used to describe the properties of the research

variables; they can't be used to assess the relationship between them. Inferential statistics were utilized in this study to determine the relationship between the study variables. As a result, the goal of this research was to fill up some of the gaps in the literature by investigating the impact of market penetration, market development, product development, and diversification strategies on the performance of Kenyan prison entrepreneurs.

LITERATURE REVIEW

Resource Based View

This emphasizes the significance of internal capital within the commercial enterprise and their use in growing techniques to maintain a long-term competitive facet within the enterprise (Schroeder et al., 2002). According to Pobegaylov et al. (2016), an agency is a group of actual and intangible resources, along with physical, financial, non-economic, social or human, technical, and highbrow belongings, that enables to create fee for clients. Intangible resources are created in part due to complex social dimensions, making them difficult to reproduce and thereby gaining a competitive advantage.

Edith Penrose is credited with being the founder of organizational RBV (Penrose, 1959), which was later developed by other scientists (Wernerfelt, 1984; Barney, 1991). RBV examines why some businesses thrive and others struggle in the market from the inside out (Dickson, 1996). Organizational skills and talents, according to this theory, aid in the development of new goods and markets (Mungai, 2012).

RBV makes use of its capital and operational capabilities to create and maintain a competitive advantage that lasts (Madhani, 2010). The RBV focuses on the organization's characteristics and qualities rather than the industrial organization model's role. Organizational resources that VRIN are valuable, scarce, inimitable, and irreplaceable (Barney, 1991) have been observed to allow organizations to create and retain competitive

advantage, as well as achieve ostensibly excellent business outcomes (Wernefelt, 1984, Grant, 1991; Collis & Montogenry, 1995).

Organizational capital vision considers qualities such as expertise, tradition, and previous organizational competencies to be critical for improving efficiency and achievement (Hamel & Prahalad, 1994; Campbell & Luch, 1997). According to Barney (1991), resources are useful when they assist an organization in developing or implementing a strategic or execution plan that improves its productivity and effectiveness. As a result, RBV provides a theoretical foundation for internal growth strategies including market growth, product creation, and diversification.

Empirical Review

Mbithi, Muturi and Rambo (2015) investigated the impact of product production strategies on the sugar industry's productivity in Kenya. The research design is a cross-sectional study with descriptive data to enable hypothesis testing that leads to objective conclusions (Cooper & Schindler, 2003). The survey was conducted on nine (9) sugar companies from all sugar belt areas with 120 respondents. Targeted samples and statistics were requested for data analysis. The study concludes that there are mixed results showing a low (increased capacity utilization) and high (income) relationship. Regression testing, on the other hand, revealed a shaky connection between product creation and all aspects of effectiveness. The generalizability of the findings and conclusions cannot be supported due to contextual variations between the research under consideration and the current analysis.

Oladimeji and Udosen (2019) looked back twenty years to see how diversification strategies affected the success of Nigerian stock exchange organizations (1997-2020). The survey included thirty-one respondents who were added to the NSE list of organizations, with a sample size of six organizations chosen explicitly for their longevity and degree of diversification. Ratio analysis is used to establish and test three assumptions concerning

ROI and ROE, organizational size, organizational value and development, and leverage and liquidity. The data is taken from the organization's financial statements. Diversification results in boom and profitability (20%) and a sturdy capital shape to cover liabilities (26%), in step with the report, whereas diversification is a strategic instrument to reap organizational relevance and spontaneous illustration. However, the sample size of six is too small to measure data and primary data are only collected from financial reports.

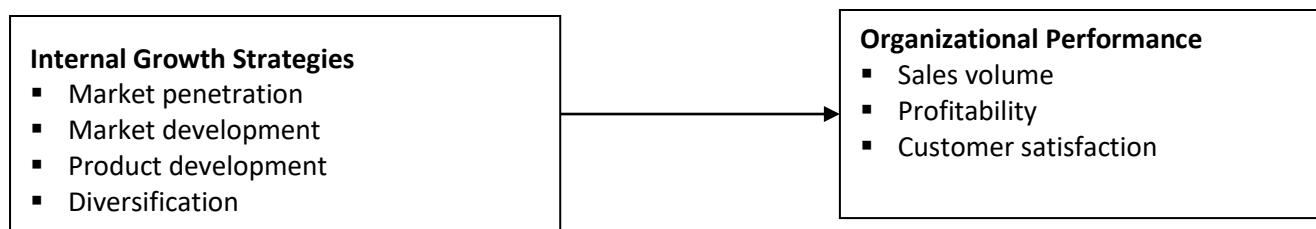
Another research by Elisheba and Luvasi (2019) on impact of market penetration strategy on the performance of Telekom Kenya restricted in Nairobi City County. Descriptive studies design become employed with the focused population being seventy-five respondents throughout the enterprise branches in Nairobi. The primary data was collected via questionnaire and both content validity and reliable validity tests assessed by use of Cronbach alpha. Researcher use descriptive statistics like mean, standard deviation, and graphs, as well as statistical regression to evaluate data. According to the findings, joining the market had a major positive effect on results.

Mbithi et al. (2015) looked at how market development strategies affected the sugar industry's efficiency in Kenya. With a target audience of 120 respondents and a total sample of 9 workers, both middle and senior managers, the study was conducted using a cross-sectional study design. The result of this study is that the market development strategy has been operationalized in such a way that the market is expanded to new geographic areas and new market segments are opening up targeting old non-consumers. Capacity utilization increased by 8.6% and sales volume increased by 5.6 percent as a result of the new market segment. The market for sugar becomes competitive and saturated with little interest and therefore a market development strategy alone cannot make a significant contribution to the performance of a sugar company because other factors must be taken into account. Contextual

differences between the research under study and the present study cannot support the generalizability of the results and conclusions.

Conceptual Framework

The interrelationship of the independent and dependent variables completes the framework for positive expected results as indicated in Figure 1.



Independent Variable

Dependent Variable

Figure 1: Conceptual Framework

Source: Author (2021)

METHODOLOGY

A cross-sectional descriptive analysis design guided the investigation. Prison officers at the management and artisan levels were randomly recruited using stratified sampling as the target population. Primary data was collected using structured questionnaires. The characteristics of the study variables were defined using descriptive statistics such as frequency, percentage, mean, and standard deviation. The relationship between the independent and dependent variables was established using inferential statistics such as correlation and multiple regression analysis. Data was described in the form of graphs and tables.

RESULTS AND DISCUSSION

Descriptive analysis

Descriptive statistics was done to show the synopsis in the findings by simply including, percentage, mean and standard deviation.

Market Development Strategies

The respondents were requested to respond to each of following statements regarding market development strategies. Table 1 shows the outcome.

Table 1: Descriptive statistics Market development strategies

Indicators	1	2	3	4	5	Mean	S D
We value effective communication skills as tools for market expansion.	0%	0%	40%	49%	12%	3.72	0.67
We focus on improving the quality of our products and services.	0%	13%	28%	44%	16%	3.62	0.90
We consider in-depth market engagement as key to increased market development.	6%	6%	31%	11%	47%	3.86	1.24
We focus on improving our products size	0%	0%	6%	61%	33%	4.27	0.56
We value effective leadership as tools for market expansion.	0%	6%	22%	11%	61%	4.28	1.00
We focus on packaging modification of products and services.	0%	0%	16%	50%	34%	4.18	0.68
Average						3.99	0.84

5=Strongly Agree 4=Agree 3=Not Sure 2=Disagree, 1=Strongly Disagree, M = Mean and S D = Standard Deviation

Table 1 indicated that 61% of the respondents agreed that they value effective communication skills as tools for market expansion (mean=3.72 ≈4, SD=0.67). The results also show that 60% of respondents (mean=3.624, SD=0.90) agree that they focus on enhancing the quality of their products and services. The findings also show that 58 percent of respondents feel that in-depth market interaction is important for enhanced market development (mean=3.864, SD=1.24).

The results indicate that 94% of the respondents agreed that they focus on improving their products size (mean=4.27≈4, SD=0.56). According to the findings, 72 percent of respondents value strong leadership as a vehicle for market expansion (mean=4.284, SD=1.00). According to the findings, 84 percent of respondents acknowledged that they focus on product and service package change (mean=4.184%, SD=0.68).

Finally, when examined on a scale of five points, the average mean of the responses was 3.99, with a standard deviation of 0.84. This indicates that the majority of respondents believe that market development strategies are critical to organizational success. The findings agree with Samuel (2016) who

conducted a study with the aim of evaluating multinational pharmaceutical companies' business growth strategy and performance in Kenya. Samuel established that companies based in Kenya performed the best on certain performance indicators including employee training, customer satisfaction, annual sales growth, employee innovation, operational efficiency, employee retention, efficiency and profitability. The results of the study concluded that development of the market of pharmaceutical companies led a positive correlation with various performance indicators. According to Mbithi et al. (2015) market development strategy implies that the market is expanded to new geographic areas and new market segments are opening up targeting old non-consumers. However, due to increased competition and saturation in the market, therefore a market development strategy alone cannot make a significant contribution to the performance.

Market Penetration Strategies

The respondents were asked use the Likert scale to rate the extent to which they agree with the following statements on market penetration strategies. The results are presented in Table 2.

Table 2: Descriptive statistics for market penetration strategies

Indicators	1	2	3	4	5	Mean	S D
Our organization providers low prices of commodities.	0%	0%	40%	28%	33%	3.93	0.85
We engage in vibrant promotional activities.	0%	6%	22%	11%	61%	4.28	1.00
Our organization has the necessary resource capabilities.	0%	0%	11%	62%	27%	4.16	0.60
We conduct business environment scanning.	18%	11%	11%	27%	34%	3.48	1.49
We engage in targeted promotional activities.	0%	6%	6%	46%	43%	4.25	0.82
Our product prices are highly competitive	11%	11%	5%	45%	29%	3.69	1.29
Average						3.97	1.01

5=Strongly Agree 4=Agree 3=Not Sure 2=Disagree, 1=Strongly Disagree, M = Mean and S D = Standard Deviation

Table 2 indicated that 61% of the respondents indicated that their company vendors low costs of commodities (mean=3.93≈4, SD=0.85). Likewise, 72% of the respondents indicated that they have interaction in vibrant promotional activities (mean=4.28≈4, SD=1.00). The consequences

additionally imply that 89% of the respondents indicated their organisation has the necessary resource talents (mean=4.16≈4, SD=0.60).

The effects imply that 61% of the respondents agreed that they carry out commercial enterprise

surroundings scanning (mean=3.50~4, SD=1.49). Moreover, 89% of the respondents indicated that they engage in focused promotional sports (mean=4.25~4, SD=0.82). The effects imply that 74% of the respondents agreed that their product prices are exceptionally aggressive (mean=3.69~4, SD=1.29). In end, the common mean of the responses was 3.97 when considered on a scale of five points imparting a fashionable deviation of

1.01. This indicates that almost all of the respondents agreed that the factors of market penetration strategies play a critical function in organizational overall performance.

Diversification Strategies

The respondents were asked to use the Likert scale to rate the extent to which they agree with the following statements on diversification strategies. The results are presented in Table 3.

Table 3: Descriptive statistics for diversification strategies

Indicators	1	2	3	4	5	Mean	S D
We have ventured into different products.	5%	10%	24%	32%	30%	3.71	1.14
We encourage pooling of organization resources together.	0%	8%	14%	41%	38%	4.08	0.91
We offer differentiated products to our customers.	9%	2%	16%	29%	45%	3.98	1.22
We are keen on sticking to our core business.	2%	8%	6%	27%	57%	4.30	1.03
We provide new and unrelated products and services to our customers.							
We add new products to complementary to the existing products.							
	7%	4%	23%	41%	26%	3.74	1.10
	17%	7%	9%	29%	39%	3.65	1.47
Average						3.91	1.15

5=Strongly Agree 4=Agree 3=Not Sure 2=Disagree, 1=Strongly Disagree, M = Mean and S D = Standard Deviation

Table 3 showed that 62% of respondents agree that they dare to use other products (mean = 3.71~4, SD = 1.14). The results also show that 79% of respondents agree to encourage pooling of organizational resources (mean = 4.08~4, SD = 0.91). The results also show that 74% of respondents agree to offer different products to their customers (mean = 3.98~4, SD = 1.22).

The results showed that 84% of respondents agreed that they wanted to stay in their main job (mean value 4.30~4, SD = 1.03). The results show that 67% of respondents agree to offer new and unrelated products and services to their customers (mean = 3.74~4, SD = 1.10). The results showed that 68% of respondents agreed to add new products to complement the existing products (mean = 3.65~4, SD = 1.47).

In conclusion, the average answer when viewed on a five-point scale is 3.96, which translates to a standard deviation of 0.87. This means that the majority of respondents agree that aspects of the diversification strategy play an important role in business performance. This result is in accordance with Oladimeji and Udosen (2019) who found that diversification leads to growth and profitability and a stable capital structure to cover liabilities, while diversification is a strategic tool to achieve organizational interests and spontaneous representation.

Product Development Strategies

The respondents were asked to use the Likert scale to rate the extent to which they agree with the following statements on product development strategies. The results are presented in Table 4.

Table 4: Descriptive statistics for Product development strategies

Indicators	1	2	3	4	5	Mean	S D
Our organization has undergone product redesigning.	0%	0%	16%	50%	34%	4.18	0.68
There has been great improvement of production technology in our organization.	0%	0%	6%	46%	49%	4.43	0.61
Our employees go through refresher trainings regularly.	6%	11%	12%	28%	44%	3.92	1.24
There has been continuous quality improvement in our organization.	0%	0%	45%	28%	28%	3.83	0.84
We have invested in research & development of products and services.	12%	15%	28%	6%	40%	3.90	1.16
There has been improvement in our operational processes and systems.	0%	0%	40%	49%	12%	3.72	0.67
Average						3.83	0.87

5=Strongly Agree 4=Agree 3=Not Sure 2=Disagree, 1=Strongly Disagree, M = Mean and S D = Std. Deviation

Table 4 indicated that 84% of the respondents agreed that their business enterprise has gone through product remodeling (mean=4.18≈4, SD=0.68). The results additionally imply that 95% of the respondents agreed that there has been fantastic improvement of manufacturing technology in their company. (Mean=4.43≈4, SD=0.61). The outcomes additionally shows that 72% of the respondents agreed that their employees go through refresher trainings regularly (mean=3.92≈4, SD=1.24).

The results showed that 56% of respondents agreed with continuous quality improvement in their organization (mean = 3.83≈4, SD = 0.84). The results showed that 46% of respondents agreed to invest in research and development of products and services (mean = 3.90≈4, SD = 1.16). The results show that 61% of respondents agree that their operational

processes and systems have been improved (mean = 3.72≈4, SD = 0.67).

In conclusion, the average mean of the responses was 3.83 when viewed on a scale of five points presenting a standard deviation of 0.87. This implies that the majority of the respondents agreed that the aspects of product development strategies play an essential role in organizational performance. These findings corroborate those of Szutu (2010) who suggested that there is a positive relationship between product development and product effectiveness.

Organizational Performance

The respondents were asked to use the Likert scale to rate the extent to which they agree with the following statements on organizational performance. The results are presented in Table 5.

Table 5: Descriptive statistics for organizational performance

Indicators	1	2	3	4	5	Mean	S D
There has been improvement in organization's sales.	0%	0%	40%	49%	12%	3.72	0.67
There has been improvement profit margin.	0%	0%	6%	46%	49%	4.43	0.61
There has been improvement in customer base.	6%	11%	12%	28%	44%	3.92	1.24
There has been improvement in our organization's customer satisfaction level.	0%	0%	45%	28%	28%	3.83	0.84
Organization has experienced improved customer loyalty.	0%	6%	22%	11%	61%	4.28	1.00
Our operational cash flow has increased overtime.	0%	0%	16%	50%	34%	4.18	0.68
Average						4.06	0.84

5=Strongly Agree 4=Agree 3=Not Sure 2=Disagree, 1=Strongly Disagree, M = Mean and S D = Standard Deviation

Table 5 showed that 61% of the respondents disagreed that there was development in their company's income quantity (mean=3.72≈4, SD=0.67). The outcome also implies that 95% of the respondents disagreed that there has been improvement of their business enterprise's profit margin (mean=4.43≈4, SD=0.61). The consequences also imply indicates that 72% of the respondents agreed that there has been improvement of their employer's patron base (mean=3.92≈4, SD=1.24).

The outcomes imply that 56% of the respondents disagreed that there was development of their organization's customer pleasure degree (mean=3.83 ≈4, SD=0.84), 72% of the respondents disagreed that their corporation has skilled advanced purchaser loyalty (mean=4.28≈4, SD=1.00). The outcomes imply that 84% of the respondents disagreed that their operational cash float has increased time beyond regulation (mean=4.18≈4, SD=0.68).

The averages score of the responses turned into 4.06 whilst viewed on a scale of five factors imparting a popular deviation of 0.84. This means that the majority of the respondents indicated that the organizational performance of Shimo la tewa prison industries had been fairly proper. The findings agree with Pobegaylov, Myasishchev, and Gaybarian (2016) who state that the ability to update and maintain high-level organizational efficiency, effectiveness, and efficiency is a critical concern that today's leaders must face. Hatane (2015) also claims that the idea of success is linked to the growth of company capital in an ever-changing market climate and global economy

Inferential statistics

Correlation and regression analysis outcomes are presented in this section.

Correlation Analysis

The Pearson correlation coefficient was used to determine the association between the variables and the findings are shown in Table 6.

Table 6: Correlation Matrix

Correlations		Organizational Performance	Market Development Strategies	Product Development Strategies	Market Penetration Strategies	Market Diversification Strategies
Organizational Performance	Pearson Correlation Sig. (2-tailed)	1				
Market Development Strategies	Pearson Correlation Sig. (2-tailed)	.514** 0.000	1			
Product Development Strategies	Pearson Correlation Sig. (2-tailed)	.643** 0.000	0.103 0.306	1		
Market Penetration Strategies	Pearson Correlation Sig. (2-tailed)	.612** 0.000	.453** 0.000	.475** 0.000	1	
Diversification Strategies	Pearson Correlation Sig. (2-tailed)	.639** 0.000	.249* 0.012	.636** 0.000	.552** 0.000	1

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

Table 6 showed that market development strategies have a good and substantial relationship with the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries ($r=0.514^{**}$, $p=0.000$). The r value of 0.514 suggests that the variable is linear and has a positive relationship with the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. The findings agree with Samuel (2016) who conducted a study with the aim of evaluating multinational pharmaceutical companies' business growth strategy and performance in Kenya. Samuel established that companies based in Kenya performed the best on certain performance indicators including employee training, customer satisfaction, annual sales growth, employee innovation, operational efficiency, employee retention, efficiency and profitability. The results of the study concluded that development of the market of pharmaceutical companies led a positive correlation with various performance indicators. According to Muturi and Mbithi (2015) market development strategy implies that the market is expanded to new geographic areas and new market segments are opening up targeting old non-consumers. However, due to increased competition and saturation in the market, therefore a market development strategy alone cannot make a significant contribution to the performance.

The results further show that product development strategies and the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries have a positive and significant relationship ($r=0.643^{**}$, $p=0.003$). The r value of 0.643 suggests that the product development strategies are a linear variable that has a positive relationship with the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. The findings agree with Szutu (2010) who suggested that there is a positive relationship between product development and product effectiveness.

Table 7: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.816a	0.666	0.652	0.147

a Dependent Variable: Organizational performance

The findings also reveal a good and substantial association between market penetration tactics and the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries ($r=0.612^{**}$, $p=0.000$). Market penetration tactics are a linear variable with a positive relationship with the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries, as indicated by the r value of 0.612, which indicates a value larger than 0. The findings are consistent with Akintoye, Ajolabi and Akamoli (2015) that market penetration strategy enhances performance by increasing the market share with the lowest risk factor. According to Elisheba and Luvasi (2019), joining the market has a major positive effect on results.

The findings also demonstrate a good and substantial association between diversification methods and the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries ($r=0.639^{**}$, $p=0.003$). Diversification techniques are a linear variable that has a positive relationship with the success of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries, as indicated by the r value of 0.639. These findings are consistent with Oladimeji and Udosen (2019) who noted that diversification leads to growth and profitability and a robust capital structure to cover liabilities, whereas diversification is a strategic instrument to achieve organizational relevance and spontaneous representation. Mwangi (2016) also reported that product diversification, market diversification and domestic growth have a significant positive relationship with firm's success.

Multiple Linear Regression Analysis

Multiple regression analysis was conducted to determine the effect of internal growth strategies on performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. The findings are shown in Tables 7, 8 and 9.

b Predictors: (Constant), Diversification strategies, market development strategies, product development strategies, market penetration strategies

The results in Table 7 represent the fit of the regression with the described research phenomenon. The results show that market development strategies, product development strategies, market entry strategies and diversification strategies are very important for

running prisons in Kenya - Shimo la Tewa prison company. This is evidenced by the R square value which is 0.666 implying that all the four factors explain 66.6% of the growth of social enterprises in Kenya.

Table 8: ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	4.126	4	1.031	47.755	.000b
Residual	2.073	96	0.022		
Total	6.199	100			

a Dependent Variable: Organizational performance

b Predictors: (Constant), Diversification strategies, market development strategies, product development strategies, market penetration strategies

The model was statistically significant, implying that all drivers have an impact on the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries, as shown in Table 8. F statistic = 47.755 >

F critical = 2.47, which showed that the result was greater than the critical value at the 0.05 significance level (4, 96).

Table 9: Regression of Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	β	Std. Error	Beta		
(Constant)	0.482	0.287		1.68	0.096
Market development strategies	0.349	0.066	0.354	5.278	0.000
Market penetration strategies	0.183	0.047	0.141	1.775	0.009
Product development strategies	0.325	0.064	0.402	5.087	0.000
Diversification strategies	0.157	0.060	0.217	2.634	0.010

a Dependent Variable: Organizational performance

Market development strategies and the success of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries have a positive and substantial link ($\beta=0.349$, $p=0.000$), according to regression of the coefficients found in Table 9. This means that a 0.349-unit improvement in one area of market development strategies improves the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. The findings corroborate those of Samuel (2016) who conducted a study with the aim of evaluating multinational pharmaceutical

companies' business growth strategy and performance in Kenya. Samuel established that companies based in Kenya performed the best on certain performance indicators including employee training, customer satisfaction, annual sales growth, employee innovation, operational efficiency, employee retention, efficiency and profitability. The results of the study concluded that development of the market of pharmaceutical companies led a positive correlation with various performance indicators. According to Muturi and Mbithi (2015)

market development strategy implies that the market is expanded to new geographic areas and new market segments are opening up targeting old non-consumers. However, due to increased competition and saturation in the market, therefore a market development strategy alone cannot make a significant contribution to the performance.

The results also revealed that market penetration strategies and the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries have a positive and significant relationship ($\beta=0.183$, $p=0.009$). This means that by improving one unit of market penetration techniques, the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries improves by 0.183 units. The findings agree with Akintoye, Ajolabi and Akamoli (2015) that market penetration strategy enhances performance by increasing the market share with the lowest risk factor. According to Elisheba and Luvasi (2019), joining the market has a major positive effect on results.

The results further revealed that product development strategies and the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries have a positive and significant relationship ($\beta=0.325$, $p=0.000$). This means that a 0.325-unit improvement in one component of product development methods improves the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. These findings corroborate those of Szutu (2010) who suggested that there is a positive relationship between product development and product effectiveness.

Finally, the results revealed that diversification strategies and the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries have a positive and significant relationship ($\beta=0.157$, $p=0.010$). This means that improving the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries by 0.157 units by reducing one unit of diversification techniques. These findings are consistent with Oladimeji and Udosen (2019) who noted that diversification leads to growth and profitability and a robust capital

structure to cover liabilities, whereas diversification is a strategic instrument to achieve organizational relevance and spontaneous representation. Mwangi (2016) also reported that product diversification, market diversification and domestic growth have a significant positive relationship with firm's success.

The model was as shown below:

$$Y = 0.349X_1 + 0.183X_2 + 0.325X_3 + 0.157X_4$$

Where:

Y= Organizational Performance, X_1 = Market Development Strategies, X_2 = Market Penetration Strategies, X_3 = Product Development Strategies, X_4 = Diversification Strategies

CONCLUSION AND RECOMMENDATIONS

From the findings, the study concluded that market development strategies, product development strategies, market penetration strategies and diversification strategies have a positive and significant influence on the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. The study concluded that the relationship between market development strategies and performance is dependent on effective communication skills, the quality of our products and services, in-depth market engagement as a key to increased market development, increasing the size of our products, effective leadership, and a focus on product and service packaging modification. Likewise, market penetration strategies have been concluded to be grounded favourable prices of commodities, vibrant promotional activities, the necessary resource capabilities, proper business environment scanning, engaging targeted promotional activities and ensuring product prices are highly competitive.

The study also concluded that venturing into different products, encouraging pooling of organization resources together, offering differentiated products to our customers, sticking to the firms' core business, providing new and unrelated products and services to customers and addition of new products to complement the

existing products are prolific elements that encourage the culture of diversification. Furthermore, product development strategies have been found to flourish on the basis of product redesigning, improvement of production technology, regular employee training, continuous quality improvement, investment in research & development and improvement in our operational processes and systems.

Market development strategies have been found to have the highest contributory role in the model, while diversification strategies have presented the weakest positive contribution towards the performance of Kenya Prisons Enterprises-Shimo la Tewa Prisons industries. This call for concern that

the firms need to invest and put more attention on their market development strategies for better performance of their firms. Likewise, firms ought to put more effort in the concerns of diversification strategies in order to upgrade their competitiveness and thus, the overall performance.

Firms should emphasize on internal growth tactics such as product and market advancements in bid to ensure that their internal capabilities drive their competitiveness through the roof. In extension, methods involving diversification has been acknowledged by other scholars to induce an element of spreading risks. Therefore, firms could leverage the idea and mitigate short- and long-term risks via product and market diversification.

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