

Strategic Positioning, Demographic Characteristics and Business Performance of Mobile Telecommunication Companies in Kenya

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Abstract: *The aim of this study was to establish the moderating effect of demographic characteristics as an influence of strategic positioning on business performance of mobile telecommunication companies in Kenya. The study was fundamentally divided into three parts. First, the influence of strategic positioning on firm's performance was examined. Second, organisational philosophy as an intervening variable along with demographic characteristic was determined. Third, the co-alignment joint effect of organisational philosophy and demographic characteristics on the relationship between strategic positioning and performance of mobile telecommunication companies in Kenya was determined. The adherence to ideal profile was taken as co-alignment for this study. This study was premised on Human Capital Theory and Resource Based View; which states that the strategic positioning alternatives available to firms are limited by their resources and capabilities. A combination of explanatory design and descriptive survey research design, specifically cross sectional design was used. Descriptive statistics was used to summarize data while inferential statistics, specifically Pearson correlation coefficient and multiple linear regression was used to test the research hypotheses. It was found that huge gender disparities still exist and gender did not statistically influence performance. The study findings support age consideration of managers as a factor that affects the organisation performance and managers with higher education level and experiences had greater chances of performing exceptionally with also a significant influence that performance improved steadily with their length of service in the company. Mean scores obtained from the four mobile firms differed statistically from each other therefore the study established that ownership structures of a company are a significant influence to performance. The interaction of the moderating effect accounted for a significantly higher variance in demographic characteristics and business performance by R^2 change .039, $p = .001$, indicating there was a significant moderation effect between independent and dependent variable. The study established that managers' performance is highly related to both the skills of the individual worker and the interpersonal supports available within the organization.*

Keywords: Demographics Characteristics, Mobile telecommunication companies, organisational Philosophy, Performance, Strategic positioning

1. Introduction

Strategy entails decision-making at the highest level of the organization for a differential advantage used by an organisation to compete as a dimension of strategic positioning with the major focus of determination of the businesses a firm should be involved in and allocation of resources to those businesses. Strategic positioning of organization and environment are important determiner of how organizations are able to attract high level skills and expertise from their managers and thus tend to outperform their rivals in their undertakings. Managers in the mobile phone telecommunication industry are critical in yielding high performance in their specific organizations as linkages between demographics and strategic positioning mutually reinforce one another, change over time and can be integrated to create value and provide a basis for understanding the industry.

Demographic characteristics evoke differential expectations among the employees and as such priority should be given to an individual's demographic characteristics as opposed to institutionalized or generalized factors. Demographic characteristics are increasingly recognized and utilized as an important organizational resource; intricately tied to their ability to design, master and withstand individuals' unique personal traits or attributes ascribed, innate or learned, observable or cognitive and specific to concerned organisation. Awareness of demographic, dispositional and sociocultural differentiations that employees face is a critical

phenomenon for managers so as to utilize differentiations and minimize their adverse effects (George and Chattopadhyay, 2002; Erdoğan, Kraimer and Liden, 2004). Although each industry may have its own set of unique conditions and particularities, a number of fundamental business strategies can be generalized to assist managers with strategic positioning. In the light of telecommunication industry, the importance of an organisations workforce has become more apparent in an increasingly competitive technology-based environment. Organisational philosophy is the personality or character of an organisation which determines its relationship with the employees. Organisational philosophy is culturally embedded on assumptions manager's hold in relation to human nature and human behaviour that inform their thinking and managerial practice (Koprowski, 1981) The corporate strategy; through its management, should provide guidance, direction, leadership and finally set an example to subordinates in an environment that leads to productive employees.

1.1 Statement of the problem

Almost all existing studies on strategic positioning are limited in both scale and scope. In particular, country-wide evidence on mobile telecommunication has not been presented in earlier literature. No study known to the researcher has been undertaken on the joint influence of demographic characteristics, organisational philosophy, strategic positioning and performance in the mobile

telecommunication companies in Kenya. The aforementioned aspects are propositions emerging from the theoretical and empirical gaps. This study empirically demonstrates that co-alignment of key demographic characteristics, organisational philosophy, strategic positioning can be examined by operationalizing it as the lack of correspondence between the profile of the top performing strategically positioned firm and other firms strategic configurations. The study bridged the knowledge gaps through theoretical, contextual and methodological lines. In addressing this gap, this study attempted to answer the following question; how are demographic characteristics of employees an Influence of strategic positioning on performance in the mobile telecommunication companies in Kenya as intervened by organisational philosophy?

1.2 General Objective

The general objective of this study was to investigate the moderating effect of demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya as intervened by organisational philosophy.

1.2.1 Specific Objectives

The specific objectives were to:

- 1) Determine the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.
- 2) Establish the intervening effect of organisational philosophy on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.
- 3) Establish the moderating effect of demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.
- 4) Establish joint effect of organisational philosophy and demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.

1.3 Research Hypothesis

Ho₁: There is no statistically significant relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.

Ho₂: There is no statistically significant intervening effect of organisational philosophy on the relationship between strategic positioning, and business performance of mobile telecommunication companies in Kenya.

Ho₃: There is no statistically significant moderating effect of demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.

Ho₄: There is no statistically significant joint effect of organisational philosophy and demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.

1.4 Study Justification

Strategic positioning was proposed as the strategy of choice as firms strive to be adaptive in an increasingly competitive and changing environment. The Mobile Telecommunication industry was researched since this is a market with rapid technological changes. Fierce competition, changing demographics, changing technology and stringent competition regulations create differential advantages in term of demographic characteristics. This study introduces the moderating influence of demographic characteristics in the strategic positioning framework for Kenya mobile telecommunication firms which has never adopted previously by others. Thus this study should help reinforce the framework's recognition as a rigorous theory of strategic management. Through the study, the researcher provides insights and contributes to greater understanding of how mobile phone operators in Kenya compete with each other in terms of their strategy.

1.5 Significance of the Study

This study develops the insight and a model of assessment of demographic characteristics that should enable the mobile telecommunication companies, policymakers, practitioners and students for evaluating their contributions in terms of their performance. The motivation behind this study was related to uncover the benefits demographic characteristics in the mobile telecommunication industry and in particular Kenya. Managers in respective mobile firms will add qualitative knowledge to already existing facts about the mobile phone telecommunication firms as a whole. The study will also provide a managerial perspective on conducting business within the various mobile phone telecommunication firms while describing the role of the employees in the company dynamics, specifically in regards to strategic positioning.

2. Literature Review

2.1 Theories

The model discussed underpin the study variables which supports the development of strategic positioning using the resource-based view (RBV) and Human Capital Theory through mobile telecommunication industry orientation which when are well matched to the company's situation (demographics and organisational philosophies), leads to the essence of how a firm competes and serves in its markets and ultimately ameliorates organization's performance.

2.1.1 Resource-based View

Resource Based View (RBV) advocates using the company's internal resources, competencies (firm-specific features not possessed by competitors i.e. complex bundles of skills and accumulated knowledge), and capabilities (firm's capacity to deploy its resources, tangible or intangible, to perform a task or activity to improve performance) as essential determinants of strategy. This paradigm argues that differences in the firm's performance can be traced back to heterogeneous assets and capabilities owned by the company. It follows,

therefore, that the strategic positioning strategy of the firm should be based on internal strengths and weaknesses rather than external market factors. The central theme is recognition of the importance of firm-specific factors and resources in explaining firm performance.

2.1.2 Human capital theory

Human capital theory was proposed by Schutz (1961) and developed extensively by Becker (1964). It is the stock of knowledge, habits, social and personality attributes, including creativity, embodied in the ability to perform labor so as to produce economic value. The theory assesses evidence for the value and importance of employees to organisational success or performance.

2.2 Demographics characteristics

Demography, or socio-economic characteristics according to Abadina and Mba (2014), is the study of the overall social positions of individuals within the social and economic and or the quantifiable characteristics of a given population. This study has investigated the five demographic factors such as: gender, age, education, length of service and ownership structure. Professionalism through education, positions, length of service and ownership structure relation was

grounded on the service provider's demonstration of competence, whereas gender and age being social relations were based on the effectiveness of the service provider's social interaction with the customers. These core areas that were covered in the demographic factors were evaluated and measured due to their immense influence on business performance.

2.3 Conceptual framework

A conceptual framework forms part of the agenda for negotiation to be scrutinized, tested, reviewed and reformed as a result of investigation and it explains the possible connections between the variables (Smyth, 2004). The intervening relationship create opportunities to transfer skills, share expertise or share facilities in ways that strengthen the strategic positioning competitiveness of the specific firm or enhance its capabilities thus the greater the opportunities for skills transfer/sharing and the bigger the window for creating other synergistic relationships. Business performance construct measured the financial perspective, customer perspective, operational efficiency and learning and growth.

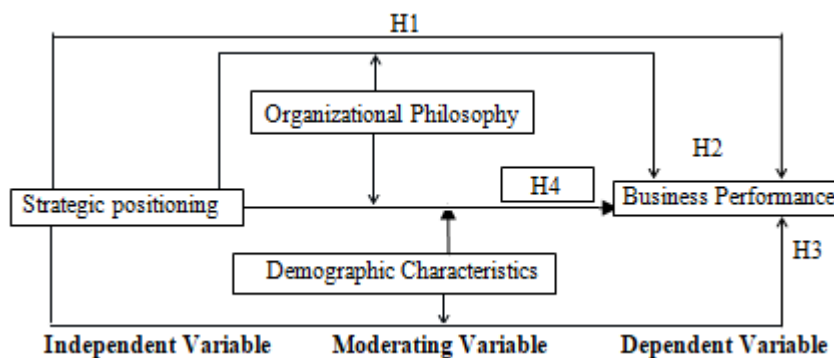


Figure 2.1: Conceptual Framework

3. Research Methodology

3.1 Research Philosophy

This study was based on the positivist philosophy because it was anchored in theory from which hypotheses were drawn. Positivism is often taken to be identical to quantitative methodology because it contains the ontological and epistemological prescriptions that show how this methodology should conduct research. Phenomenological research enables the researcher to gain understanding of the situation under study.

3.2 Research Design

This study adopted descriptive cross-sectional survey research design. The researcher used a correlational study that explored the strength and direction of the relationship between the dependent variable (performance) and the independent variables (strategic positions variables). The researcher also examined the differences in performance for individuals that differed by gender, age, education level,

current position, length of service and ownership structures and intervened with organisational philosophy.

3.3 Population

The accessible population was drawn from managers of mobile telecommunication firms within Nairobi Central district (CBD). The use of these knowledgeable respondents is consistent with the previous investigative work within this field (Scott-Young & Samson, 2009).

4. Data Analysis, Presentation and Discussion

In summary, data collection involved a mixed methods sequential design, firstly by collecting quantitative data for breadth and secondly by collecting qualitative data for depth. Frequencies and percentages, independent samples t-tests and A One-way Analysis of Variance (ANOVA) were computed.

4.1 Demographic Characteristics of Respondents

Demographic characteristics were used to determine factors that influenced respondent's answers, interest and opinion.

Demographic characteristics also examined a more detailed analysis and especially interactive aspects between dependent and independent variables to ascertain the possibility of an association with the variables in the study. Organizational performance is a reflection of the demographics and actions of managers who are central to the organization (Nielson, 2010). The demographic characteristics that were considered in this study were gender, age, education level, current position, length of service in the same position and company and finally the ownership structures of the company. The demographic characteristics items used a descriptive format using frequency distributions and percentages to determine the profile of respondents.

4.1.1 Gender of the respondents

Gender is one of the common variables in social investigations and can be employed as a descriptive variable (Morgan, 2000). The gender of the respondents was as shown in Table 1.

Table 1: Gender of respondents

Gender	Frequency	Percent
Male	79	65
Female	42	35
Total	121	100

Out of the 121 valid questionnaires, there were 65% (n=79) male and 35% (n=42) female respondents. The International Labour Organisation (ILO) asserts that women represent slightly over 40% of the global workforce and occupy 20% of management positions. The organisation further alludes that in the largest and most powerful companies worldwide, women comprise only 3% of top positions. Published report by Global System Mobile Association(2015) on gender diversity in the telecommunications sector highlights that women are widely under-represented as employees in the telecommunications sector, and this gender gap becomes more pronounced with seniority. The findings are also

corroborated by Gender Equality & Mainstreaming Technology (2015) who in their study established that despite the progress made by women in the workplace, huge gender disparities still exist. Venkatesh and Morris (2000) investigated the relationship between gender differences and identified that the gender is an important determinant and have indicated that the percentage of men is more than women. Hassan and Ogunkoya (2014) posits that men were seen as more powerful than women and viewed good performance as a male characteristic while women were as able as men if given similar exposure.

Table 2: Means of Gender

	Gender	Number	Mean	Std. Deviation	Std. Error Mean
Performance	Male	79	112.60	12.764	1.436
	Female	42	111.65	8.511	1.345

Data from Table 2 results showed that the female respondents performed better (m = 111.6), than their male counterparts (m = 112.6). Standardized errors of both means were relatively small and therefore the researcher concluded that the sample was sufficiently representative. Independent samples t-tests were calculated to determine the difference between the two populations, based on a sample from each. To test whether the proportions were different in each group, the study employed a test of independence with alpha equal to .05 as a criterion for significance. This was done so as to claim legitimately whether the gender of the respondents exhibited significantly different relationship of the key constructs in the research model from performance. The t-test assumed that the variability of each group was approximately equal. A t test revealed a statistically reliable difference between the mean number of male has (M = 112, s = 1.436) and that the female has (M = 111, s = 1.345), $t(.428) = .428, p = .669, \alpha = .05$. In other words, females have a statistically significantly higher mean score on performance (111.6) than males (112.6).

Table 3: Levene's Test for Equality of Variances

		Independent Samples Test								
		Levene's Test for Equality of Variances		T-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Performance	Equal variances assumed	1.275	0.261	0.428	0.117	0.669	0.9575	2.236	-3.4707	5.3859
	Equal variances not assumed			0.487	108.2	0.628	0.9575	1.968	-2.9434	4.8586

The result from Table 3 on Levene's (1960) test was used to assess the homogeneity of variance of a sample distribution. Levene's test significance levels at $p \leq 0.05$ indicate that the null hypothesis is incorrect and the variances are significantly different - therefore, the assumption of homogeneity of variance has been violated. However, the t test results revealed that there was no statistical significance difference in gender with performance ($p=0.089$). This means that gender did not statistically influence performance. A contribution of this study to gender aspects is placed in providing a more comprehensive picture of trends and patterns by technology for female employees.

4.1.2 Age of the respondents

Age is one of the most common demographic questions asked in surveys and in this study it was used to determine the respondents' knowledge and experience. Information on age determines to whom research findings generalize and allows for comparisons to be made across replications of studies.

Table 4: Age of the respondents

Class Interval In Years	Frequency	Percentage
Below 30 years	14	12
30 – 34 Years	19	16
35 – 39 Years	33	27
40 – 44 Years	38	31
45 – 49 Years	13	10
50 – 54 Years	3	3
55 – 59 Years	1	.8

The results displayed in Table 4 shows the dominant age being 40-44 years accounted for (31%) of the sample. Those in the intervals of 35-39 were 33 in number (27%), followed by those in the 30-34 being 19(16%) and those at 45-49 years being 13(10%). The below 30 years were represented by 14(12%), the 50-54 years 3(3%) and finally only 1(.8%) was in the intervals of 55-59 years. In lieu of the dynamism of the industry high level of technology, the study findings support age consideration of managers is a factor that affects the organisation performance.

Table 5: ANOVA test for Age of the respondents

Source	Sum of square	df	Mean Square	F	Sig
Between groups	764.693	6	127.449	.896	0.050
Within groups	16220.481	114	142.285		
Total	16985.174	120			

A One-way Analysis of Variance (ANOVA) was computed to determine if a significant differences are in the mean scores on the dependent variable (performance) existing across compares different sources of variance within the data set. The between groups indicates that we have different cases in each group. The mean score obtained in the group were statistically different from each other: Below 30(M=107.7, SD= 11.23, n=14), 30-34 years (M=108.8, SD= 13.19, n=19). 35-39 years (M=115.0, SD= 8.06, n=33). 40-44 years (M=111.9, SD= 13.41, n=38). 45-49 years (M=113.15, SD= 13.68, n=13). 50-54 years (M=111, SD= 15.13, n=3). 55-59 years (M=110, SD=, n=1). The results indicate that the below 30 achieved least performance as compared to those in 35-39 years being with the highest performers. Results in Table 5 revealed that the ANOVA was statistical significant F, (6,114) =.896, p= .050 thus providing evidence enough to conclude that there is a significant difference on age with performance. Pounder (2000) in his study corroborates the this research findings when observed that the average age of people in the workplace is getting higher, with increasing number of middle-aged and less old workers employed in many different jobs.

4.1.3 Education level of the respondents

The study determined the respondents’ level of education in order to ascertain if they were well equipped with the necessary knowledge and skills for the running and the overall management of telecommunication industry. The target population comprised of people in different responsibilities and qualification requirements hence different academic qualifications.

Table 6: Education level of the respondents

Education Levels	Frequency	Percentage
Bachelor’s Degree	86	71
Masters	33	27
Diploma	2	1.7

Education level profile of respondents in Table 6 shows that more than three quarters of the respondents 86(71%) had a bachelor’s degree level of education while 33(27%) had a Master’s degree and (1.7%) had Diploma. This is to show that the mobile phone service providers are managed by highly skilled individuals. From the results, it can also be observed that most of the respondents understood the contents of the questionnaires and their responses can be taken seriously. Education levels have been cited as a critical success factor in helping organisations survive and sustainably manage in difficult conditions and to improve business profitability (Yusuf, 2005). Similarly, Lussier and Halabi (2008) also summarized that the managers with higher education level and experiences have greater chances of performing exceptionally.

Table 7: ANOVA test for education levels of the respondents

	Sum of square	df	Mean Square	F	Sig
Between groups	343.744	2	171.872	1.219	0.029
Within groups	16641.429	118	141.029		
Total	16985.174	120			

Results in Table 7 revealed that there was statistical significant difference (p=0.029). This means that education levels influenced sustained organisational performance. Subsequently, the results from the means of homogenous subsets indicate that the respondents with master’s degree (m=109.27) had the best performance indicators followed by the bachelor’s degree holders (m=112.82) and lastly by the diploma holders (m=116.50). The research findings are in line with Kuneel, Hezlett, and Ones, (2004), and Ng and Feldman (2009), study which established that education facilitates performance in most jobs and was positively related to task performance. Baker *et al.*, (2007), also found that the education level is an important factor that has impact on organizational behavior.

4.1.4 Current position of the respondents

The study sought to establish the current position of the respondents at the workplace. This helped establish any relationship between the role of the respondents and their levels of performance in the organisation. Experienced management teams with deep market knowledge have a strong historic operational performance.

Table 8: Current position of the respondents

Position	Frequency	Percentage
Top level management	1	1
Middle level management	61	50.4
Lower level management	60	49.6

From the results in Table 8, 1(1%) was in top management; 61(50%) in middle management and 60(49.6%) in lower level management. It could be argued that respondents with different positions or from different functional areas may have inherently different views of how the organization is performing or of performance measurement use practices.

Table 9: ANOVA tests for current position

	Sum of square	df	Mean Square	F	Sig
Between groups	66.824	1	66.824	.470	0.0494
Within groups	16918.350	119	142.171		
Total	16985.174	120			

Results in Table 9 revealed that there was statistical significant difference ($p=0.049$). This means that current position influenced sustained organisational performance. Subsequently, the results from the means of homogenous subsets indicate that the respondents in middle levels ($m=111.18$) had the best performance indicators followed by the lower levels ($m=112.66$). Davis and Kohlmeyer (2005) corroborated these research findings. They found that position (rank) within the organization moderates performance and that lower ranking employees within the organization perform better when they were in agreement with their performance standards established by their supervisors. In as such, the study established a significant influence of current position to performance.

4.1.5 Length of service in the same position

The length of continuous service in the same position in an organization determines the extent to which the respondents are aware of the issues sought by the study.

Table 10: Length of service in the same position

Length of service in the same position	Frequency	Valid Percent
0-4 years	45	37.2
5-9 years	68	56
10-14 years	3	2.5
over 15 years	5	4.1
Total	106	100.0

Results from Table 10 indicates that the majority of the respondents (56%, $n=68$), had being in the same position for a period of 5-9 years while (37%, $n=45$) had been working for less five years. Respondents with 10-14 years represented (2%, $n=3$) while those with over 15 years was (4%, $n=5$). Descriptive statistics for the length of service in the same position of the respondents were performed to checking if there was significant difference between their means. The results are presented in Table 4.12:

Table 11: ANOVA test for Length of service in the same position

	Sum of square	df	Mean Square	F	Sig
Between groups	605.137	3	202.712	1.441	0.0234
Within groups	16380.037	117	140.000		
Total	16985.174	120			

Results in Table 11 revealed that there was statistical significant difference ($p=0.0234$). This means that length of continuous service in the same position influenced sustained organisational performance. Subsequently, the results from the means of homogenous subsets indicate that those respondents having been in the same position for a period of above 15 years ($m=109.00$) placed the highest performers. They were closely followed by those with 0-4 years ($m=109.35$), 5-9 years raked ($m=113$) and 10-14 years ($m=110$). The study finding are corroborated by Ng and Feldman (2010) who specifically asserts that the impact of length of service on organisational performance was most significant between 3 and 6 years with an organization, and gradually diminishes until about 14 years of employment.

4.1.6 Length of service in the company

The study sought to determine the length of service of the respondents to establish whether they had attained adequate experience to provide accurate and reliable information.

Table 12: Length of service in the company

Length of service in the company	Frequency	Valid Percent
0-4 years	42	37.7
5-9 years	71	31.1
10-14 years	7	16.0
Total	121	100.0

The results in Table 12 show that (37%, $n=42$) of the respondents had worked with the firms for less than 5 years. Respondents who had worked for the firms between 5 – 9 years were (31%, $n=71$) and those with 10-14 years were (16%, $n=7$). In the light of these findings one can argue that the majority of the respondents are very loyal to their organisations in the sense that they do not like to change organisations. This also implies that majority of the respondents had worked with the organization for a considerable period of time and thus gave credible information relating to this study. Descriptive statistics for the length of service in the company of the respondents were performed for the purpose of checking if there was significant difference between their means. The results are presented in Table 4.14.

Table 13: ANOVA test for Length of service in the Company of the respondents

Source	Sum of Squares	Df	Mean Square	F	P	sig
Between group	66.824	1	56.47	24.81	0	0.005
Within groups	16918.350	118	2.28			
Total	16985.174			119		

Results in Table 13 revealed that there was statistical significant difference ($p=0.005$). This means that Length of service in the company influenced performance. The length of service in the same company on sustained performance satisfaction was measured and the mean score for the respondents with experience between 10-14 years ($m=107$), 5-9 years ($m=114$) and those with 0-4 years ($m=118$). This established that respondents with the most experience were high achievers. This indicated that the mean scores obtained from the three sets differed statistically from each other. The study findings are corroborated by Lee, Yen and Chen (2008) and Ng and Feldman (2010) who found that there was a correlation between tenure (length of service) and organizational performance. The study therefore established a significant influence that performance improved steadily with length of service in a company.

4.1.7 Ownership Structures of the Company

With respect to ownership, respondents were asked to state the structures prevalent to their respective firms.

Table 14: Ownership Structures of the Company

Ownership Structure	Mobile Network Operator
Privately owned (Local)	Equitel
Government and foreign owned	Safaricom/Telkom Kenya
Foreign owned	Airtel

Table 14 results established that of the four companies that were studied, one (Equitel) was privately owned, while 2(Safaricom/Telkom Kenya) are both government and foreign owned while another one (Airtel) was Foreign owned. This corroborates a report from World Telecommunication Development Report, ITU (2002),

which states that the earlier structures of the traditional state owned telecom market is rapidly being replaced by competition and privatization. The ownership structures of the company were analyzed using an Analysis of Variance to examine their difference from each other. This resulted in a F_{obt} of 1.77 (at $F_{crit} = 4.82$, $P = 0.176$, $\alpha = 0.01$). This shows that $F_{obt} > F_{crit}$ and hence the 3 means are statistically significant. The ownership structure results from the means of homogenous subsets subsequently indicate that government and foreign owned firms ($m = 108$) had the best performance, followed by privately owned firms ($m = 112$) and lastly foreign owned firms ($m = 113$). Where the government was found to be a stakeholder, the local stake was higher than where local stakeholders were private individuals or other firms.

Conversely, previous studies done by Aydin, Sayim, & Yalama (2007) that find that foreign owned firms perform better than locally owned firms, and therefore foreign ownership has a positive impact on firm performance. Their findings are consistent with Goethals and Ooghe (1997) study of 75 Belgian firms, which find foreign owned firms perform better than the locally owned firms. In summary the results indicated that the mean scores obtained from the three sets differed statistically from each other therefore the study established that ownership structures of a company are a significant influence to performance.

4.2 Inferential Statistics

The hypotheses were tested using correlation and regression analysis. The interpretations have been made using statistical

knowledge and the existing body of theoretical and empirical literature.

4.2.1 Correlation Analysis of the Study Variables

The correlation coefficients measured the direction and strength of the hypothesized relationship. This analysis was important in demonstrating which variables from influencing factors may be considered important enough to significantly impact development of strategic positioning strategy.

Table 15: Correlation results of strategic positioning and Business Performance

Variables		Performance
Strategic Positioning	Pearson Correlation	.521(**)
	Sig. (2-tailed)	.000
Organisational Philosophy	Pearson Correlation	.437(**)
	Sig. (2-tailed)	.001
Demographic Characteristics	Pearson Correlation	.468(**)
	Sig. (2-tailed)	.001
Organisational Philosophy & Demographic Characteristics	Pearson Correlation	.256(**)
	Sig. (2-tailed)	0.00

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

4.3 Multiple Regressions

Regression analysis was conducted and the results interpreted using adjusted R^2 and corresponding P-values at $p < 0.05$ significance level.

Table 16: Moderated Regression Analysis Model Summaries

Model	R	R Square	Adj. R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1(without moderation)	.530 ^a	.281	.263	.48889	.281	15.252	3	117	.000
2(with moderation)	.533 ^b	.285	.260	.48981	.039	.561	1	116	.002

Multiple regression on Table 16 indicates that the adjusted R^2 is 0.263(without interaction) and R^2 .260(after interaction). This implies that the three components jointly explain 26% of the variance in the dependent variable while the rest are explained by the error term. R square change of .039 indicated a significant moderation effect between independent and dependent variable.

The ANOVA analysis in Table 17 with a p-value of 0.000, which is less than 0.05, indicated that the model was statistically significant in explaining the relationship between strategic positioning and business performance. It was, therefore, concluded that even with the moderator, strategic positioning had significant combined effects on business performance of mobile telecommunication firms in Kenya.

Table 17: Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
(Without moderation)	Regression	10.936	3	3.645	15.252	.000 ^b
	Residual	27.964	117	.239		
	Total	38.901	120			
(With moderation)	Regression	11.071	4	2.768	11.536	.000 ^c
	Residual	27.830	116	.240		
	Total	38.901	120			

Table 18: Moderated Multiple Linear Regression Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.449	.655		0.685	.000
	Strategic positioning	.457	.238	.357	1.920	.000
	Organisational philosophy	.388	.199	.153	1.949	.010
	Demographic characteristic	.323	.208	.145	1.552	.000
2	(Constant)	.401	.324		1.237	.000
	Strategic positioning	.358	.079	.294	4.531	.005
	Organisational philosophy	.211	.126	.176	1.674	.001
	Demographic characteristics	.252	.183	.123	1.377	.004
	Joint effect	.207	.098	.101	2.112	.000

a. Dependent Variable: Business Performance

- *t* shows the extent of relationship.
- *p* shows the significant *p* value for the relationship among the predictor and the response variables in presence of moderator variable.
- Standardized β value showed that which factor has the greater impact than the other (magnitude of the relationship) while unstandardized β value showed the direction of relationship among the predictor and response variables. This study adopted unstandardized β which:

The model was represented as: $Y = 0.401 + 0.358X_1 + 0.211X_2 + 0.252X_3 + 0.207X_4$

The equation demonstrates that a unit change in performance improvement intervened and moderated respectively by organisational philosophy and demographic characteristics, will result in business performance changing by a factor of 0.401. The coefficients for the strategic positioning relationship were $\beta = 0.358$, $p < 0.05$, the coefficients for the intervening relationship were $\beta = 0.211$, $p < 0.05$, the coefficients for the moderating effect were $\beta = 0.252$, $p < 0.05$ while the joint influence of the moderation relationship with the interaction term was $\beta = 0.207$, $p < 0.05$.

Table 19: Summary of the hypotheses

Hypotheses	Findings	decision
Ho₁: There is no statistically significant relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.	There is a significant relationship between strategic positioning and business performance.	Rejected (fail to accept) the null hypothesis
Ho₂: There is no statistically significant intervening effect of organizational philosophy on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.	The relationship between strategic positioning and business performance is significantly intervened by organisational philosophy	Rejected (fail to accept) the null hypothesis
Ho₃: There is no statistically significant moderating effect of demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.	Demographic characteristics significantly moderate the relationship between strategic positioning and business performance.	Rejected (fail to accept) the null hypothesis
Ho₄: There is no statistically significant joint effect of organisational philosophy and demographic characteristics on the relationship between strategic positioning and business performance of mobile telecommunication companies in Kenya.	Organisational philosophy and demographic characteristics jointly influence business performance.	Rejected (fail to accept) the null hypothesis

5. Findings

The findings of this study and corroborations from previous empirical studies suggest initial empirical evidence of the relationship between strategic positioning, organisational philosophy, demographic characteristics and business performance. The study acknowledged that all three dimensions of were significant in explaining business performance of mobile telecommunication companies in Kenya.

5.1 Conclusions from the Study

The findings of this study confirm the relationship between demographic characteristics, strategic positioning and performance. The study provides new findings; that demographic characteristic moderates the relationship between strategic positioning and performance. The findings of the study add some new understanding to the literature on demographic characteristics, strategic positioning and performance and the interrelationships of

these constructs which influence the employees performance. The findings add into the understanding of demographic characteristics, strategic positioning and performance

5.2 Theoretical Implications

This study contributes to the literature by expanding the understating of linkages between Human Capital Theory and Resource Based View. It bridges the two disciplines at the strategic level by introducing how co-alignment of strategic positioning and business performance along demographic characteristics and organisational philosophy can enhance a firm's performance.

5.2.1 Managerial Implications

The study provides evidence to mobile telecommunication firms that certain strategic positioning strategy dimensions are likely to have a more positive impact business performance - a very useful finding for managers who can implement those strategies in their firms. This will reinforce

the concepts of implementing demographical characteristics and organisational philosophies. It also identifies factors considered by managers while developing positioning strategies and organisational philosophies leads to better understanding of what specific factors must be considered by the firms to develop successful strategic positioning. It will thus provide practical guidance to companies who wish to implement such strategies for their firms.

5.3 Suggestions for Further Research

Finally, future research should consider utilizing longitudinal data to effectually measure the impact of strategic positioning over time. The implementation of the above recommendation is bound to generate more evidence that will advance the strategic management under varying conceptualisations and methodologies so as to come up with consistent and conclusive findings.

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