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OPERATIONS STRATEGIES AND COMPETITIVENESS OF KENYAN COOPERATIVE SECTOR

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ABSTRACT: Purpose: The current study aimed to determine operations strategies adopted by cooperative sector in Kenya. This sector has a high level of competition as there are many SACCOS and they all compete to ensure they provide quality products and services to their members who are also their main customers and shareholders. **Design/Research method:** The study was anchored on Resource-Based Theory and Theory of Competitive Advantage. The study adopted descriptive research design. The target population of this study was 64 licensed SACCOs by SASRA and operates within Nairobi metropolitan. Purposive random sampling technique was adopted to sample either operation or strategic staff in each company. The study adopted primary data where data was collected using a questionnaire. Regression analysis was also conducted to establish the relationship between dependent and independent variables. **Finding:** The study established that organization considers the capital to devote to particular businesses and in order for an organization to increase its total shareholder's return requires Sacco's to align its business, financial and investor strategies. The study also found that implementation of enterprise competition strategy is based on the exploitation of volume and scale. **Limitation:** The major limitation of the study is that it didn't consider how much capital to devote to particular businesses, how much value to return to shareholders, and how to appeal to their target investor groups. **Implication:** Based on the findings of the study, the study recommends that firms should screen the environment in which they are operating in order to come up with imitable operation strategies that can enhance their competitiveness. This will help them to develop strategies that are in line with the products and services they offer which will eventually enhance organization strategies and competitiveness.

Keywords: Operations Strategies, Competitiveness, Cooperative Sector, Kenya.

1. INTRODUCTION

In today's challenging business environment, business must create strategies in order to gain competitiveness beyond its known scope. Without the competitive edge, no economic unit can survive (Amaoko and Acquaah, 2008). Competitiveness is an important factor in determining whether a company prospers, barely gets by or fails. To meet this competitive challenge, every business needs to be focused on strategic planning in their operations management-what is known as 'Operations Strategy'. Effective operations strategies lead to productive, competitive organizations, and primarily aim at improving competitiveness (Stonebraker and Leong, 1994).

Cooperative movement in Kenya is vibrant, dynamic and the strongest in Africa. They play a very vital role in the growth of the Kenyan economy as they control about 43% of the Kenya's GDP (gross domestic product) with an employment capacity of about 300,000 employees. SACCOs are responsible for more than Kshs 230 billion as savings. Both deposits and savings have been commanded at a 67% and 62% of Kenya' total assets in the cooperative movement. The Kenyan social and economic development is highly contributed by the financial sector whereby SACCOs, national financial cooperative organizations, Cooperative Bank and Cooperative Insurance Company (CIC) are responsible for 31% growth of Kenya's gross national savings (Chaddad and Cook, 2004).

There has been rapid growth of cooperative societies in Kenya with number of societies and unions rising by 7.3% from 13,256 in 2010 to 14,228 in 2011. In 2016, Kenya boasts about 15,000 registered cooperatives with 12 million members. Through these movements, at least 320,000 job opportunities have been created and 1.5 million people have engaged in small scale and informal enterprise funded by cooperative loans. The cooperative movement is organized into private and public enterprises that provide services and production entities McDaniel and Gitman (2008).

1.1. Research Problem

Nowadays, the applications of operation strategy concepts into business operations have been insufficient (Hayes and Pisano, 1994). Many organizations have not yet been able to apply their operations to acquire competitiveness. The main challenge has been their inability to operationalize their operations strategy. An organization must first ensure that it makes changes in its management team to ensure that corporate strategy is effectively set. Competitiveness can be achieved if organizations set strategies that are effective to adopt the environmental changes so as to enlarge their competitive dimensions. A long term success of an organization can be achieved through implementation of effective measures that ensure operations strategy are implemented through the support of competitive advantage (Hayes and Pisano, 1994).

Giving of loans in Kenya has been made much easier by the cooperative movement. This sector has a high level of competition as there are many SACCOS and they all compete to ensure they provide quality products and services to their consumers. There services can be improved by ensuring that they align their operation strategies through embracing new requirements and situations effectively (Akintoye *et al.*, 2003). They therefore need to ensure they take up the process of refocusing and re-assessing their capacities to improve their finances for continuous growth and improvement of the economy.

In Kenya, Owino (2011) studied competitive strategies embraced by savings and credit co-operatives in Mombasa County and concluded that cost strategy was mostly practiced through reduction of operation costs and that absence of good management to drive competitive strategies in the right direction was a major challenge. Makhoha (2013) did a study on role of savings and credit co-operative societies in enhancing insurance market penetration in Kenya. Matu (2013) did a study on factors influencing achievement of competitiveness by the savings and credit cooperative societies in Kenya; while Kariuki *et al.* (2017) an analysis of factors influencing competitiveness in selected savings and credit cooperative societies in Nairobi North District.

1.2. Research Focus

Competitive advantage is all about how operation strategy is implemented. Aim of strategies in every company is to ensure that resources are allocated and utilized in the best way possible. The importance of implementing of strategies in businesses has been outlined many studies and literature carried out. Strategies are appropriate for businesses to adapt to the rapid changes that are occurring every day due to changes in innovation, technology and the environment. Despite this need, there are various challenges that expected in adoption of strategies in all aspects of business (Khalid, 2004).

Market place effectiveness of an organization in offering of its products and services are the ones that determine its competitiveness. Competitiveness is greatly impacted by an organization's level of operations. The long term success of an organization is identified by five factors that were identified by Michael E. Porter of Harvard business schools in 1998. The factors offered businesses a platform to analyze their rivals and therefore be able to lay the appropriate strategies on them. This gave managers an opportunity to implement effective strategies (Porter, 1998).

Creating value to customers is how a company is bale to create its competitiveness. Low cost production is responsible for the successful implementation of cost leadership strategy. Competitiveness is determined by how the management decides to improve its efficiency (Porter, 1980). Planning, entrepreneurial and adaptive modes are the factors that define business strategies. It is therefore important to note that strategies focus on production and provision of differentiation products (Khalid, 2004).

Despite the immense literature on competitive advantage, limited study has been carried out to investigate influence of operation strategies on competitiveness in cooperative societies. The study therefore sought to answer the following research questions, what are operation strategies adopted by cooperative societies in Kenya? What are competitive advantages realized through operation strategy adopted by cooperative societies in Kenya? The study was guided by the following objectives:

i. To determine operations strategies adopted by cooperative sector in Kenya.
ii. To establish relationship between the operations strategies and competitiveness of Kenyan cooperative sector.

2. LITERATURE REVIEW

The literature review looks at past studies that have been conducted on operation strategies on competitiveness and establishing the theoretical foundation of the issues to be investigated by this study. The literature review mainly captures the relationship between operations strategies and how they influence competitive priorities such as cost, quality, delivery, and flexibility.

The Resource-Based Theory: This is a strategic management theory whose aim is to find out the capabilities and the resources that a firm has that will enable it have a competitive advantage over the competitors in the industry or market. It was advocated for by Wernerfelt in the 1980s (Wernerfelt, 1984). Since then it has been widely used in making analysis of an organization's competitiveness in the market.

The Theory of Competitive Advantage: This theory was advocated for by Michael Porter in 1985, it suggests that different countries and even business entities should adopt the policies that will create a high value of goods and thus can be sold at higher prices in the market. Porter (1985) argues that the focus of all national strategies should be toward the growth of productivity. For a country to have a competitive advantage the cost of labor should be low or can be acquired cheaply, he also argues that it is not a must that a country has sufficient natural resources for it to do well economically.

2.1. Operations Strategy

Operations strategy involves how decisions in an organization are formulated, reformed and deployed in the use of resources. The main role played by these decisions is to ensure that competitiveness is supported and embraced effectively. Application of decisions in an organization involves the work shifts to be done, what machinery to use, reporting structures to use and the kind of information to be used. The decisions made in a company and how they are applied work collectively to ensure that the companies' objectives are attained and thus its effective operations strategy. The use of decisions and the resources available, play a significant role in ensuring that the firm gains its strategic advantage. It is therefore important to conclude that operations strategy plays a great role in ensuring the long term survival of an organization.

One of the considerations in operation strategy is organizational competencies. Designing an effective operations strategy around competency priorities is essential in focusing on how to be unique in its offering of products and how it plans to ensure that its competitive edge is offered different form its competitors (Dubai, 2003). Most of the companies only focus on traditional dimensions of cost, quality, flexibility and service but a company can focus on much more that these four. An example is focusing more on durability and reliability of its products (Kipyegon, 2009).

Value-Driven Operations Strategy: Aligning of factors that involve businesses, finances and investor strategies increases shareholder returns in high levels. Changes and focus should be more on past and previous performance, the amount to invest and devote shareholders value and to convince their target investors for future growth (Kotler and Gertner, 2002). The most affected industries are those that deal with technology. There have been daily developments in the financial sector that are essential to meet shareholder expectations. Many challenges are experienced but the end results to addition of value. Value is thus essential and technology companies need to create it. Value is usually eroded by deployment of poor capital and investment decisions. On the other hand it is created by financial, investor and portfolio strategies (Duysters and Hagedoorn, 2000).

Cost driven operation strategies: These are created by ensuring that products and services are provided with a mindset to receive higher profits but at lower costs compared to their rivals. There are products that are basic to consumers and they purchase them strictly on their price without considering their brand. Strategies on cost reduction can be achieved by use of available resources and implementation of effective strategies (Hatten, 2008).

2.2. Firm Competitiveness

Competitiveness is achieved where an organization satisfies its customers with quality products and at a lower cost compared to its competitors (Stevenson and Spring, 2009). When more economic value is created by organizations more than its competitors is what Barney (1991) defines as competitiveness. The ability of an organization to be able to acquire great profits results from competition which is also responsible in reduction of competitiveness, therefore, it is clear that competitiveness is not permanent (Barney, 1991). An organization is said to be competitive when it is able to acquire high levels of profits more than its competitors. It is therefore advisable for organizations to ensure that they are able to sustain a great level of competitiveness (Stalk, 1988).

2.3. Operations Strategies and Competitiveness

Operations strategy involves decisions that related to the specifications and design of the product or service, design of a production process and the infrastructure needed to support the process, the role of inventory in the process, and locating the process. Operations strategy decisions are part of corporate planning process that coordinates the goals of operations with those of marketing and that of larger organization. Strategic operation decisions have to win the customer approval in absolute sense and they have to win in the competitive scenario, that means they have to win the customer approval in a relative sense i.e. their offer must be superior to the target market customers relative to the offers of competitors. Quality, price and ease of purchase and servicing are the three operations related categories that customers use to evaluate before purchasing. Price is related to operations to the extent cost influences the price. But whenever operations are able to reduce costs, pricing decision is reconsidered. Hence cost is a strategic variable (Barney, 1991; Hayes and Wheelwright, 1984).

Competitive operations strategy development calls for research and improvement of operations processes on continuous basis and also monitoring of developments in competitor organizations. Benchmarking needs to be done periodically to understand the progress made by others and to initiate actions to catch up on parameters where there is a gap. Cost, product scope, product quality, delivery speed, delivery reliability, new product introductions are some of the operations related parameters in which competitors try to improve and gain competitive advantage.

The interface between marketing and operations is necessary to provide a business with an understanding of its markets from both perspectives. Operations strategy must be linked vertically to the customer and horizontally to other parts of the enterprise. Productivity is an important dimension of operations. Productivity measures include partial measures, multifactor measures, and total measures of productivity. These measures provide benchmarks to indicate how well the company is doing and are used to measure improvement (Barney, 1991).

Every firm's performance is controlled and achieved by how operations strategy is implemented to ensure competitive strategy (Oltra and Flor, 2010). Long term competiveness in a company is ensured by competitive strategy through the operations strategy support (Hayes and Wheelwright, 1984). Therefore the company's strategy is comprehensively integrated by its operations strategy. The long term plans and policies of a company are controlled by how operations strategy is formulated through the support of a company's competitive strategy (Krajewski and Ritzman, 2005). Organizations success in its performance and gaining of profits is comprehensively controlled by its operations (Heizer and Render, 2009). Operations and functions ensure successful control of markets, finances and human resource and without them its results to failure.

The connection of operations strategy and competitive strategy is decided by first understanding how they influence each other and how they relate before implementing them in an organization (Corbett and Wassenhove, 1993). The future success of a company depends on how effective its strategies are. Operational strategy is responsible for the direction that the company is heading thus ensuring that strategic competitiveness is created along the way. Operations strategy therefore controls the whole operations of competitive advantage that result from economics that create growth, earnings and valuation.

The strategies that are used to strengthen operations strategy therefore create flexibility which is then accountable for the sustainability of competitive advantages (Amit and Shoemaker, 1993). Competitors are kept on toes by an organization being able to control its operation managers who are key in ensuring continuous competitiveness and thus competitors are not able to duplicate them. Operations strategy main role then is to ensure that they control management as they are responsible for sustaining competitive strengths of the company. The resource-based view explains how competitive advantages are sustained by operations through control of management and use of resources. There are three levels that increase potential to offering of sustained advantages according (Heizer and Render, 2009).

3. RESEARCH METHODS

The section contains study methodology utilized in conducting this study.

3.1. Research Design

The problem posed in this research was best studied using the descriptive research design. According to Cooper and Schindler (2003) a descriptive study is concerned with finding out the what, where and how of a phenomenon. A descriptive research design enables one to generalize the findings (Magutu *et al.*, 2015; Magutu *et al.*, 2016; Mose *et al.*, 2013).

3.2. Population

The target population of this study was 64 licensed SACCOs by SASRA and operates within Nairobi. Mugenda and Mugenda (2003) stated that the target population should have some observable characteristics, to which the researcher intends to generalize the results of the study.

3.3. Data Collection

The study employed a questionnaire designed from a review of previous studies in line with study objective. The data was gathered from the respondents which was quantitative in nature and where it contained close ended questions though few open ended questions were captured to give the respondents an opportunity to give their opinions and views.

3.4. Data Analysis

Data analysis involves structuring, bringing order and decoding of the data collected. According to Kombo and Tromp (2006), data analysis involves scrutinizing data collected so as to add or deduct some parts. To ensure uniformity, accuracy and completeness of the data collected, the information was edited and systematically arranged to allow tallying and coding of the data before the final analysis is conducted (Cooper and Schindler, 2006).

Spearman’s correlation is preferred because it is used to evaluate monotonic relationship between ordinal variables.

Specifically, the regression model that was used in this study is;

$$Competiveness = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where,

β0- Constant
X_1- Value-Driven operation strategies
X_2- Cost driven operation strategies
X_3- Service driven operation strategies
X_4– Location of the business
β_1 – β4= Measure of sensitivity of variable X_i to changes in OS
Є= Error term

4. RESULTS AND DISCUSSIONS

4.1. Introduction

This section discusses the interpretation and presentation of the findings.

4.2. Response Rate

The study targeted a sample of 64 respondnets. However, out of 64 questionnaires distributed 52 respondents completely filled in and returned the questionnaires, this represented 81% response rate. This is a reliable response rate for analysis as Mugenda and Mugenda (2003) showed that 50% of response rate is sufficient for analysis and presentation of the data, 60% is reliable and 70% of response rate and over is excellent. However, 19% of the respondent was reluctant to respond to fill the questionnaires. This was due to reasons like the respondents were not available to fill them in at the required time and even after subsequent follow-ups there were no positive reactions from them.

Table 1. Response Rate

Response	**Frequency**	**Percentage (%)**
Filled in questionnaires	52	81
Non response	12	19
Total	**64**	**100**

Source: Research Data, 2018

4.3. General Information

The study aimed to establish the general information about the respondent. The study used this information to base the study finding on the experience of the respondents and familiarity of the respondent to the information that the study sought.

4.3.1. Respondents Department of Working

Table 2 indicates departments in which respondents were working at in their respective organizations. From the findings most (44%) of the respondents were working at operation department, 29% were serving at strategic department while 27% of the respondents were credit department. This implies that all departments that were targeted by the study were involved and that the findings are not biased.

Table 2. Department of Working

Department	Frequency	Percent
Operation department	23	44
Strategic department	15	29
Credit department	14	27
Total	**52**	**100**

Source: Research Data, 2018

4.3.2. Position held by the Respondents

The study aimed to investigate position held by the respondents within their department. From the findings (4%) of the respondents were CEOs, (40%) of the respondents were managers, 25% were departmental heads, 7% were supervisors while 12% were assistant managers and technical personnel as shown in each case. Perrett (2003) recommended that ranks or position one held in the workplace leads to easier an application and operation practice that leads to better performance of the organization towards achieving organizational goals and objectives.

4.3.3. Working Duration

Table 3 illustrates working duration of the respondents in their respective organization.

Table 3. Working Duration

Working Experience	Frequency	Percent
1- 5 years	11	21
6 – 10 years	14	27
11 – 15 years	18	35
Above 16 years	9	17
Total	**52**	**100**

Source: Research Data, 2018

From the findings most (17%) had served in the organization for a period of more than 16 years, (35%) of the respondents had worked in the organization for a period of 11-15 years, 27% had worked for a period of above 6-10 years, while the rest 21% had worked for a period of more than 1-5 years. This implies that most of the respondents of this study had worked for an ample time within the organization thus they were conversant of the information that the study sought pertaining to the organization.

4.3.4. Level of Education

The researcher was also inquisitive to determine the highest level of academic qualification that the respondent held. From the findings of the result, most (44%) of the respondents were undergraduate, 39% were post graduate while 17% were diploma holders. Perrett (2003) pointed that academic qualification of the staff in an organization enhances their ability to handle their tasks and also to understand any unique working formula in work place. This depicts that most of the staffs working at cooperative sector are literate hence they are capable to adopt any operational strategy that the organization formulate with an aim of improving business performance as well as mitigating occurrence of risk.

4.3.5. Adoption of Operations Strategies

The study further aimed to investigate whether organizations have adopted operations strategies to enhance their competitive advantage. According to the findings, some respondents alleged that their organizations have adopted the operations strategies to enhance competitive advantage. The finding of this study complied Carey (2001) that the financial sector is the most volatile in the current financial crisis. Activities within the financial sector are exposed to a large number of risks. For this reason, operation strategies are more important in the financial sector than in any other sectors.

4.3.6. Duration of Practicing Operation Strategies

The study aimed to investigate the duration at which the organization had practiced operation strategies.

Table 4. Duration of Practicing Operation Strategies

Years of Practice	Frequency	Percent
1-3 years	5	10
4-6 years	17	33
7-10 years	23	44
Above 10 years	7	13
Total	**52**	**100.0**

Source: Research Data, 2018

From the findings, 13% had practiced for more than 10 years, 44% of the respondents pointed out that the organization had been exercising operation strategies for a period of 7-10 years, 33% indicated that their organization had practiced operation strategies for a period of more than 4-6years, while 10% indicated that the organization had practiced operation strategies for a period of 1-3 years.

4.4. Operation Strategies and Competitiveness in Cooperative Sector

4.4.1. Value-Driven Operations Strategy

Table 5 illustrates the finding of the study on the respondent level of agreement.

Table 5. Value-Driven Operations Strategy

Value-Driven Operations Strategy	Mean	S.D
In order for our organization to increase its total shareholder return requires companies to align its business, financial and investor strategies	3.67	1.382
Organizations need to make sophisticated trade-offs regarding how much to invest in future versus current performance	3.73	0.843
There is need for organization to consider how much capital to devote to particular businesses, how much value to return to shareholders, and how to appeal to their target investor groups	4.19	0.627
The growth of organic revenue is moderate, cash balances are historically large and getting larger though it represent opportunities to create value	3.62	0.820

Source: Research Data, 2018

From the findings, most of the respondent agreed that there is need for organization to consider how much capital to devote to particular businesses, how much value to return to shareholders, and how to appeal to their target investor groups as indicated by a mean of 4.19, respondents also agreed that organizations need to make sophisticated trade-offs regarding how much to invest in future versus current performance as depicted by mean of 3.73. In order for organization to increase its total shareholder return requires companies to align its business, financial and investor strategies as illustrated by mean of 3.67, respondents also agreed that the growth of organic revenue is moderate, cash balances are historically large and getting larger though it represent opportunities to create value as shown by mean score of 3.62.

4.4.2. Cost Driven Operation Strategies

The researchers requested the respondent to indicate their level of agreement on the statement relating to **cost** driven operation strategies and their influence on competitive advantage in cooperative movements in Kenya.

Table 6. Cost Driven Operation Strategies

Cost Driven Operation Strategies	Mean	S.D
Our organization designs a cost driven operations strategy focusing more on providing a product more cost-efficient than our rivals	4.27	0.244
Our organization base the price of a product on the costs of production rather than external factors such as competition or the economic environment.	3.98	1.000
Implementation of enterprise competition strategy is based on the exploitation of volume and scale, market share advantage, or cost-efficiency throughout the value chain	4.04	0.559
Our firm pays attention to franchise in the market place because of the difficulty of developing protectable competitive positions.	3.38	1.105

Source: Research Data, 2018

From the findings most of the respondents agreed that organization designs a cost driven operations strategy focusing more on providing a product more cost-efficient than their rivals as shown by mean score of 4.27, respondents also agreed that implementation of enterprise competition strategy is based on the exploitation of volume and scale, market share advantage, or cost-efficiency throughout the value chain as depicted by mean score of 4.04. Respondent agreed that their organization base the price of a product on the costs of production rather than external factors such as competition or the economic environment as illustrated by mean score of 3.98. Few of the respondents were neutral that firms pay attention to franchise in the market place because of the difficulty of developing protectable competitive positions as depicted by mean score of 3.38.

4.4.3. Service Driven Operations Strategy

The researcher requested the respondents to indicate their level of agreement on the statements relating to how service driven operations strategy influence organization competitive advantages.

Table 7. Service Driven Operations Strategy

Service Driven Operations Strategy	Mean	S.D
Our organization has developed a service driven operations strategy centered around customer service, product service or both	3.96	0.989
Our firm provides a niche in quality customer service and gain a loyal customer base for its efforts	4.10	0.869
We have developed speedy self-checkout registers to decrease the time customers spend waiting in line	3.15	1.289
Our firm assures the clients of a rapid delivery of product or a conveniently located drive-through for easy access	3.96	0.740
Businesses must think beyond numbers and envision their long-term growth strategy with the customer at the center of the operation	4.44	0.725
Our firm has invested more on research and initiatives that aims to retain the customer by keeping existing customer happy and satisfied	4.10	0.774

Source: Research Data, 2018

Most of the respondents agreed that businesses must think beyond numbers and envision their long-term growth strategy with the customer at the center of the operation as depicted by mean score of 4.44, respondent also agreed that firm provides a niche in quality customer service and gain a loyal customer base for its efforts and that firm has invested more on research and initiatives that aims to retain the customer by keeping existing customer happy and satisfied as shown by mean score of 4.10 in each case. Further respondents agreed that organization has developed a service driven operations strategy centered on customer service, product service or both and that firm assures the clients of a rapid delivery of product or a conveniently located drive-through for easy access as illustrated by mean score of 3.96 in each case, few of the respondents were neutral that have developed speedy self-checkout registers to decrease the time customers spend waiting in line as shown by mean score of 3.15.

4.4.4. Location of the Business

Table 8 summarizes respondents' level of agreement on influence of location of the business on enhancing organization competitive advantage.

Table 8. Location of the Business

Location of the Business	Mean	STDev
Geographic expansion should provide access to a fresh market and to additional resources.	4.21	0.148
A company's location strategy should conform with, and be part of, its overall corporate strategy.	4.35	0.590
Location often plays a significant role in a company's profit and overall success.	4.21	0.696
A location strategy is a plan for obtaining the optimal location for a company by identifying company needs and objectives, and searching for locations with offerings that are compatible with these needs and objectives	4.13	0.658
The initial part of developing a location strategy is determining what a company will require of its locations.	4.01	0.934
Our company rate each site with a value from the range based on the costs and benefits offered by the alternative locations	3.87	0.768

Source: Research Data, 2018

Most of the respondents agreed that a company's location strategy should conform with, and be part of, its overall corporate strategy as depicted by mean score 4.35, respondent also agreed that geographic expansion should provide access to a fresh market and to additional resources as shown by mean score of 4.21, location strategy is a plan for obtaining the optimal location for a company by identifying company needs and objectives, and searching for locations with offerings that are compatible with these needs and objectives as illustrated by mean score of 4.13, respondent further agreed that initial part of developing a location strategy is determining what a company will require of its locations as depicted by mean score of 4.01. On the other hand respondents agreed that company rate each site with a value from the range based on the costs and benefits offered by the alternative locations as shown by mean score of 3.87.

4.5. Organization Competitiveness

Table 9 summarizes respondents' level of agreement on how operation strategies influence organization competitive advantage. Most of the respondents agreed that quality and process have greatly improved as depicted by mean score 4.35 and 4.25 respectively. Respondents also pointed that reliability and dependability have improved as shown by mean score of 4.12 and 4.02 respectively. Costs, delivery, innovativeness and Flexibility have improved as shown by mean score of 3.94, 3.79, 3.69 and 3.59 respectively.

Table 9. Organization Competitiveness

Organization Competitiveness	Mean	STDev
Quality	4.35	0.738
Process	4.25	0.519
Innovativeness	3.69	0.643
Delivery	3.79	0.750
Flexibility	3.59	0.897
Reliability	4.12	0.505
Dependability	4.02	0.671
Costs	3.94	1.037

Source: Research Data, 2018

4.6. Inferential Analysis

To compute the correlation (strength) between the study variables and their findings the researcher used the Karl Pearson's coefficient of correlation (r). From the findings, it was clear that there was a positive correlation between organization competitiveness and value driven strategies as shown by a correlation figure of 0.523, it was also clear that there was a positive correlation between organization competitiveness and cost driven strategies with a correlation figure of 0.614, there was also a positive correlation between organization competitiveness and service driven strategies with a correlation value of 0.746 and a positive correlation between organization competitiveness and location of the business with a correlation value of 0.521. This shows that there was a positive correlation between organization competitiveness and value driven strategies, cost driven strategies, service driven strategies and location of the business.

Table 10. Coefficient of Correlation

		(1)	(2)	(3)	(4)	(5)
Organization Competitiveness (1)	Pearson Correlation	**1**				
	Sig. (2-tailed)					
Value driven strategies (1)	Pearson Correlation	.523	1			
	Sig. (2-tailed)	.0032				
Cost driven strategies (2)	Pearson Correlation	.6140	.3421	1		
	Sig. (2-tailed)	.0021	.0014			
Service driven strategies (3)	Pearson Correlation	.7460	.1240	.0621	1	
	Sig. (2-tailed)	.0043	.0120	.0043		
Location of the business (4)	Pearson Correlation	.5210	.3420	.0000	.1660	1
	Sig. (2-tailed)	.0172	.0031	1.000	.0031	

Source: Research Data, 2018

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (organization competitiveness) that is explained by all the four independent variables (value driven strategies, cost driven strategies, service driven strategies and location of the business).

The four independent variables that were studied, contributes 83.4% to the organization competitiveness as represented by the adjusted R^2. This therefore means that other operation strategies not studied in this research contribute 16.6% of the organization competitiveness. Therefore, further research should be conducted to investigate the other operation strategies (16.6%) that influence organization competitiveness.

Table 11. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.913	0.834	0.751	0.4538

Source: Research Data, 2018

Multiple regression analysis was conducted as to determine the relationship between organization competitiveness and the four variables.

Table 12. Regression Coefficients

	Unstandardized Coefficients		**Standardized Coefficients**		
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
(Constant)	1.308	1.342		1.623	0.357
Value Driven Strategies - X_1	0.558	0.310	0.172	4.342	.0276
Cost Driven Strategies- X_2	0.731	0.156	0.210	3.532	.0285
Service Driven Strategies- X_3	0.785	0.322	0.067	3.542	.0202
Location Of The Business- X_4	0.620	0.245	0.148	3.458	.0249

Source: Research Data, 2018

As per the SPSS generated table 4.19, the equation
($\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon}$) becomes:
$Y= 1.308+ 0.558X_1+ 0.785X_2+ 0.620X_3+0.731X_4$

The regression equation above has established that taking all factors into account (value driven strategies, cost driven strategies, service driven strategies and location of the business) constant at zero, organization competitiveness will be 1.308. The findings presented also shows that taking all other independent variables at zero, a unit increase in value driven strategies will lead to a 0.558 increase organization competitiveness; a unit increase in cost driven strategies will lead to a 0.731 increase of organization competitiveness; a unit increase in service driven strategies will lead to a 0.785 increase in organization competitiveness and a unit increase in location of the business will lead to a 0.620 increase in organization competitiveness. This infers that service driven strategies contribute most to organization competitiveness followed by cost driven strategies then value driven strategies while location of the business contributed the little to organization competitiveness.

5. CONCLUSIONS

The study concludes that there is need for organization to consider how much capital to devote to particular businesses, how much value to return to shareholders, and how to appeal to their target investor groups. Further the study concludes that organizations need to make sophisticated trade-offs regarding how much to invest in future versus current performance. Finally, the study concludes that organizations base the price of a product on the costs of production rather than external factors such as competition or the economic environment. On service driven operations strategy, the study concludes that businesses must think beyond numbers and envision their long-term growth strategy with the customer at the center of the operation.

6. RECOMMENDATIONS TO POLICY AND PRACTICE

Based on the study findings, the following recommendations were made: The study recommends that since the business environment in which the business operates is always changing, a company must develop a strategy that constantly scans for trends and changing patterns in the environment. These should include changes in customer wants and expectations, and ways in which competitors are meeting those expectations. The study also recommends that operations managers must work closely with marketing in order to understand the competitive situation in the company's market before they can determine which competitive priorities are important; To develop a competitive cost driven strategy, the operations function must focus primarily on cutting costs in the system [lean production], such as costs of labor, materials, and facilities. Sacco's that compete based on cost, study their operations system carefully to eliminate all waste. They might offer extra training to employees to maximize their productivity and minimize scrap.

The study recommends that a study be done on the role of operations strategies on organization performance with focus to commercial banks in order to depict real situations across the sector. The study also recommends that a study be done on challenges that affect internal implementation of operations strategies in both public and private sectors. Finally it's highly recommended for a study to be done on the challenges of mergers within the cooperative sector in Africa and how the same would impact on return on investment to shareholders and efficiency in operations.

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