

**STRATEGIC MANAGEMENT PRACTICES ON THE PERFORMANCE OF AFRICAN
GROWTH AND OPPORTUNITY ACT TEXTILE FIRMS IN KENYA**

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DECLARATION AND RECOMMENDATION

This thesis is my original work and has not been submitted in part or whole for the award of any degree in any other university or institution. All sources of information have been duly acknowledged.

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DEDICATION

I dedicate this thesis to my wife, my sons, and my family for their spiritual intervention and my siblings' encouragement.

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First and foremost, I am deeply grateful to the Almighty God for His grace, which enabled me to complete this study. I extend my sincere appreciation to the entire school and its academic staff for their continuous and unwavering support. Special thanks are due to my supervisor, Prof. Peter Kihara, for his invaluable guidance, mentorship, and profound insights. I also want to thank Dr. Mary Mbithi for her critical counsel, guidance and support. Finally, my gratitude goes out to everyone who has been a constant source of strength throughout my academic journey. Thank you all for your valuable support. May God bless you.

ABSTRACT

The African Growth and Opportunity Act (AGOA), enacted in 2000 and extended in 2015 by President Obama, offers preferential U.S. market access to 49 eligible sub-Saharan African countries, including Kenya. This study assessed the impact of strategic management practices on the performance of Kenyan textile firms operating under AGOA, using data from 68 senior and middle managers it assessed how strategic management practices influence firm outcomes such as export volume, profit, market share, and sustainability. Data collected involved closed-ended questionnaires, pilot-tested for validity and reliability, representing 10.5% of the target population. Ethical clearance and necessary permits were obtained, and the researcher secured an introductory letter from Kenya Methodist University and a permit from the National Commission of Science, Technology, and Innovation. Data analysis via SPSS (version 24) showed that all four strategic management practices—environmental scanning ($r=0.757$), strategy formulation ($r=0.944$), strategy implementation ($r=0.879$), and strategy control ($r=0.822$) had strong, positive, and significant correlations with firm performance ($p<0.05$). However, multicollinearity was present, as all independent variables were interrelated ($r=0.700$). Findings highlight the importance of comprehensive strategic practices in enhancing performance. This study proposes actionable recommendations for Kenyan AGOA textile firms and policymakers, based on empirical findings. The recommendations focus on cultivating proactive foresight and developing agile, adaptable strategies to manage external uncertainties, particularly regarding the future of the AGOA agreement. Firms are also advised to address the implementation gap by focusing on resource mobilization, training, and strategic partnerships, as well as enhancing strategic control through data-driven decision-making and quality management. For policy considerations, the study recommends that the Kenyan government intensify lobbying for AGOA's extension or pursue alternative trade agreements to diversify market access.

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LIST OF ABBREVIATIONS/ACRONYMS

AfCFTA	African Continental Free Trade Area
AGOA	African Growth and Opportunity Act
CAGR	Compound annual growth rate
EPZ	Export Processing Zone
EPZA	Export Processing Zone Authority
HRIS	Human Resource Information System
KAM	Kenya Association of Manufacturers
KIPPRA	Kenya Institute for Public Policy Research and Analysis
SSA	Sub-Saharan Africa
SMT	Strategic Management Theory
U.S.	United State
USD	United States Dollar
USTR	United States Trade Representative

CHAPTER ONE

INTRODUCTION

1.0 Background to the Study

Organizational performance is widely recognized as the ultimate measure of a firm's success and sustainability in any competitive market. Performance represents a firm's capacity to achieve its competitive objectives over the course of profitability, market share growth, economic efficiency, customer satisfaction, and sustainable competitive advantage. Concerning the manufacturing sector and the textile industry, particularly in terms of performance, such financial metrics refer to export earnings, profitability margins, productivity rates, employment creation, as well as the capacity to maintain operations in a volatile international market.

For firms participating in the (African Growth and Opportunity Act [AGOA]) framework, performance depends on their ability to use preferential trade terms, compete in international markets (especially the U.S. market), and sustain export growth. Despite the positive potential of AGOA, many Kenyan textile firms have not been able to capitalize on AGOA's benefits in terms of performance; this has raised questions about the firm's long-term competitiveness and sustainability in the global textile industry (Guttermann, 2023).

Factors related to Performance of AGOA-Based Textile Firms: These include strategic management practices that form the basis for firms to coalesce their resources with market opportunities, and streamline operational processes while minimizing risk. Environmental scanning consists of monitoring external market dynamics to respond to. Firm strategy formulation is the definition of competitive objectives and strategies. Strategy implementation involves translating the strategic plans into operational activities, and strategy evaluation and control is the monitoring of the outcome of the strategies and the subsequent adjusting of the

strategy to attain greater performance.

A firm can achieve improved performance to enhance efficiency, respond to market demands, and keep its market edge by being better positioned to do so when it consistently applies comprehensive strategic management practices. On the other hand, if a firm does not have a structured strategic management framework, it is usually inefficient, unprofitable, and the market stagnates. Strategic management is not only a tool for planning but a necessity for survival for Kenyan textile firms based on AGOA (Sandefur & Subramanian, 2024).

1.1.1 Global Perspective on the Performance of AGOA-Based Textile Firms

This is one of the most dynamic and competitive sectors in the world, globally. In 2022, the global textile market was valued at about USD 1.6 trillion and is expected to grow at a compound annual growth rate (CAGR) of 7% between 2022 and 2030, as per Grand View Research. The firms' performance in this sector is determined by changing consumer preferences, technological development, the necessity of sustainable development, and changes in trade policies. AGOA has served as the preferential gateway to the US market for Sub-Saharan African countries.

This opportunity has been utilized by AGOA-eligible countries to enhance their textile and apparel exports. Yet, the competition is still global, and low-cost manufacturing hubs like China, Bangladesh, Vietnam, and India, achieving economies of scale, technology adoption, and efficient supply chains, have given an upper hand to these countries, and they have been dominating the global textile market. Therefore, to operate in that global market, African firms under AGOA have to confront high production costs, infrastructural shortcomings. And lack of access to advanced technology that limits their effectiveness and progress on that platform. However, AGOA has helped African countries to lift their export performance. One example is Kenya, Lesotho, and Madagascar, which have experienced appreciable expansion in apparel exports to the U.S. under AGOA. Yet performance gains have not necessarily been uniform,

and many AGOA-based firms remain unsustainable and uncompetitive. Therefore, strategic risks brought by the uncertainty of AGOA expiration in 2025 also introduce uncertainty to long-term planning and investment decisions in these firms (Lekunya, 2017).

1.1.2 Regional (African) Perspective on the Performance of AGOA-Based Textile Firms

AGOA plays a vital role in fostering the expansion of textile and apparel exports from Sub-Saharan African nations to markets within the region. Between 2000 and 2020, the SSA region sold over 6 billion USD worth of apparel under AGOA to U.S customers. Lesotho, Mauritius, and Madagascar have joined Kenya as leading nations in completing AGOA opportunities according to the latest USTR report of 2024.

Textile firms in SSA perform below their full potential because of multiple business and infrastructure problems. Abdijabar (2023) data show that multiple AGOA textile companies in Africa face similar problems of electrical power interruptions, inadequate transport systems, worker skill shortage, and high production costs. These issues reduce manufacturing effectiveness and make production expensive while affecting the businesses' ability to meet U.S. market standards. AGOA-eligible countries from Sub-Saharan Africa showed different results in their textile exports during 2023, according to the (Export Processing Zone Authority [EPZA]) report. The U.S. market received 11.9% fewer apparel products from Kenya and 13.7% less from Madagascar, while Egypt faced a 26.5% drop and Ethiopia experienced a 37.3% export decrease in 2023. Tanzania and Ghana displayed trade escalation through 15.3% and 9.9% exports, respectively. This performance imbalance shows that SSA textile companies under AGOA operate differently because each nation possesses varying levels of strategic management skills, infrastructure growth, and policy backing (Lola & Oni, 2022).

The African Continental Free Trade Area presents excellent market expansion chances but most AGOA businesses in Africa are underscoring them because they do not best position themselves

competitively within the market.

1.1.3 Local (Kenyan) Perspective on the Performance of AGOA-Based Textile Firms

Kenya stands out among AGOA's biggest beneficiaries through its strong success in the textile and apparel business. Statistics from EPZA show Kenya sent 534.6 million dollars in textile products to the U.S. under AGOA in 2022, but exports dropped to 471.2 million dollars in 2023 by 11.9%. The market reduction happens because businesses buy less from suppliers while costs jump, plus Asian factories compete strongly (Ngulu, 2015).

The AGOA program helps Kenya provide jobs through its textile activities, mainly in Export Processing Zone locations. EPZs employ around 58,002 workers in garment sector businesses, which make up 75% of EPZ employment. 2023 counts show job numbers decreased to 58,002 from 66,260 workers in 2022.

Despite its valuable past achievements, the sector needs to address serious problems that hurt its results. The sector encounters severe energy rate problems plus digital and managerial talent shortages plus financing difficulties, plus logistics system issues that block its operation. According to Malicha & Njoroge (2020), many Kenyan textile firms in AGOA operate without structured strategic planning systems, yet respond to problems in a short-term, reactive manner. Labajo & Nagel (2025) reveals problems in key management skills development and market insight availability among their members. The issues hinder companies from developing new products and markets while making production easier and better. Textile companies in Kenya face difficulties adjusting to modern global market trends, especially those related to sustainability, ethical sourcing, and digital selling.

Anecdotal evidence shows Kenyan textile businesses are still working on sustainability programs, even though the Exchange (2023) recorded rising sustainable textile demand from overseas markets. The future of AGOA beyond 2025 creates business hardships because

companies cannot plan their operations with certainty. Firms keep waiting before they expand production or upgrade technology because they need to know the market access plan will continue past 2025. The need to develop total strategic business techniques that will become crucial to help textile firms in Kenya stay successful (Mugano & Brookes, 2021).

1.2 Statement of the Problem

Kenyan textile firms, despite preferential access to the U.S. market under the African Growth and Opportunity Act (AGOA), continue to face significant challenges in achieving long-term sustainability and global competitiveness. These challenges have been substantially amplified by the introduction of a 10% tariff on Kenyan exports to the USA, imposed by the Trump administration, which threatens to undermine the benefits previously gained through AGOA. While AGOA has provided substantial trade benefits, many firms have failed to fully capitalize on these opportunities, primarily due to weaknesses in their strategic management practices (Maureen, 2022). In particular, these firms struggle with ineffective environmental scanning, inadequate strategy formulation, poor implementation, and insufficient strategy control.

The expiration of AGOA in 2025 presents a critical turning point, intensifying the need for Kenyan textile firms to reassess their strategic management approaches. Without improvements in these areas, many firms may find themselves ill-prepared for a post-AGOA market environment, jeopardizing their ability to remain competitive on the global stage. This situation calls for urgent attention, as failure to adapt could lead to the loss of market share and hinder future growth opportunities. Thus, this study aims to investigate the relationship between strategic management practices, specifically environmental scanning, strategy formulation, implementation, and evaluation, and the performance of Kenyan textile firms under AGOA. By examining these aspects, the study will provide valuable insights into how improving strategic management can help these firms navigate the challenges they face, ultimately enhancing their competitiveness and

ensuring their sustainability in both current and future market landscapes (Owusu & Otiso, (2021).

1.3 General Objective

The general objective of this study was to assess the influence of strategic management practices on the performance of Kenyan textile firms operating under the African Growth and Opportunity Act.

1.3.1 Specific Objectives

The specific objectives of this study were to:

- i. To establish the influence of environmental scanning on the performance of textile firms under AGOA in Kenya.
- ii. To determine the influence of strategy formulation in enhancing the performance of AGOA-based Kenyan textile firms.
- iii. To determine whether strategy implementation influences the performance of Kenyan textile firms under AGOA.
- iv. To establish whether strategy control influences the performance of textile firms under AGOA.

1.4 Research Hypotheses

The study was guided by the following research hypotheses:

- i. **H0₁:** Environmental scanning does not significantly influence the performance of textile firms under AGOA in Kenya.
- ii. **H0₂:** Strategy formulation does not significantly influence the performance of Kenyan textile firms under AGOA.
- iii. **H0₃:** Strategy implementation does not significantly influence the performance of textile firms under AGOA in Kenya.
- iv. **H0₄:** Strategy control does not significantly influence the performance of Kenyan textile firms under AGOA.

1.5 Justification of the Study

This study was crucial as it provided critical insights into how Kenyan textile firms could enhance their competitiveness by improving strategic management practices. Despite the favorable trade environment created by AGOA, many firms have been unable to fully leverage this advantage, which has hindered their ability to grow and maintain a strong market presence in the U.S. (Owusu & Otiso, 2021). Ineffective strategic management practices, such as poor environmental scanning and inadequate strategy formulation, have left many firms vulnerable to external pressures and global competition.

By exploring how these firms can optimize their strategic management practices, this research provided valuable information for policymakers and business managers. It offered guidance on how strategic management frameworks can be tailored to address the current challenges and prepare for the post-AGOA market environment. As the expiration of AGOA in 2025 draws closer, this study will assist textile firms in Kenya by helping them make the necessary strategic adjustments to remain competitive, both regionally and globally. This research is timely and essential in equipping firms with the tools they need to thrive in a rapidly evolving market landscape (Maziku, 2021).

1.6 Limitations and Delimitations of the Study

This study was limited by the availability of data from textile firms, particularly concerning their internal strategic management practices. Many firms were unwilling to disclose sensitive information related to their performance, which restricted the depth and breadth of the analysis. Additionally, the reliance on self-reported data from managers and decision-makers introduced the potential for biases. These biases resulted from firms overstating their strategic capabilities or performance, either intentionally or unintentionally, which affected the accuracy and reliability of the findings. Consequently, the study's results were influenced by these limitations, potentially

affecting the overall conclusions drawn from the data. Despite these challenges, efforts were made to ensure the data collected was as reliable and representative as possible. This study focused exclusively on textile firms in Kenya that are actively participating in the African Growth and Opportunity Act (AGOA), excluding those that do not engage with the program.

This delimitation ensures that the research remains focused on firms that are directly impacted by AGOA and its upcoming expiration in 2025. Additionally, the study was confined to the period between 2020 and 2023, allowing for the collection of the most recent and relevant data regarding performance and strategic management practices within these firms. By narrowing the scope to AGOA- AGOA-participating firms and a specific time frame, the study provided a detailed analysis of the factors influencing the competitiveness of Kenyan textile firms under the AGOA framework.

1.7 Significance of the Study

This research will make a significant contribution to the existing body of knowledge on strategic management in developing countries, with a particular focus on sub-Saharan Africa. The findings of this study will be valuable to managers of textile firms, policymakers, and researchers who aim to enhance the effectiveness of strategic management practices within the textile sector. By providing a detailed analysis of how strategic management practices influence firm performance, this research will offer actionable recommendations for firms to optimize their strategies. These recommendations will help firms improve their competitiveness in global markets, particularly as AGOA's expiration approaches and new market dynamics emerge. The study will also provide insights into how firms can adapt their strategies to remain viable beyond the AGOA framework, ensuring long-term growth and sustainability.

1.8 Assumptions of the Study

It was assumed that the respondents provided truthful and accurate information regarding their firm's strategic management practices. Given the sensitive nature of the data, it was expected that managers and decision-makers were forthcoming with the necessary information to ensure the reliability of the study's findings. Additionally, it was assumed that the economic conditions during the study period remained relatively stable, without significant market disruptions that could affect the performance of the firms under examination. This stability was essential to ensure that the data collected accurately reflected the impact of strategic management practices rather than external economic shocks or crises.

1.9 Definition of Terms

To ensure clarity and understanding, the following terms are defined within the context of this study:

AGOA: Stands for African Growth and Opportunity Act, a U.S. trade policy providing preferential access to the U.S. market for sub-Saharan African countries. (Abdijabar, 2023).

African Growth and Opportunity Act (AGOA). Eligible Sub-Saharan African countries are given duty-free access to the U.S. market through a U.S. trade act (Abdijabar, 2023).

Environmental Scanning Involves analyzing the external and internal environment to determine the system's opportunities, threats, strengths, and weaknesses (Ngulu, 2015).

Export Processing Zones (EPZ) are areas or Places designated in Kenya where firms manufacture goods for export in favorable trade and tax conditions (Abdijabar, 2023).

Firm's performance: refers to measurable outcomes in an organization as a result of taking measures to use resources to achieve desirable outcomes (Tawse & Tabesh, 2021).

Strategy Management is the process of formulating, implementing, and evaluating strategies to achieve organizational goals (Maureen, 2022).

Strategy management practices refer to the strategic process that encompasses environmental scanning, strategy formulation, strategy implementation, strategy evaluation, and control, aimed at achieving the organization's goals (Maureen, 2022).

Strategy Formulation refers to the development of long-term objectives and strategies based on environmental analysis (Owusu & Otiso, 2021).

Strategy Implementation refers to the execution of formulated strategies involves allocating resources and implementing organizational actions (Musyoka & Deya, 2023).

Strategy Control: This is the process of evaluating the effects of exerted techniques and using adjustments to make them consistent with organizational targets (Song et al., 2024).

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the theoretical and empirical literature on strategic management, focusing on key elements such as environmental scanning, strategy formulation, implementation, and Control. It will also discuss the relationship between strategic management practices and firm performance, drawing from both global and local contexts within the textile industry.

2.1 Theoretical Review

Strategic management principles determine how businesses use their activities to create better results. This part describes four fundamental management plans, including Strategic Management Theory and the Resource-Based View (RBV) Theory, along with Dynamic Capabilities Theory and the Contingency Theory. These leading theories show companies different ways to use business methods and win against competition in unstable textile manufacturing markets (Maziku & Amani, 2025).

2.1.1 Strategic Management Theory (SMT)

Strategic Management Theory (SMT) is a multidisciplinary framework that studies the organizational processes used to analyze, formulate, and implement strategies to achieve a sustainable competitive advantage and superior performance. The field is fundamentally defined by the Strategic Management Process, a cyclical activity involving Strategy Formulation (setting objectives using tools like SWOT and Porter's Five Forces), Implementation (resource allocation and organizational design), and Evaluation (monitoring and corrective action). This process aims to ensure that the firm's actions, which are often a blend of both deliberate (planned) and emergent (reactive) strategies, align with its overarching goal of creating value that competitors cannot easily

duplicate (Hitt et al., 2023).

SMT's foundation rests on key theoretical perspectives that explain the origin of competitive advantage. The Industrial Organization View, largely associated with Michael Porter, argues that performance is determined primarily by industry structure the external environment, emphasizing strategic positioning against forces like rivalry and threat of substitutes. In contrast, the Resource-Based View (RBV), advocated by Jay Barney, argues that sustained advantage comes from unique internal resources and capabilities that are VRIO (Valuable, Rare, Inimitable, and Organized). Contemporary research often integrates these external and internal views, acknowledging that optimal strategy is contingent upon the successful fit between a firm's unique assets and the competitive landscape it operates within (Barney & Hesterly, 2023).

Modern SMT places significant emphasis on navigating dynamic and complex environments, recognizing that possessing static VRIO resources is no longer sufficient. This evolution led to the development of Dynamic Capabilities Theory, which focuses on a firm's capacity to actively sense and seize new opportunities and reconfigure its resource base to respond to rapid technological and market changes (Teece, 2022). Dynamic Capabilities Theory is crucial for understanding how firms maintain relevance in today's fast-paced globalized context and highlights the importance of organizational learning and adaptation as core strategic assets.

Beyond business-level competition, SMT provides frameworks for Corporate Strategy, guiding complex decisions for multi-business enterprises. This includes determining optimal strategies for Diversification (related vs. unrelated markets), utilizing Mergers and Acquisitions to build new capabilities, and structuring International Strategy (e.g., global standardization versus multi-domestic adaptation). Ultimately, SMT offers the most robust and comprehensive theoretical lens for empirical studies, such as analyzing the impact of strategic practices on firm performance within

a major external opportunity like the AGOA trade agreement (Rothaermel, 2021).

2.1.2 Contingency Theory

Contingency Theory is against the one-size-fits-all formula for strategic management. It suggests that a strategy is effective only when it aligns with the internal organizational factors as well as the external environment in which the firm operates. The theory of the case argues that the best way to manage an organization or follow an implementing strategy is not necessarily by universal best practices, but great managers should be aware of the context in which to formulate and execute the strategy. They include variables such as the size of the organization, the technology available, and the market conditions, and the regulatory framework under which the firm operates (Kairu, 2022). This paper used the Contingency Theory as a means of providing insights into how firms in the context of AGOA-based Kenyan textile firms should conduct strategic management in a dynamic and competitive environment. It highlights the requirement of firms to make their specific inner scenarios and general outer context faithful at the same time when devising strategies. For Kenyan textile firms, this particularly applies as they are large, small, well and poorly resourced, and able to do much or little. Its (textile firm) access to more advanced technology, large labor force, and better infrastructure may be relatively better compared with a smaller firm in Mombasa. Thus, the strategy that is suitable and can be implemented for the larger company might not be viable or feasible for the smaller firm, having fewer and smaller resources and capabilities at its disposal. Hence, the strategic management process must be customized based on the firm's special environment and problems (Maziku & Amani, 2025).

According to Contingency Theory, strategies should be designed in such a way as to consider the firm's internal resources and capabilities. For instance, a small textile firm in Mombasa could adopt a cost leadership strategy as it could focus on specific strengths, for instance, low cost of production or having designs unique to the local market. While large firms in established zones like Athi River may

be able to pursue the differentiation strategies, giving them high-quality and specialized products to international markets. It is thus a tailored approach that enables each firm to utilize its current capabilities to its advantage and adapt to external market conditions in such a way as to optimize its competitive advantage (Malicha & Njoroge, 2020). One of the most important aspects of Contingency Theory is that it gives importance to environmental fit. However, according to the theory, the strategies must be in harmony with the needs of the external environment. In the case of the Legislative Assembly (AGOA) based Kenyan textile firms, their strategy must be designed to meet the expectations and requirements of the U.S. market, which include compliance with quality standards, labor laws, ethical sourcing practices, and sustainability benchmarks. For example, products that deliver a positive impact to the environment are expected to gain further traction among U.S. consumers and buyers, who are getting more concerned about the impact of products on the environment. Thus, Kenyan textile firms must ensure that their production processes are of this environmental fit, especially when exporting to the U.S. and failing to achieve this environmental fit may exclude the firms from the market, as in cases where firms have been denied AGOA due to violation of labor laws and quality standards. This highlights why Kenyan textile firms must continue taking cognizance of the emerging market requirements of the main export markets. In addition, Contingency Theory put a stress on the flexibility in the style of strategy implementation. Most changes in the external environment (market demands, technological changes, political changes) are not predictable, and firms should be ready to do changes of their strategies. The end of the AGOA in 2025, therefore, is considered an external factor that calls for the reorientation of the existing strategies of Kenyan textile firms under the agreement. Firms need to prepare multiple plans that enable them to adjust their operations when AGOA status changes. The company should adjust by creating many products, finding new markets, or making operations run better to stay competitive without AGOA benefits (Ghazi et al, 2025). As AGOA ends, Kenyan textile companies must find other nations

beyond the USA to sell their products. The African Continental Free Trade Area (AfCFTA) offers Kenyan textile firms an opportunity to grow their trading networks within the African continent. Firms can improve their market flexibility by expanding into new regions since the U.S. market might show higher fluctuations and Obstacles after AGOA ends. Strategically flexible Kenyan textile firms can find new business prospects and defend themselves against risks of AGOA preference termination according to Contingency Theory. Businesses that can rapidly change their sales direction to explore fresh markets will maintain stability during uncertain trading times (Felbermayr et al. 2024).

According to this concept, strategy results depend greatly on environmental aspects such as company dimensions, technology access, and marketplace features. Larger Kenyan textile firms that have excellent machinery and well-developed facilities should produce high quantities of textiles for export markets. Small companies should target unique market areas where they can develop creative offerings tailor-made for consumer groups. Kenyan textile firms can build more effective market strategies by analyzing these internal and external trends along with their specific circumstances (Kiguru, 2023).

2.1.3 Resource-Based View (RBV) Theory

The Resource-Based View (RBV) Theory, first introduced by Barney in 1991, offers a crucial framework for understanding how firms can sustain competitive advantage over time. This theory presumes that superior performance in a firm is achieved and maintained through the acquisition, development, and management of rare, valuable, inimitable, and non-substitutable (VRIN) resources. These resources can be tangible or intangible, either as capital and technology or as brain or intellectual property and organizational culture, or brand reputation. From the RBV theory, it is stressed that the firm's capacity to make use of these resources in the appropriate way differentiates it from the rest of the firms in the industry. The RBV theory helps AGOA-based

Kenyan textile firms to analyze their internal resources and capabilities in a critical approach that will allow them to create strategies that will lead them to superior performance. It is mainly in the context of AGOA that the application of the RBV Theory is particularly appropriate, since Kenyan textile firms have to not only take advantage of external opportunities offered by preferential access to the U.S. market, but also utilize internal resources to gain a competitive edge. Firms need to develop and maintain such resources that are difficult to replicate by competitors, irrespective of them being from other countries within AGOA or low-cost textile producers from Asia (Foley, 2023). According to the RBV Theory, just the fact of having valuable resources is not enough, as firms are also called upon to deploy and exploit such resources efficiently and effectively to create value. For instance, the firms having access to advanced textile production technology can enhance productivity and product quality, directly affecting competitiveness in international markets. Similarly, firms with skilled labor and specialized knowledge in textile manufacturing can reduce operational inefficiencies and increase their ability to meet the stringent requirements of international customers (Seelos et al., 2023). Moreover, strong relationships with U.S. buyers provide Kenyan textile firms with consistent demand, which is essential for long-term success in the competitive global textile market. To apply the RBV Theory, firms must search for hard-to-find resources and then develop those unique assets. Kenyan textile businesses benefit from valuable aspects of their production systems, trade secrets, and market entry points that industry rivals cannot duplicate. Kenyan textile companies apply new ways of making clothes through eco-friendly colorants and sustainable materials that buying nation's values, when consumers care about sustainability, while companies embrace ethical standards, firms that possess rare resources will claim marketplace distinction, which grants them long-lasting competitive benefits (Exchange, 2023).

Firms that dedicate distinct sustainable practices gain market success through boosting their brand reputation and building critical business value.

According to the RBV Theory, a business needs resources that rivals find hard to duplicate to maintain its competitive edge. Kenyan textile companies create distinct resources through special supply chains, regional know-how, and production skills that their geography and national traditions give them. The unique resources of these firms help build lasting advantages because their source factors cannot be duplicated by competitors.

2.1.4 Dynamic Capabilities Theory

Dynamic Capabilities Theory, pioneered by David Teece (2022) and his colleagues, posits that in fast-changing markets, a firm's sustainable competitive advantage comes not just from possessing valuable resources, but from its capacity to develop, adapt, and reconfigure those resources. It's about a firm's ability to innovate and respond effectively to external shifts. For AGOA textile firms, this is crucial because they operate in a highly turbulent and competitive global market. The theory breaks down dynamic capabilities into three main components: The ability to perceive and identify new opportunities and threats in the market. For Kenyan textile firms, this means actively monitoring global fashion trends, changes in U.S. consumer preferences, technological advancements in textile manufacturing, and shifts in trade policies.

The ability to mobilize resources and capture the opportunities identified. Once an opportunity is sensed, the firm must take action. This could involve investing in new machinery, training staff on new production techniques, securing new contracts with international buyers, or reallocating capital to new product lines. The ability to manage and orchestrate the firm's assets, resources, and routines to adapt to the new environment. This involves making fundamental changes to the firm's structure, production processes, and supply chain to remain competitive.

For example, a firm might shift from basic garment assembly to designing and producing more complex, high-value apparel. Dynamic capabilities specifically sensing, seizing, and reconfiguration have a positive and significant effect on the competitive advantage of manufacturing firms in Nairobi. While not exclusively focused on AGOA textile firms, it establishes the fundamental link between these capabilities and firm performance in the Kenyan manufacturing context. Firms that proactively adapt their internal processes to achieve cost leadership or differentiation (which are essentially manifestations of dynamic capabilities) perform better in the Export Processing Zone (EPZ) environment, where most AGOA firms are located.

2.2 Empirical Review

Enacted by the United States in 2000 and later extended to 2025, the African Growth and Opportunity Act (AGOA) grants qualifying Sub-Saharan African (SSA) nations duty-free entry into the U.S. market for a diverse array of goods, notably textiles and apparel. This preferential trade arrangement aims to promote economic growth, encourage political and economic reforms, and enhance U.S.-Africa trade relations. For beneficiary countries like Kenya, the textile sector has been a significant beneficiary of AGOA, attracting investment, creating employment, and boosting export earnings. However, the extent to which strategic management practices adopted by Kenyan textile firms operating under AGOA influence their performance, particularly in terms of market share, remains a critical area of inquiry. This empirical literature review aims to investigate this relationship, with a focus on strategic management practices.

2.2.1 Influence of Environmental Scanning on Performance of Textile Firms

Environmental scanning the process of gathering, analyzing, and interpreting external environmental information is essential for strategic management, particularly in the textile industry. For Kenyan firms operating under the African Growth and Opportunity Act (AGOA), it serves as a vital tool for understanding global market dynamics, adjusting to consumer preferences, and leveraging access to the U.S. market. Globally, the textile sector faces fierce competition, rapid technological advancements, and increasing demand for sustainability and ethical practices. Firms that actively monitor international trends in materials, production methods, and fashion innovation tend to capture larger market shares, especially in the U.S., Europe, and Asia (Wang et al., 2018). Zhang et al. (2022) found that companies with strong environmental scanning systems were more likely to adopt sustainable practices, aligning with consumer values in Europe and North America, resulting in increased market share ($R^2 = 0.72$, $p < 0.01$; $n = 350$). In contrast, firms that ignore global trends risk obsolescence ($n = 20$).

In Africa, textile firms face unique challenges, including inadequate infrastructure, evolving regional trade policies, and competition from global brands. Environmental scanning enables firms to identify regional trade dynamics and tailor their strategies to meet intra-African consumer demands. found that firms in East Africa that monitored trade policies and consumer behavior in Uganda and Tanzania achieved greater export volumes and market share within the East African Community ($F = 5.89$, $p < 0.05$; $n = 120$). Ignoring such regional opportunities can hinder diversification (Yimen et al., 2020). Locally, Kenyan textile firms must track government policies, labor laws, infrastructure, and market competition. Effective local scanning helps firms adapt to the domestic business environment and exploit both local and export opportunities. Ochomo et al. (2023) found a positive correlation between local environmental scanning and market share gains both in Kenya and the U.S. ($r = 0.65$, $p < 0.01$; $n = 180$). Firms that engaged

with government and industry bodies adapted more successfully to policy changes and maximized AGOA benefits, while those that did not were less competitive (Kamau & Elegwa, 2022) confirmed a significant link between environmental scanning intensity and export performance among Kenyan textile firms under AGOA, with firms that monitored global and local trends showing improved U.S. market performance ($R^2 = 0.58$, $p = 0.002$).

2.2.2 Influence of Strategy Formulation on Enhancing the Performance of Textile Firms

Strategy formulation plays a critical role in enhancing the performance of textile firms, particularly those leveraging trade frameworks such as the African Growth and Opportunity Act (AGOA). For Kenyan textile firms operating under AGOA, effective strategy formulation involves making key decisions around product development, market targeting, competitive positioning, and resource allocation to seize the opportunities presented by AGOA and navigate associated challenges. Globally, successful textile firms often adopt distinct competitive strategies—such as cost leadership, differentiation, or focus to gain market share (Competitive Strategic Management Practices and Performance of Small and Medium Enterprises in Kenya: A Case of Mombasa County. Companies like Zara and H & M have thrived through differentiation, utilizing fast fashion models and responsive supply chains (Ferdows et al., 2004). International firms pursuing innovation-led differentiation strategies achieved higher profitability and market share (Regression analysis, $R^2 = 0.68$, $p < 0.01$; Panel data, $n = 200$). However, overly rigid strategies can hinder growth if they fail to adapt to market changes. In Africa, strategy formulation must be contextualized to reflect local consumer preferences, trade regulations, and competition from both regional and Asian producers.

Regional value chains and market-specific strategies can unlock new opportunities (The East African Community Cotton Textiles Apparel Strategy and Implementation Roadmap. A narrow focus on AGOA alone, without regional integration, can limit long-term performance. Ndegwa

et al. (2022) demonstrated that firms integrating regional sourcing and expansion within SADC exhibited better market diversification and resilience (Structural Equation Modeling, CFI= 0.92, RMSEA = 0.06; Survey, n = 150). Conversely, firms that ignored regional opportunities missed chances for growth qualitative study, n = 12). For Kenyan AGOA textile firms, strategy formulation must encompass decisions on production capacity, technological upgrades, workforce skills, and stakeholder relationships. Efficiency, product quality, and compliance with labor and environmental standards are essential for competitiveness.

Building strong local partnerships also supports resilience ignoring local market needs or the Kenyan context may negatively affect performance (Maureen, 2022). Oluoch (2024) found that firms focusing on local responsiveness and quality improvements saw improved domestic market share and export performance (Regression analysis, $R^2 = 0.49$, $p = 0.015$; Survey, n = 110). Empirical studies reinforce these findings. Wamukota et al. (202) found that differentiation led to greater U.S. market share among 95 Kenyan AGOA firms (ANOVA, $F = 5.18$, $p = 0.007$). Oluoch (2024), using multiple case studies, noted the importance of aligning strategies with U.S. buyer expectations. Kamau & Elegwa (2022) linked comprehensive planning to improved market share ($r = 0.54$, $p = 0.021$). Muchira et al. (2021) observed that adaptive firms investing in technology gained U.S. market share ($R^2 = 0.61$, $p = 0.005$). These findings collectively affirm that strategic formulation is vital to enhancing textile firm performance under AGOA.

2.2.3 Strategy Implementation Influences on the Performance of Textile Firms

Strategy implementation is a crucial determinant of performance for textile firms, particularly those in Kenya operating under the African Growth and Opportunity Act (AGO). It involves implementation is essential to realizing strategic goals such as increased market share. Globally, even the best-formulated strategies can fail without effective execution. Success hinges on leadership, communication, resource allocation, and organizational culture taking the Devil's Rope – AGOA and Sweatshops in the Apparel Sector. Kaplan and Norton (1996) emphasized the

balanced scorecard as a tool for aligning operational activities with strategic objectives. Poor implementation, on the other hand, often leads to inefficiencies, delays, and missed targets (Hrebiniak, 2006). A study by Nedumpillil et al. (2022) found that multinational textile firms that applied robust project management and encouraged cross-functional collaboration achieved better market share outcomes (Regression analysis, $R^2 = 0.75$, $p < 0.01$; Survey, $n = 300$). However, excessive bureaucracy can obstruct implementation (Burns & Stalker, 1961). Within the African context, AGOA-based Kenyan textile firms face challenges such as infrastructure gaps, bureaucratic inefficiencies, and workforce limitations. National AGOA Strategies. Effective implementation may require targeted investments in logistics, employee training, and government collaboration. Failing to address these challenges can nullify the benefits of well-designed strategies. Nyarko (2024) found that supply chain integration and logistical efficiency significantly influenced AGOA market success for West African firms (Structural Equation Modeling, CFI = 0.90, RMSEA = 0.07; Survey, $n = 130$). In contrast, Osei- Opare (2025) showed that poor infrastructure and logistics limited market access (Case study, $n=10$). Locally, successful implementation involves improving operational efficiency, ensuring quality control and aligning with labor regulations. This may include adopting modern machinery, quality management systems, and ethical labor practices. Textile firms with strong operational processes and quality controls achieved higher export volumes and U.S. market share (Regression analysis, $R^2 = 0.52$, $p = 0.011$; Survey, $n = 160$). Conversely, Mwaura (2023) reported that firms with operational inefficiencies faced serious performance setbacks (Qualitative study, $n = 15$). Chepkoech et al. (2021) examined 85 AGOA textile firms and identified a strong positive correlation between effective strategy implementation and U.S. market share ($r = 0.68$, $p = 0.001$). Mwangi (2025) revealed that implementation was hindered by infrastructure gaps and bureaucracy, calling for government support (Multiple case study, $n = 10$). Barasa et al. (2024)

showed that organizational cultures emphasizing innovation and customer focus led to higher export performance (Regression analysis, $R^2 = 0.47$, $p = 0.018$). Finally, Akinyi (2024) found that investments in technology and employee training significantly boosted U.S. market share over two years (Paired t-test, $t = 3.12$, $p = 0.003$; $n = 60$). Collectively, these studies affirm that strategy implementation is pivotal in enhancing the performance of textile firms under AGOA.

2.2.4 Strategy Evaluation on improving the performance of Textile Firms

Strategy evaluation is a continuous and crucial process for Kenyan textile firms operating under AGOA, involving the monitoring and assessment of implemented strategies to enable necessary corrective actions. This ensures that these firms can effectively track their performance in both the U.S. and other markets, identify areas requiring improvement, and adapt their strategies proactively to maintain a competitive edge within the dynamic global environment.

The establishment of robust strategy evaluation mechanisms is, therefore, not merely beneficial but essential for sustained success. On a global scale, the textile industry necessitates continuous strategy evaluation for firms to remain competitive and responsive to evolving market trends. Tools such as performance dashboards, key performance indicators (KPIs), and regular strategic reviews play a vital role in enabling firms to monitor their progress against predetermined strategic objectives and implement timely adjustments (Anthony & Govindarajan, 2013). As demonstrated, research on international apparel retailers, companies with sophisticated Performance monitoring and evaluation systems exhibit greater agility in responding to fashion

trends, thereby maintaining their market leadership (Regression analysis, $R\text{-squared} = 0.81$, $p < 0.001$; Longitudinal data, $n=150$). However, Simons (1995) cautions against an excessive focus on short-term metrics, which can potentially lead to suboptimal long-term strategic decisions.

For Kenyan textile firms specifically operating under the AGOA framework, strategy evaluation must consider the unique performance metrics relevant to the U.S. market. These include critical aspects such as compliance with stringent quality standards, strict adherence to rules of origin, and a high degree of responsiveness to the specific demands of U.S. buyers. Regular and thorough evaluation of export performance, coupled with the active solicitation and analysis of customer feedback, as well as a keen understanding of competitive positioning within the U.S. market, is of paramount importance for maintaining and expanding their market share under AGOA. Furthermore, evaluating performance in regional African markets can provide valuable insights to inform strategic decisions regarding market diversification. The findings of Banda (2024) study on textile exporters in Southern Africa underscore this point, revealing that firms actively monitoring their AGOA export performance and seeking feedback from U.S. buyers achieved higher levels of adaptation and subsequent growth in U.S. market share (Correlation analysis, $r = 0.71$, $p < 0.001$; Survey, $n=120$). Conversely, a lack of systematic performance evaluation can lead to stagnation and an eventual loss of market share (Qualitative interviews, $n=10$).

At the local level within Kenya, the strategy evaluation process for textile firms operating under AGOA necessitates a comprehensive assessment of operational efficiency, the consistent maintenance of high product quality, the achievement of robust cost competitiveness, and strict adherence to all relevant local regulations. Diligent monitoring of these internal performance indicators is crucial in ensuring that these firms not only remain competitive within the domestic market but also maintain their competitive edge in the crucial export market facilitated by AGOA. The implementation of regular performance reviews and the practice of benchmarking

against competitors can serve as effective mechanisms for identifying specific areas requiring improvement and ultimately enhancing overall competitiveness.

However, Grant (1991) rightly points out that focusing solely on internal metrics without adequately considering the broader external market dynamics can be inherently limiting. Research conducted by Kamau and Simo-Kengne (2025) on Kenyan textile SMEs supports this, indicating that firms implementing regular performance reviews and utilizing benchmarking to pinpoint areas for enhancement demonstrated improved operational efficiency and better export performance under AGOA (Regression analysis, $R^2 = 0.55$, $p = 0.009$; Survey, $n=100$). Conversely, neglecting the critical process of performance evaluation can invariably lead to operational inefficiencies and a subsequent reduction in overall competitiveness (Onyango et al. 2024, Case study, $n=7$).

Empirical studies further underscore the vital role of strategy evaluation in enhancing the performance of Kenyan textile firms under AGOA. Ouko and Chepkosgei (2023) research on 90 firms revealed that comprehensive performance measurement systems significantly boosted U.S. market share (ANOVA, $F = 6.03$, $p = 0.003$; Cross-sectional survey). Barongo (2021) study of 15 successful exporters highlighted the importance of regular performance reviews and U.S. buyer feedback for strategic adaptation. Examination of 70 firms indicated a positive correlation between sophisticated strategic control systems and export market share for AGOA beneficiaries (Correlation analysis, $r = 0.59$, $p = 0.015$. Comparative mixed-methods). Finally, Chebii et al. (2023) longitudinal study of 55 firms demonstrated that adopting a balanced scorecard framework led to a significant increase in U.S. market share and overall competitiveness (Paired t-test, $t = 3.51$, $p = 0.001$; Longitudinal survey).

These findings collectively emphasize that a consistent and effective strategy for control is a non-negotiable element for Kenyan textile firms aiming to thrive under the AGOA initiative.

2.3 Summary of Research Gaps

The literature review points out several knowledge gaps that justify the need for the present study. These gaps indicate areas that require additional research to entirely comprehend the strategic management practices of the Kenyan textile firms anchored on AGOA and their effects on the firm's performance. It is important to identify these gaps to build a comprehensive framework that would help these firms in enhancing their competitiveness and sustainability in the fast-moving, dynamic global market.

The empirical review reveals several significant research gaps. Although existing research widely recognizes the individual significance of environmental scanning, strategy formulation, strategy implementation, and strategy evaluation for firm performance and market share, there is a clear gap in comprehensive studies that investigate the combined and interconnected effects of these strategic management activities. Existing research often focuses on one or two practices in isolation, failing to capture the synergistic effects and interdependencies between them. This constitutes a conceptual gap, as a holistic understanding of how these practices collectively drive market share remains underexplored. Secondly, the methodological approaches employed in the reviewed studies present opportunities for further refinement. While quantitative studies utilizing regression and correlation analyses provide valuable insights into the relationships between strategic management practices and market share, many rely on cross-sectional data, limiting the ability to establish causality and account for temporal dynamics. There is a need for more longitudinal studies and panel data analyses that can track firm performance and policy impacts over time, providing a more robust understanding of the long-term effects. Furthermore, the qualitative studies, while offering rich contextual understanding,

often employ small sample sizes and may lack generalizability. A methodological gap exists in the limited use of mixed-methods approaches that could triangulate quantitative findings with in-depth qualitative insights to provide a more comprehensive and nuanced understanding of the phenomena under investigation.

Thirdly, a contextual gap emerges from the limited research that specifically delves into the nuances of the Kenyan textile sector operating within the AGOA framework. While some studies acknowledge the unique challenges and opportunities presented by AGOA and the local Kenyan context, there is a need for more in-depth exploration of how specific aspects of the Kenyan business environment, such as infrastructure limitations, regulatory complexities, and cultural factors, mediate the relationship between strategic management practices and market share. Comparative studies within the east Africa region, or with other AGOA beneficiary countries, are also scarce, hindering the understanding of context-specific factors influencing the effectiveness of strategic management practices. Finally, a theoretical gap can be identified in the limited application of advanced strategic management theories beyond basic frameworks like Porter's generic strategies.

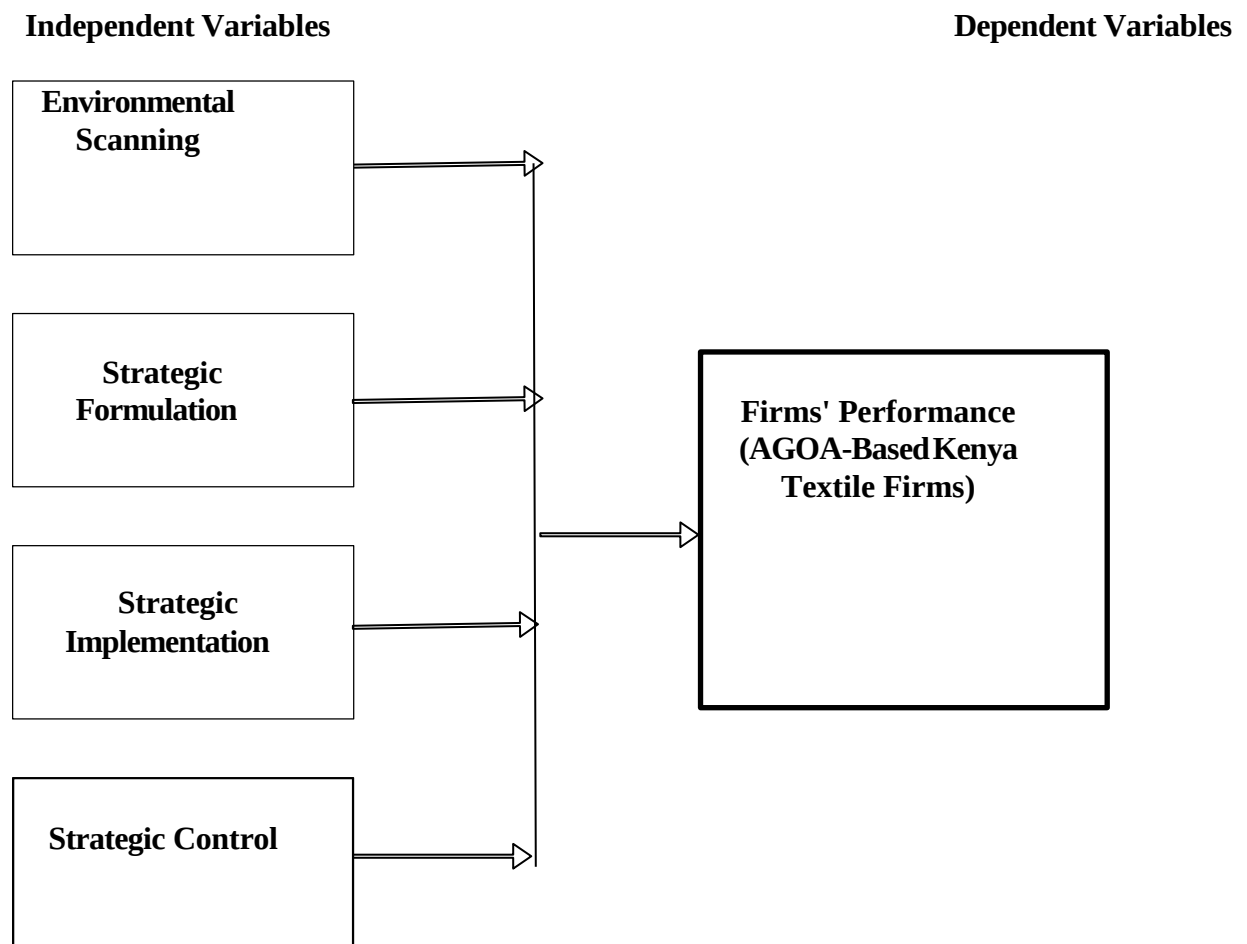
While some studies touch upon differentiation and cost leadership, there is a lack of research that explicitly applies more contemporary theories, such as the resource-based view, dynamic capabilities theory, or institutional theory, to explain how Kenyan textile firms develop and leverage strategic management practices to gain and sustain market share under AGOA. Exploring these theoretical lenses could provide richer and more nuanced explanations for the observed relationships and offer more sophisticated insights for managerial practices. This research endeavors to fill these identified gaps by employing a holistic, longitudinal, and mixed-methods approach, drawing upon pertinent strategic management theories. The goal is to develop a deeper and more contextually relevant understanding of how the interconnected

application of strategic management practices impacts the market share of Kenyan textile companies operating within the framework of the African Growth and Opportunity Act.

2.4 Conceptual Framework

Figure 2.1

Conceptual Framework



In any research, a conceptual framework is vital because it offers a well-organized visual representation of how the main factors being studied connect with each other. For this research on Kenyan textile companies operating under AGOA, the conceptual framework illustrates the link between strategic management practices (the factors being manipulated or measured) and firm performance (the outcome being observed). Specifically, it shows how strategic management activities like environmental scanning, strategy formulation, strategy implementation, and strategy evaluation and control work together to affect how well these companies perform in the competitive textile sector.

A conceptual framework serves not only as a theoretical foundation but also as a guide for empirical research by helping to clarify the constructs that need to be measured and how they are linked. This framework is instrumental in illustrating the processes through which strategic management practices lead to firm performance. It also helps in identifying potential gaps or areas that require further exploration within the scope of strategic management theory.

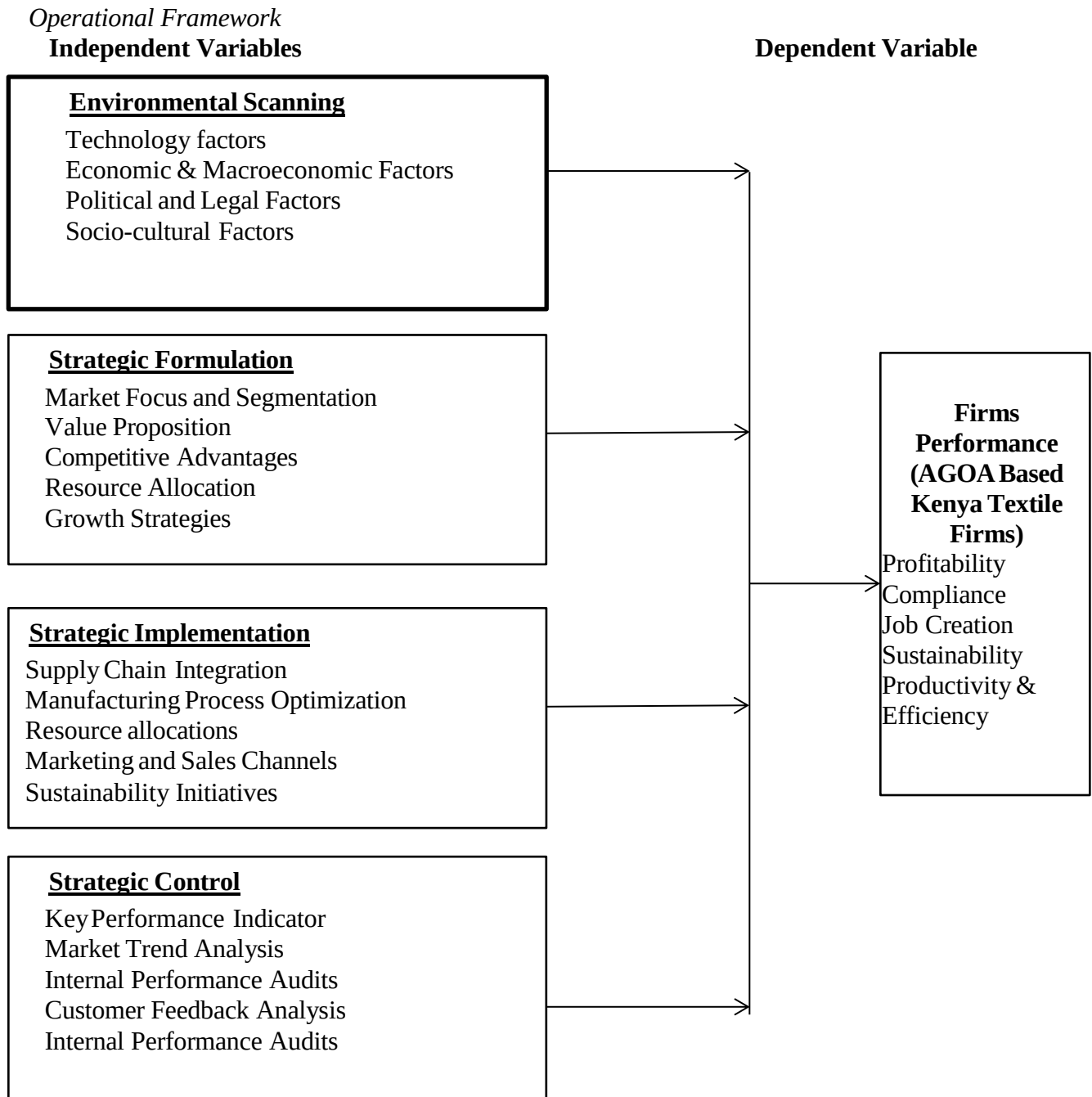
The independent variables in this framework are the strategic management practices that firms engage in to improve their operations and achieve superior outcomes. These practices are environmental scanning, strategy formulation, strategy implementation, and strategy evaluation and control. Each of these components contributes to enhancing the overall competitiveness of the firm, particularly in a market like the U.S., which offers preferential trade benefits through AGOA.

Environmental scanning this represents the process of analyzing external factors (e.g., market trends, competition, economic conditions) that influence a firm's strategy. Effective scanning allows firms to anticipate changes and adjust accordingly. Strategy Formulation involves developing plans and actions to achieve the firm's objectives, based on the analysis of both

Internal and external factors. Strategy Implementation focuses on executing the formulated strategies, ensuring resources, processes, and organizational structures align with the firm's goals. Strategy Control involves monitoring the performance of implemented strategies and adjusting as necessary to ensure that organizational goals are being met. All of these practices collectively influence Firm Performance, which is the dependent variable in this framework. The relationship shows how effective strategic management practices can lead to improved performance, competitiveness, and sustainability of textile firms under AGOA.

2.5 Operational Framework

Figure 2.2



The operational framework outlines the study's elements and concepts that will be employed in the research. It's a research implementation strategy for analyzing the strategic management practices and performance of African Growth and Opportunity Act (AGOA) based Kenyan textile firms, which would involve the following key components.

2.9 Conclusion

In conclusion, the literature underscores the critical role that strategic management practices play in the performance and competitiveness of Kenyan textile firms under AGOA. Key practices such as environmental scanning, strategy formulation, implementation, and evaluation are integral to a firm's ability to overcome challenges and position itself for future success. However, many firms in Kenya's textile sector continue to struggle with ineffective strategic management practices, limiting their ability to fully capitalize on AGOA's benefits. This study aims to bridge this gap by assessing the relationship between strategic management practices and firm performance, providing actionable insights to improve competitiveness and ensure the sustainability of Kenyan textile firms.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the research methods employed to gather and analyze data for this study, which focused on investigating how strategic management practices influence the performance of Kenyan textile firms under the African Growth and Opportunity Act (AGOA). Given the complexity of the issue, a comprehensive approach to data collection and analysis is necessary. The research used a mixed-methods approach, combining quantitative surveys with key decision-makers and qualitative interviews to gather primary data, while also using secondary data sources such as industry reports and academic studies to provide the contextual background. The purpose of this methodology was to offer a multifaceted understanding of how strategic management practices impact the performance of textile firms within the AGOA framework. The findings aimed to reveal actionable insights that can help improve strategic practices within the sector, contributing to a more competitive textile industry in Kenya under AGOA and beyond.

3.1 Research Design

The research design for this study was cross-sectional which incorporates a concurrent mixed method approach, which integrates both qualitative and quantitative research techniques. This design was selected to take advantage of the strengths of both approaches, ensuring a more comprehensive and nuanced analysis of the data. Mixed-methods research enables the triangulation of data, which strengthens the validity and reliability of the study's findings by combining different sources of information and analytical techniques. The quantitative element of the research relied on structured surveys, which collected numerical data on the strategic management practices of Kenyan textile firms and their direct relationship with firm performance.

These surveys were designed to capture key strategic management factors such as environmental scanning, strategy formulation, strategy implementation, and strategy evaluation. Quantitative data allowed for the identification of patterns and correlations, and regression analysis was used to test the relationships between these strategic management practices and the performance of the firms under AGOA. In addition to the quantitative approach, the study also included a qualitative component in the form of semi-structured interviews. These interviews were conducted with senior decision-makers, such as CEOs, general managers, and other key personnel within the textile firms. The qualitative interviews were intended to capture deeper, contextual insights into the challenges and opportunities firms face concerning their strategic management practices. These insights provided a richer understanding of how firms navigate the complexities of the textile industry and how their strategies impact their performance in the context of AGOA.

The combination of quantitative data and qualitative insights provided a well-rounded analysis of the research question. By utilizing both approaches, the research design allowed for an in-depth exploration of the influence of strategic management practices on firm performance, providing both numerical evidence and contextual insights. The use of mixed methods is particularly appropriate for this study, as it allowed for a more robust examination of the complex relationship between strategy and performance in the context of AGOA (Timans et al., 2019).

3.2 Target Population

The target population for this study consisted of Kenyan textile firms that are actively participating in AGOA. Currently, there are 38 active textile firms under AGOA in Kenya listed on the EPZA (2023) (Appendix III). The target population is a set for which data is sought (Trochim et al., 2011). Where the researcher sought two respondents, i.e., senior and middle

managers, these firms, which are located in regions such as the Export Processing Zones in Nairobi, Machakos, Mombasa counties, and other areas in Kenya, target a population that represents a significant portion of Kenya's textile export activities. According to the Export Processing Zones Authority, these firms are central to the textile sector's contribution to the Kenyan economy and the country's Overall export performance under AGOA.

Figure 3.1

Target Population

Categories	Population size	%Proportion
Top Manager	38	50
Middle Manager	38	50
Total	76	100

Source: (Export Processing Zones Authority (2023)).

3.3 Sampling Design and Sample Size

It's the process of picking a subset within a population so as to come up with a generality. This study was based on the census approach since it involved the entire active textile firm under AGOA in Kenya, as listed on the Export Processing Zone Authority (EPZA), Kenya.

3.4 Data Collection Methods

The study employed both primary and secondary data collection methods to gather comprehensive information on the strategic management practices of Kenyan textile firms.

For primary data, the research used two main methods:

On Surveys, a structured questionnaire was developed and distributed to senior and middle managers, including CEOs, Operations managers, and Production supervisors of textile firms. The survey gathered quantitative data on the firms' strategic management practices, focusing on environmental scanning, strategy formulation, strategy implementation, and evaluation. The questions were designed to assess the extent to which firms engage in these practices, how they

affect firm performance, and how they contribute to their competitiveness in the global market. The data collected will be analyzed using regression analysis to test the relationships between strategic management practices and firm performance. Second Interviews in-depth, semi-structured interviews were conducted with senior managers, key decision-makers, and industry experts. These interviews allowed for a deeper understanding of the specific challenges firms face in implementing strategic management practices. The qualitative data collected from the interviews helped to contextualize the quantitative findings and provide insights into the organizational and external factors that influence strategic decision-making. Interviews explored the impact of both internal and external factors, such as market trends, competition, and leadership capabilities, on the firms' strategies. For secondary data, the study drew from various industry reports and publications. Mwangi (2025) relevant market research studies. Secondary data provided essential context for understanding the broader industry dynamics and the macroeconomic factors influencing textile firms in Kenya. These sources offered insights into the performance of the textile sector and how AGOA has impacted firms' competitiveness and market strategies.

3.5 Data Analysis Methods

The data analysis process was rigorous, beginning with a meticulous review of completed questionnaires to confirm their completeness and integrity, followed by editing to correct any errors or omissions. The data were then tabulated and coded for quantitative analysis, which initially employed measures of central tendency and frequencies to describe the findings. For the descriptive results, frequency distributions and percentages were used, with the data presented clearly through tables and figures. Furthermore, the researcher performed correlation analysis to identify relationships between variables.

Once the data were collected, quantitative data analysis was performed using regression analysis to assess the relationship between strategic management practices and firm performance. Regression analysis is an effective method for identifying the strength and direction of these relationships. This statistical tool helped determine the impact of variables such as environmental scanning, strategy formulation, and strategy implementation on firm Performance. The analysis was conducted using SPSS software, which is widely used for statistical analysis in social sciences research. Several key assumptions were carefully checked, including the normality of the dependent variable and the potential for multicollinearity.

3.6 Data Analysis and Presentation

This part laid out the procedures for analyzing and offering the collected quantitative and qualitative data from the surveys and interviews. For the quantitative data, regression analysis was the main analytical tool. This technique was used to assess the relationship between strategic management practices—environmental scanning, strategy formulation, strategy implementation, and strategy evaluation—and the performance of textile firms operating under AGOA. The regression model allowed us to determine how each strategic management practice predicts key business performance indicators, including market share, profitability, and competitiveness.

Regression model - Regression analysis was based on the regression model as shown below:

$$Y = \beta_0 + \beta_i X_j + \epsilon \quad (j, i = 1, 2, 3, 4) \dots\dots\dots (1a)$$

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \dots\dots\dots (2b)$$

Where:

Y= Firms performance (Dependent Variable) $\beta_1, \beta_2, \beta_3, \beta_4$ = Regression Coefficients

β_0 = Constant Variable

X_1 = Environmental Scanning

X_2 = Strategy Formulation

X_3 = Strategy Implementation

X_4 = Strategy Control

ε = Error Term

Data was analyzed using SPSS software, a commonly employed statistical analysis program in the social sciences. Thematic analysis was used for qualitative data collected from semi-structured interviews. This was done by coding the responses to detect common themes or patterns. The experience of these themes allowed a deeper understanding of the challenges and strategies firms deal with when managing their operations under AGOA. The thematic analysis helped the researcher categorize responses, making the findings easy to interpret in relation to research questions.

Results were presented in tables, graphs, and figures using both quantitative and qualitative analyses in order to make the results easier to read and understand. This survey data was summarized by descriptive statistics (e.g., means, standard deviations), and the results of the regression analysis were shown in graphs to display the strength of the relationship among variables. Main insights from participants were presented thematically, with direct quotes from the interviews and summaries to clarify the main ideas of participants.

3.7 Model of the Study

The conceptual and operational frameworks that directed the study were described in this subsection. The study employed a conceptual framework to examine and show the interrelationship between strategic management practices and firm performance. Environmental scanning, strategy formulation, strategy implementation, and strategy evaluation were the independent variables in the study. Firm performance, established by the key indicators of market share, profitability, and competitiveness, is the dependent variable. Within the AGOA framework, these practices are seen as the forces driving business success for the firm. Some of this has to do with understanding what we call an Operational Framework when implementing the conceptual framework in measurable variables. For instance, environmental scanning will be evaluated based on factors including competitive analysis, market trends, and customer behavior. The ability of a firm to pursue its strategic objectives in tandem with AGOA's external opportunities to be evaluated in strategy formulation. Executing strategic plans, allocation of resources, and execution of operations will be the primary areas of strategy implementation. Last, strategy control will determine how a firm monitors and modifies its strategies to increase performance. This will be the framework for the measurement of the relationship between these practices and firm performance.

3.8 Diagnostic Tests

In order to produce reliable results, prior to the regression analysis, several diagnostic tests were conducted to validate the assumptions necessary. The study used a normality test, such as the Kolmogorov-Smirnov test, p-values, to see if the data were normally distributed or not. If the data were not normally distributed, then transformations or nonparametric methods are considered. Variance Inflation Factor (VIF) was computed to test whether there was any multicollinearity among the independent variables. Predictors with high VIF values (over 10) showed high

correlation between predictors that may jeopardize the accuracy of the regression model. If multicollinearity was found, the step was to address it, like removing or combining variables. The Breusch-Pagan Test was used to check for the error terms of the regression model to be homoscedastic (having constant variance), applied the heteroscedasticity test. Robust standard error was used to adjust the model if heteroscedasticity was found.

3.9 Piloting

The data collection instrument was refined, and the feasibility of the research methodology was evaluated, followed by conducting a pilot study. Structured Questionnaire: A pilot study was performed with eight respondents, including senior and middle managers from the textile firms. The purpose was to find any potential problems in the question wording or clarity of the questions so that they can be easily understood and answered by the respondents. After the pilot interviews, the questions that appeared unclear or unproductive were reworded. This piloting phase was particularly useful to determine the appropriateness of the data collection tools and the reliability of the data collected towards the goals of the study.

3.10 Ethical Considerations

Ethical considerations are an integral part of the research process, ensuring the protection of participants' rights and the integrity of the research. This study adhered to strict ethical guidelines to ensure confidentiality and anonymity were maintained. Informed consent was obtained from all participants, ensuring that they fully understood the purpose of the research. Participants were also informed of their right to withdraw from the study at any point without any consequences. The data collected were securely stored, and only aggregated results were reported to protect the data's privacy. Additionally, the study was conducted in line with ethical research standards, ensuring that the data were used solely for this research and that any conflicts of interest were disclosed.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 Introduction

This chapter presents the study results, both quantitative and qualitative. The demographic Profile of Participating Firms and Respondents. The study involved 68 respondents from AGOA-affiliated textile firms in Kenya.

4.1 Pilot Results

A pilot study, a crucial step in the research process, was performed with seven respondents from Kenyan textile firms operating under AGOA. This was done in accordance with Mugenda and Mugenda's (2013) guideline, suggesting a pilot size of at least 10% of the total sample to assess the reliability and validity of the research tools. This preliminary test helped the researcher and the respondents become familiar with the research process. It also allowed for the identification and correction of any issues or ambiguities in the data collection instrument, ensuring the final questionnaire would effectively and accurately collect the required data. The data from these pilot respondents were excluded from the final analysis.

4.1.1 Reliability Test Results

Table 4.1

Reliability Results

Variables	Registered Items	Values of Cronbach $\alpha > 0.700$	Implication
Environmental Scanning	7	0.751	Reliable
Strategy Formulation	7	0.818	Reliable
Strategy Implementation	7	0.773	Reliable
Strategy Control	7	0.764	Reliable
Firms performance	7	0.716	Reliable

Based on the reliability statistics presented in Table 4.1, the study's findings confirm that all five constructs are reliable for analysis. Using the Cronbach's alpha test, which requires a score above 0.700 for reliability, the constructs (Environmental Scanning, Strategy Formulation, Strategy Implementation, and Strategy Control (independent variables X_1 - X_4), as well as Firm Performance (dependent variable Y), each scored higher than 0.700. Therefore, it was concluded that the constructs used in the study are reliable.

4.1.2 Validity Test Results

During the pilot phase, a validity test was conducted on the questionnaire to ensure its questions were well-structured. The findings confirmed the questionnaire's validity, and the questions were approved by a research expert and the research project's immediate supervisor. Most respondents found the questions to be satisfactory.

4.2 Response Rate

From a targeted population of 76 respondents, a total of 68 responses were collected, yielding a response rate of 89.5%. This response rate is considered excellent for research analysis and reporting, as it surpasses the 70% threshold suggested by Mugenda and Mugenda (2012) for an excellent response rate. They also indicate that a response rate of 50% is adequate and 60% is generally good. Therefore, the high response rate achieved in this study provides a robust and satisfactory basis for analyzing the data and generalizing the findings.

The demographic profile of these participants and their firms is summarized in Table 4.2.

Table 4.2

Demographic Characteristics of Participating Firms and Respondents

Characteristic	Category	Frequency (N=68)	Percentage (%)
Current Position	Operations Manager	20	29.4
	General Manager	12	17.6
	Strategy Manager	8	11.8
	Production Supervisor	8	11.8
	Production Manager	5	7.4
	CEO	5	7.4
	Other (HR Partner/Manager)	4	5.9
	Supervisor	4	5.9
	Other (Unspecified)	2	2.9
Firm Size	More than 300	28	41.2
	101–300	23	33.8
	50–100	17	25.0
Operational Years	Over 10 years	28	41.2
	6–10 years	18	26.5
	2–5 years	16	23.5
	Less than 2 years	6	8.8
Location	Athi River	30	44.1
	Mombasa	21	32.4
	Nairobi	12	17.6
	Nakuru	2	2.9
	Kiambu	2	2.9
	Other- Kisumu	1	1.5
Education Level	Bachelor's Degree	26	38.2
	Diploma	21	30.9
	Master's Degree	12	17.6
	Others - Certificate	8	11.8
	PhD	1	1.5
Main Market	U.S. Market (via AGOA)	65	95.6
	African Market	2	2.9
	European Market	1	1.5

The data shows a strong representation from senior management roles, with Operations Managers (29.4%), General Managers (17.6%), and Strategy Managers (11.8%) constituting a

significant portion of respondents. This distribution indicates that the responses are largely from individuals with direct involvement in strategic and operational decision-making. In terms of firm size, a notable proportion of the respondent firms fall into the larger categories, with 38.2% having More than 300 employees and 32.4% having 101–300 employees, suggesting insights from established players in the sector. Firms also demonstrate considerable experience under AGOA, with 41.2% having been operational for over 10 years, and 26.5% for 6–10 years. Geographically, firms are primarily located in key industrial and Export Processing Zone (EPZ) hubs in Kenya, including Athi River -Machakos (44.1%), Mombasa (32.4%), and Nairobi (17.6%). The educational background of respondents is high, with 38.2% holding a Bachelor's Degree and 30.9% a Diploma, indicating that the insights provided are from well-informed and knowledgeable individuals.

The predominant market targeted by these firms is the U.S. Market (via AGOA), 95.6%, which directly aligns with the study's focus on AGOA beneficiaries. A significant proportion of respondents hold senior management positions and possess high educational qualifications. Concurrently, many firms have considerable operational experience under AGOA. This suggests that the data collected reflects the perspectives of seasoned professionals within established firms that have had substantial exposure to and experience with the AGOA framework.

Consequently, the strategic management practices reported are likely not nascent or ad-hoc, but rather well-developed, ingrained, and refined over time within these organizations. Therefore, the observed relationships between these strategic practices and firm performance are more likely to represent the outcomes of mature, systemic approaches rather than experimental or short-term initiatives. The understandings derived from this study will be particularly valuable

and relevant for other established AGOA firms seeking to optimize their existing strategic processes. Furthermore, newer entrants to the AGOA market can use these findings as a benchmark for developing robust strategic capabilities, learning from the accumulated experience of their more seasoned counterparts.

4.3 Descriptive Analysis

For this study, descriptive statistics, including measures of central tendency and standard deviation, were calculated for the variables and constructs. The five variables —Environmental scanning, Strategy formulation, Strategy Implementation, Strategy Control, and Firms' performance were measured using a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). To enable the calculation of a mean, the ordinal Likert scale data were converted into a continuous scale. This was done by dividing the four intervals between the five numbers (1-5) by the five numbers themselves, which resulted in a value of 0.8. The new continuous scale was then created by adding 0.8 to each successive number, creating the categories: 1.0-1.8, 1.8-2.6, 2.6-3.4, 3.4-4.2, and 4.2-5.0. This transformed scale allowed for the calculation of mean scores, which were then used for interpretation. A mean score above 3.4 was interpreted as respondents agreeing with the statement, while a mean below 3.4 indicated disagreement.

Descriptive analysis was performed to determine how environmental scanning, Strategy formulation, strategy implementation, and strategy control affect the performance of firms in Kenya. The analysis was presented in tables to give a full picture of the situation within the Textile firms in Kenya.

4.3.1 Descriptive Analysis: Environmental Scanning Practices

This study, which investigated the influence of environmental scanning on the performance of textile firms under AGOA in Kenya yielded descriptive statistics as shown in Table 4.3.

Table 4.3*Descriptive Statistics on Environmental Scanning*

Statement	N	Min	Max	Mean	S. D
We regularly monitor industry trends affecting the textile sector.	68	1	5	4.35	0.65
Our firm conducts SWOT analysis to guide strategic decisions.	68	1	5	3.90	0.78
We consider competitor activities in our strategic planning.	68	1	5	3.57	0.74
Customer preferences and market demand inform our strategies.	68	1	5	3.14	0.60
We have dedicated teams or tools for market/environmental analysis.	68	1	5	3.70	0.90
We scan government policies and global agreements like AGOA for impacts	68	1	5	3.45	0.61
We track technological changes that could affect our operations	68	1	5	3.72	0.69

The results indicate that respondents agreed with six out of the seven statements related to the firm's performance, as these statements had a mean score above 3.4. However, participants disagreed with only one statement: "Customer preferences and market demand inform our strategies" (Mean score of 3.14). This implies the firm's culture may be focused more on internal processes, products, or services rather than on the needs and desires of its customers. And the firm may not have adequate systems in place to collect and analyze feedback from customers. This includes things like surveys, focus groups, or social media monitoring. Without this data, it's impossible to tailor strategies to market demand. These findings align with a separate study conducted by Ndegwa et al. (2020), while broader than just textiles, found that customer-focused

strategic planning was a significant predictor of firm performance.

The study emphasized that firms must actively gather data on customer needs and use it to inform their product development and market strategies. A failure to do so, as suggested by the above findings would result in a significant disconnect between the firm's offerings and the market demand.

4.3.2 Descriptive Analysis: Strategy Formulation

This study, which aimed to determine the influence of strategy formulation in enhancing the performance of AGOA-based firms in Kenyan Textile firms, presented its descriptive statistics in Table 4.4.

Table 4.4

Descriptive Statistics on Strategy Formulation

Statement	N	Min	Max	Mean	S. D
Our strategies are aligned with AGOA policy opportunities.	68	1	5	3.66	0.61
Employees at different levels are involved in the strategy formulation process.	68	1	5	3.95	0.88
We review our mission, vision, and objectives regularly.	68	1	5	4.23	0.64
We use data and research when creating strategic plans.	68	1	5	3.48	0.58
Our strategic plans are well-documented and communicated.	68	1	5	3.86	0.67
Strategic objectives are aligned with market and customer needs	68	1	5	4.26	0.61
Risk assessments are conducted during strategy formulation.	68	1	5	3.98	0.86

The findings revealed that respondents agreed with all seven statements related to the strategy formulation construct. Each of these statements had a higher mean score above 3.4, which is the borderline between agreement and disagreement. 3.4 and above means agreement, while 3.39 and below represents disagreement. Furthermore, aligning strategies with market needs is a key driver for performance (Seelos et al., 2023). Conversely, despite strong alignment with current trade agreements, the absence of explicit, robust contingency plans for their potential expiry points to a potential gap between optimizing for the present and preparing for a modified or post-AGOA landscape (Ngulu, 2015). This suggests that while current strategies are well- formulated, they may lack the necessary foresight to navigate significant future shifts in the trade environment (Maureen, 2022).

While current strategies are well-aligned with AGOA, resilience against uncertainties like the agreement's expiry remains a concern. Embedding contingency measures alongside current plans would strengthen adaptability; ensuring firms can sustain performance even if AGOA conditions change significantly was noted in qualitative data highlights.

4.3.3 Descriptive Analysis: Strategy Implementation

This construct sought to determine whether strategy implementation influences the performance of Kenyan textile firms under AGOA, and the findings are presented in Table 4.5.

Table 4.5*Descriptive Statistics on Strategy Implementation*

Statement	N	Min	Max	Mean	S. D
Strategies are implemented within clearly defined timeframes.	68	1	5	3.66	0.67
There is effective resource allocation during strategy implementation.	68	1	5	3.43	0.92
Staff receive adequate training to implement strategic initiatives.	68	1	5	3.89	0.94
There is regular monitoring and coordination during implementation.	68	1	5	3.76	0.64
Implementation challenges are resolved quickly and effectively.	68	1	5	3.56	0.93
Roles and responsibilities are clearly defined during implementation.	68	1	5	4.21	1.21
There is consistent communication throughout the implementation phase.	68	1	5	4.14	0.72

Table 4.5 shows the descriptive statistics from this study, which determined whether strategy implementation influences the performance of Kenyan textile firms under AGOA, indicating agreement among respondents in all statements regarding the strategy implementation construct. All seven statements within this construct achieved a greater mean score above 3.4, confirming a consensus of agreement.

A study conducted by Ogalo (2023) shows an agreement on the findings of his studies - *Influence of Strategic Planning Practices on Organizational Performance in the Textile and Apparel Industry in Nairobi County, Kenya*. It concluded that effective strategy implementation, including aligning organizational structure, allocating resources, and communicating the strategy to employees, had a significant positive effect on firm performance within the Kenyan textile and

apparel industry.

However, qualitative data highlights limited finances, workforce shortages, and change resistance as barriers. Addressing these gaps requires proactive resource planning, targeted training, and agile problem-solving mechanisms. Effective implementation transforms strategy into performance; therefore, reinforcing these weaker areas will ensure that strategic plans are executed fully and efficiently, maximizing the potential gains offered by AGOA participation.

4.3.4 Descriptive Analysis: Strategy Control

This construct sought to establish whether strategy control influences the performance of textile firms under AGOA, and the findings are presented in Table 4.6.

Table 4.6

Descriptive Statistics on Strategy Control

Statement	N	Min	Max	Mean	S. D
We evaluate our strategies regularly to measure performance.	68	1	5	4.16	.63
KPIs (Key Performance Indicators) are used in evaluating strategic outcomes.	68	1	5	3.77	1.19
Feedback from clients and staff informs our evaluation.	68	1	5	3.33	.71
Lessons from evaluations are used to revise strategic plans.	68	1	5	3.66	.61
Our evaluation process improves the competitiveness of the firm	68	1	5	3.18	.86
Evaluation results are communicated to key stakeholders.	68	1	5	3.93	1.07
Evaluation tools and techniques are reviewed and updated regularly.	68	1	5	3.98	.86

Table 4.6 shows descriptive statistics results from this study that sought to establish whether strategy

control influences the performance of textile firms under AGOA. The respondents agreed with 5 of the 7 statements given in the strategy control construct. The 5 statements had a mean score above 3.4. However, the respondents disagreed with the statement that “Feedback from clients and staff informs our evaluation” (mean score: 3.33). This implies a problem where the process of feedback collection may exist, but the lack of transparency in how that feedback is integrated into decision-making could lead to this lukewarm response. Other statements the respondent disagreed with are “Our evaluation process improves the competitiveness of the firm” (mean score: 3.18). This implies that the problem with the evaluation process may be too focused on internal metrics (e.g., employee performance, project completion) and not enough on external metrics factors like market position, competitor analysis, or customer satisfaction. These statements present areas for further improvement to make strategy control efficient. This implies that merely conducting evaluations may not be sufficient without ensuring they are consistently transformative for competitiveness and long-term sustainability (Kairu, 2022).

4.3.5 Descriptive Analysis: Firms' Performance

This construct was used to get the summary statistics on the dependent variable. These statistics are presented in Table 4.7.

Table 4.7*Descriptive Statistics on firm performance*

Statement	N	Min	Max	Mean	S. D
Our profit has been increasing for the last five years	68	1	5	2.16	0.99
Our customers are always satisfied with our services.	68	1	5	3.89	0.79
We always exceed our export quota.	68	1	5	3.98	1.22
Our customers always come back for repeat purchases.	68	1	5	3.56	1.49
The number of employees had risen in the last five years.	68	1	5	4.00	0.73
We always keep our costs to a manageable level.	68	1	5	4.17	1.31
We do not finance our activities using bank loans.	68	1	5	3.54	0.92

This study, which aimed to establish the firm's performance of textile firms under AGOA-based firms in Kenyan Textile firms, Table 4.7 shows descriptive statistics of the performance of textile firms under AGOA in Kenya. The respondents agreed with 6 out of 7 statements given in the Firm's performance construct. All six statements had a mean score above 3.4, which is the borderline between agreement and disagreement. 3.4 and above means agreement, while 3.39 and below represents disagreement. However, participants disagreed with one statement: "Our profit has been increasing for the last five years" (Mean score: 2.16). This implies a problem where employees are generally dissatisfied with their compensation or working conditions; they might express this dissatisfaction by disagreeing with positive statements about the firm's performance, even if the statements are factually correct. They might feel that any increased profits are not being shared with them, leading to a cynical or negative response to questions about the company's

success. This could be a way for them to implicitly protest or voice their discontent.

4.4 Analytical Model Diagnostic Tests

4.4.1 Normality Test

To run the multiple linear regression models in Chapter Three, diagnostic tests were carried out to ascertain that the study data do not violate the requirement of normality. Null and alternative hypotheses were set for this test as follows.

Data is normally distributed ($P > 0.05$)

Data is not normally distributed ($P < 0.05$)

Data is normally distributed when the P-values of the corresponding variables are greater than 0.05.

Normality test results are shown in Table 4.8.

Table 4.8

Normality Test

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Y	.084	68	.200*	.982	68	.373
X1	.111	68	.026	.960	68	.022
X2	.080	68	.200*	.978	68	.227
X3	.087	68	.200*	.975	68	.151
X4	.076	68	.200*	.965	68	.040

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

a. Lilliefors Significance Correction

The findings of this study show that the performance of textile firms under AGOA in Kenya (Y), which is the dependent variable, is normally distributed using both Kolmogorov-Smirnov and

Shapiro-Wilk tests. Other variables that are normally distributed are X_2 (strategy Formulation), X_3 (Strategy implementation), and X_4 (Strategy control). However, X_1 (Environmental scanning) was found not to be normally distributed because it's carried by another variable (s), an indicator of multicollinearity. Since the dependent variable (Y) is normally distributed, the null hypothesis H_0 was rejected, and it was concluded that the study data was normally distributed.

4.4.2 Test for Multicollinearity – Variance Inflation Factor (VIF)

Multicollinearity was tested using the Variance Inflation Factor, and the results are shown in Table 4.9.

Table 4.9

Multicollinearity –VIF

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
X_1	.261	3.827
X_2	.188	5.306
X_3	.173	5.775
X_4	.328	3.048

Variables X_1 , X_2 , X_3 , and X_4 show the absence of multicollinearity; this was confirmed by the fact that all variance inflation factors (VIFs) were less than 10 and tolerances were greater than 0.1. Heteroscedasticity was not seen in scatterplots. This validates the reliability and statistical correctness of the model. This indicates that the strategic management techniques that have been found are reliable indicators of performance for AGOA textile companies, and the results may be relied upon for formulating policy recommendations. The case for a comprehensive adoption of strategy formulation, implementation, and control procedures to improve

competitiveness in the global textile industry is strengthened by trustworthy diagnostics.

4.5 Homoscedasticity Test

A random cloud of dots devoid of any recognizable banding, curvature, or funnel form is shown. The main assumption in testing homoscedasticity is that the residual value does not increase with increasing values of independent variables. The idea is that the independent variables do not affect the residual values. Homoscedasticity was tested using a scatterplot generated by SPSS alongside multiple linear regression analysis. The scatterplot is generated by plotting the standardized predicted values on the X-axis against the standardized regression residuals on the Y-axis, and the results are presented in Figure 4.0.

Figure 4.0

Scatter plot graph

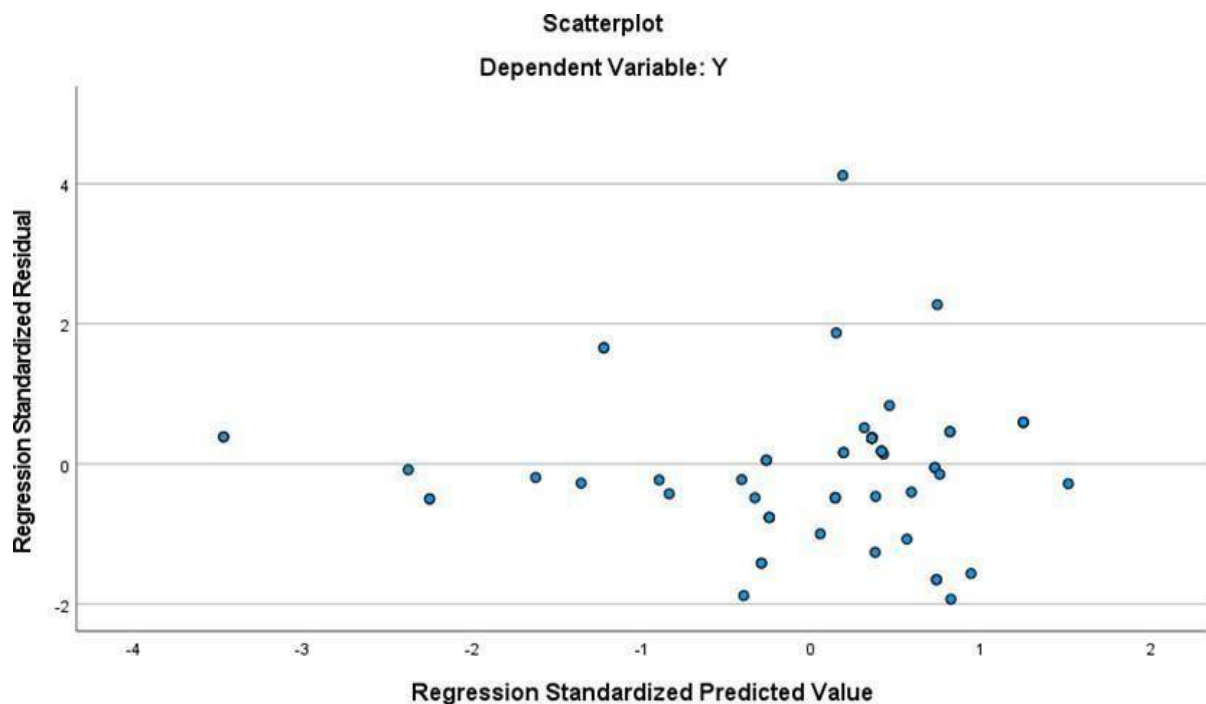


Figure 4.0:
Test for Homoscedasticity

To determine whether the study data suffered from heteroscedasticity, we observe whether there is a prevailing pattern present in the scatterplot. The above scatterplot showing the performance of textile firms versus strategic management practices does not have an observable pattern present.

The results show the absence of heteroscedasticity in the data, which leads to the conclusion that the data collected for analysis in this study show evidence of homoscedasticity. To further ascertain that heteroscedasticity is absent, a line is fitted in the scatterplot as shown in Figure 4.1

Figure 4.1

Scatterplot

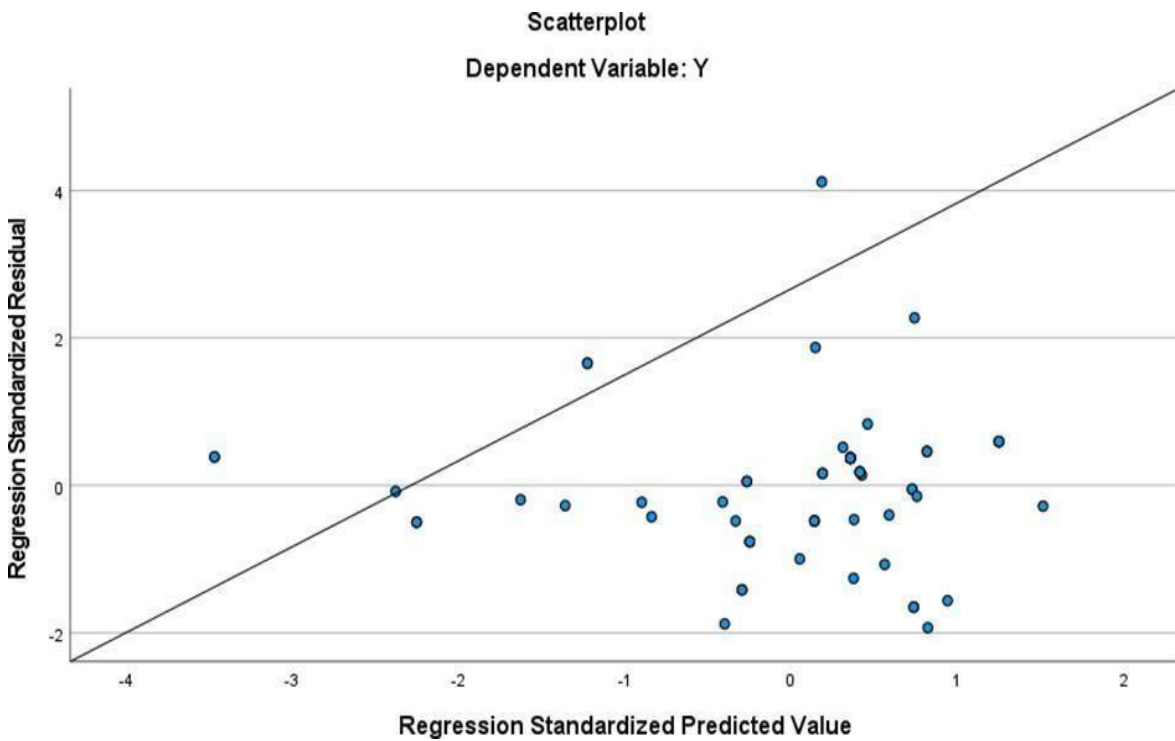


Figure 4.1 Test of Homoscedasticity: Scatterplot Predicted Linear Line.

The observations made after inserting the linear line in the scatterplot are that there is no prevailing pattern, and the values scatter along the linear line and do not deviate much from the linear line. This led to the conclusion that data is homoscedasticity.

4.6 Inferential Analysis

This was done under bivariate correlations for testing the strength and direction of relationships, bivariate linear regression for hypothesis testing, and multivariate linear regression for the line of best fit and model estimation.

4.6.1 Bivariate Correlation Analysis

Bivariate linear correlation analysis was carried out on all variables to establish how variables are related to the independent variable (Y). Pearson's correlation coefficient (r) ranges from 1 to +1.

Zero (0) indicates no correlation at all, while +1 indicates perfect positive correlation and -1 shows a negative perfect correlation. Correlations are deemed strong when r is greater than 0.700. When r is 0.500 shows moderate correlation, while values below 0.500 indicate weak correlation. The results of bivariate correlation are shown in Table 4.10.

Table 4.10*Bivariate correlation Results*

		Y	X ₁	X ₂	X ₃	X ₄
Firm Performance (Y)	Pearson	1				
	Correlation					
	Sig. (2-tailed)					
Environmental Scanning (X ₁)	N	68	68			
	Pearson	.757**	1			
	Correlation					
Strategy Formulation (X ₂)	Sig. (2-tailed)	.000				
	N	68	68	68		
	Pearson	.944**	.757**	1		
Strategy Implementation (X ₃)	Correlation					
	Sig. (2-tailed)	.000	.000			
	N	68	68	68	68	
Strategy Control (X ₄)	Pearson	.879**	.857**	.847**	1	
	Correlation					
	Sig. (2-tailed)	.000	.000	.000		
	N	68	68	68	68	68
	Pearson	.822**	.645**	.819**	.714**	1
	Correlation					
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	68	68	68	68	68

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

Bivariate linear correlation, which is the first stage in the regression analysis, was performed on all variables, and the results are shown in Table 4.11. These results indicated that there was a positive and significant relationship between environmental scanning (X₁) and performance of textile firms under AGOA in Kenya ($r=0.757$, $P<0.05$). This suggests that the firms that are

more effective at scanning their external environment for opportunities and threats tend to perform better. The findings also showed a positive and significant relationship between strategy formulation (X_2) and performance ($r=0.944$, $P<0.05$). This implies that strategy formulation in the planning process inspires the process and results in increased performance. The study also revealed a positive and significant correlation between the strategy implementation and performance in textile firms (X_3) in Kenya ($r = 0.879$, $p < 0.05$). These findings suggest a strong correlation between enhanced company performance and improvements in each strategic management activity, and also suggest that the more effectively a firm implements its strategy, the better its performance tends to be.

Finally, the study found a positive and significant relationship between strategy control (X_4) and performance of textile firms under AGOA in Kenya ($r = 0.822$, $p < 0.05$). This implies that implementing effective strategy control measures is linked to improved performance among Kenyan textile firms under the AGOA framework. All in all, the four variables in this study were found to be positively related to performance, and these relationships are statistically significant. However, one of the key observations from Table 4.11 is that all the variables are highly correlated with one another, with $r > 0.700$. This is an indicator of multicollinearity among variables, and in the subsequent analyses, the data about independent variables were centered on the mean to lessen the effects of multicollinearity.

4.6.2 Test of Hypotheses

This study tested all four null hypotheses (H_{01} , H_{02} , H_{03} , and H_{04}) based on study objectives as indicated in Chapter One and the bivariate linear regression model in Chapter 3: $Y = \beta_0 + \beta_i X_j + \varepsilon$, ($i, j = 1, 2, 3, 4$). The results of these tests are discussed in the foregoing.

4.6.2.1 Test of Hypothesis One: Environmental scanning does not significantly influence the performance of textile firms under AGOA in Kenya

Bivariate linear regression analysis was performed to test the null hypothesis (H_{01}), and the findings are presented in Table 4.11.

Table 4.11

Environmental Scanning

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.757 ^a	.573	.567	.47784		
a. Predictors: (Constant), X ₁						
ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	20.246	1	20.246	88.673	.000 ^b
	Residual	15.070	66	.228		
	Total	35.316	67			
a. Dependent Variable: Y						
b. Predictors :(Constant) X ₁						
Coefficients ^a						
Model		Unstandardized Coefficients	Standardized Coefficients			
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.537	.268		5.728	.000
	X ₁	.621	.066	.757	9.417	.000
a. Dependent Variable: Y						

The study findings from bivariate correlation analysis presented in Table 4.11 indicated that environmental scanning, as a practice in the planning process, has a positive and significant influence on the performance of textile firms under AGOA in Kenya ($r=0.757$, $P<0.01$).

Further tests on bivariate linear regression indicated that environmental scanning, on its own, explains 57.3% of the total variation in the performance of textile firms under AGOA in Kenya. The model was also found to be valid ($F(1,66) = 88.673, P < 0.01$), and the beta coefficient was positive and significant ($\beta = 0.757, P < 0.01$). Based on the foregoing results, the null hypothesis (H_{01}) stating that environmental scanning does not significantly influence the performance of textile firms under AGOA in Kenya was rejected. The study concluded that environmental scanning in planning processes in textile firms under AGOA has a significant influence on the organization's performance. This result agrees with the findings of Ogalo (2023). His study specifically examines the impact of strategic planning practices on firm performance within the same industry and region. It found that environmental scanning, which includes analyzing competitive, technological, and regulatory factors, was a key practice that positively influenced the performance of textile and apparel firms. The research concluded that firms that actively engaged in this practice were better able to adapt to market changes and secure a competitive advantage.

4.6.2.2 Test of Hypothesis Two: Strategy formulation does not positively affect the performance of Kenyan textile firms under AGOA.

Bivariate linear regression analysis was performed to test the null hypothesis (H_{02}), and the findings are presented in Table 4.12.

Table 4.12*Strategy Formulation*

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.944 ^a	.891	.890	.24098		
a. Predictors: (Constant), X ₂						
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.483	1	31.483	542.168	.000 ^b
	Residual	3.833	66	.058		
	Total	35.316	67			
a. Dependent Variable: Y						
b. Predictors: (Constant), X ₂						
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	.541	.152		3.569	.001
	X ₃	.843	.036	.944	23.285	.000
a. Dependent Variable: Y						
b. Predictors:(Constant) X ₂						

The study findings from bivariate correlation analysis presented in Table 4.13 indicated that strategy formulation, as a practice in the planning process, has a positive and significant influence on the performance of textile firms in Kenya under AGOA ($r=0.944$, $P<0.01$). Further tests on bivariate linear regression indicated that Strategy formulation does not positively affect the performance of Kenyan textile firms under AGOA. its own explains 89.1% of the total variations in the performance of textile firms under AGOA in Kenya. The model was also found to be valid ($F_{(1,66)}=542.168$, $P<0.01$), and the beta coefficient was positive and significant ($\beta=0.944$, $P<0.01$). Based on the foregoing results, the null hypothesis (H_{02}) stating that strategy

formulation has no statistical significance on the performance of textile firms under AGOA in Kenya was rejected. The study concluded that strategy formulation has a significant influence on an organization's performance of AGOA-based Kenyan textile firms. These findings are in agreement with the findings of Ogalo, (2021)'s study on the *Influence of Strategic Planning Practices on Organizational Performance in the Textile and Apparel Industry in Nairobi County, Kenya*. These findings are in agreement with the findings of Ogalo (2023) study on *Influence of Strategic Planning Practices on Organizational Performance in the Textile and Apparel Industry in Nairobi County, Kenya*. It found that the rigorous formulation of strategies, including setting clear objectives and analyzing the competitive environment, had a significant positive effect on the performance of textile and apparel firms. The study concluded that firms with well-formulated strategies were more likely to achieve higher profitability and growth.

4.6.2.3 Test of Hypothesis Three: Strategy implementation does not positively influence the performance of textile firms under AGOA in Kenya.

Bivariate linear regression analysis was performed to test the null hypothesis (H_{03}), and the findings are presented in Table 4.13.

Table 4.13*Strategy Implementation*

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.879 ^a	.773	.769	.34876	
a. Predictors: (Constant), X ₃					

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.288	1	27.288	224.356	.000 ^b
	Residual	8.028	66	.122		
	Total	35.316	67			

a. Dependent Variable: Y
b.Predictors: (Constant), X₃

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.730	.223		3.279	.002
	X ₃	.826	.055	.879	14.979	.000

a. Dependent Variable: Y

The study findings from bivariate correlation analysis presented in Table 4.14 indicated that Strategy implementation, as a practice in the planning process, has a positive and significant influence on the performance of textile firms under AGOA in Kenya ($r=0.879$, $P<0.01$). Further tests on bivariate linear regression indicated that strategy implementation on its own explains 77.3% of the total variations in the performance of textile firms under AGOA in Kenya. The model was also found to be valid ($F_{(1,66)}=224.356$, $P<0.01$), and the beta coefficient was positive and significant ($\beta =0.879$, $P<0.01$). Based on the foregoing results, the null

hypothesis (H₀₃).

stating that strategy implementation does not positively influence the performance of textile firms under AGOA in Kenya was rejected. The study concluded that strategy implementation, in planning processes in the textile firms under AGOA in, has a significant influence on the organization's performance. This finding aligns with the research conducted by Githinji (2019) While focused on the banking sector, it found that strategy implementation practices, such as resource allocation and organizational structure alignment, significantly and positively influenced firm performance. This supports the general principle that a robust implementation process is crucial for achieving strategic goals across various industries in Kenya.

4.6.2.4 Test of Hypothesis Four: Strategy control does not significantly enhance the performance of Kenyan textile firms under AGOA

Bivariate linear regression analysis was performed to test the null hypothesis (H_{04}), and the findings are presented in Table 4.14.

Table 4.14

Strategy Control

Model Summary						
		Adjusted R		Std. Error of the Estimate		
Model	R	R Square	Square			
1	.822 ^a	.675	.670	.41698		
a. Predictors: (Constant), X ₄						
ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.840	1	23.840	137.115	.000 ^b
	Residual	11.476	66	.174		
	Total	35.316	67			
a. Dependent Variable: Y						
b. Predictors: (Constant), X ₄						
Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.119	.251		4.451	.000
	X ₄	.729	.062	.822	11.710	.000
a. Dependent Variable: Y						

The study findings from bivariate correlation analysis presented in Table 4.15 indicated that strategy control, as a practice in the planning process, has a positive and significant influence on the performance of textile firms under AGOA in Kenya ($r=0.822$ $P<0.01$). Further tests on bivariate linear regression indicated that risk management on its own explains 67.5% of the total variations in the performance of Textile firms under AGOA in Kenya. The model was also found to be valid ($F_{(1,66)} = 137.115$, $P<0.01$), and the beta coefficient was positive and significant ($\beta=0.822$, $P<0.01$). Based on the foregoing results, the null hypothesis (H_{04}) stating that strategy control does not significantly enhance the performance of Kenyan textile firms under AGOA has no statistical significance on the performance of textile firms under AGOA in Kenya was rejected. The study concluded that strategy control, in the planning processes in the textile firms, has a significant influence on the organization's performance. These findings are consistent with the conclusions drawn by Ogalo (2023) in his study, he specifically focused on the influence of strategy control practices on organizational performance in the Textile and Apparel industry in Nairobi County. The research found that performance appraisal and strategy monitoring had a significant positive influence on the firms' performance, reinforcing the role of control mechanisms in the sector.

4.6.3 Summary of Hypotheses Testing

The summary results of all hypotheses tested and their corresponding conclusions reached after the test are contained in Table 4.16. Based on the study results, all four null hypotheses in this study were rejected based on the aforementioned test results on each variable. This study utilized different tests for hypotheses, as shown in Table 4.15.

Table 4.15*Summary of Hypotheses Tested*

Hypotheses Variable	Null Hypothesis	Type of Analysis	Condition	Conclusion
Environmental Scanning (X ₁)	H₀₁ No significant difference	Pearson Correlation Linear Regression	p < 0.05 reject null p > 0.05 fail to reject null	Study results indicated R=0.757, B=0.621, P<0.05 H ₀₁ was rejected
Strategy Formulation (X ₂)	H₀₂ No significant difference	Pearson Correlation Linear Regression	p < 0.05 reject null p > 0.05 fail to reject null	Study results indicated R=0.944, B=0.843, P<0.05 H ₀₂ was rejected
Strategy Implementation (X ₃)	H₀₃ No significant difference	Pearson Correlation Linear Regression	p < 0.05 reject null p > 0.05 fail to reject null	Study results indicated R=0.879, B=0.826, P<0.05 H ₀₃ was rejected
Strategy Control (X ₄)	H₀₄ No significant difference	Pearson Correlation Linear Regression	p < 0.05 reject null p > 0.05 fail to reject null	Study results indicated R=0.822, B=0.729, P<0.05 H ₀₄ was rejected

4.6.4 Multiple Linear Regressions

Multiple linear regression analysis was performed based on the research model presented in Chapter Three: $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$, and the findings are presented in Table 16.

Table 4.16*Multiple Linear Regression Summary*

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.960 ^a	.921	.916	.21060
a. Predictors: (Constant), X ₄ , X ₁ , X ₂ , X ₃				

The findings of multiple linear regressions in Table 4.17 show that the variation in total performance of textile firms under AGOA is explained by four independent variables that is, environmental canning, strategy formulation, strategy implementation, and strategy control. All four independent variables in a combined relationship, according to this study, explain 92.1% of the total variations in performance of textile firms under AGOA in Kenya o ($R^2=92.1\%$). The stochastic disturbance error term (e) explains the remaining 7.9% of the total variations.

4.6.5 Model Validity

Table 4.17 presents a test for model validity as follows:

Table 4.17*Model Validity*

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	32.522	4	8.130	183.318	<.000 ^b
	Residual	2.794	63	.044		
	Total	35.316	67			

a. Dependent Variable: Y

b. Predictors: (Constant), X₄X₁X₂X₃

The ANOVA results in Table 4.17 are used to determine whether the model $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$ proposed in Chapter three is valid or not. The model is deemed valid when the p-value in the ANOVA results is less than 5% significance at a 95% confidence level ($P < 0.05$). Study results in Table 4.16 indicated that the model is valid at $F_{(4,63)} = 183.318$, $P < 0.05$. The variance shown in the F-statistics in this study is large enough and indicates that all the variables under consideration in the model contribute substantially to the performance of textile firms under AGOA in Kenya. Therefore, the model was found to be valid at $F_{(4,63)} = 183.318$, $P < 0.05$. This means that variables X_1 (environmental scanning), X_2 (strategy formulation), X_3 (strategy implementation), and X_4 (strategy control) are good predictors of performance in textile firms under AGOA in Kenya, and since the p-value is less than 5%, the model is valid for making predictions.

4.6.6 Regression Coefficients

The regression coefficients provide a numerical estimate of how much the dependent variable is expected to change when an independent variable change by one unit, holding other variables constant. This helps researchers understand the strength and direction of each predictor's effect on the outcome.

Table 18*Regression Coefficients*

		Coefficients^a				
		Unstandardized		Standardized		
		<u>Coefficients</u>		<u>Coefficients</u>		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.306	.142		2.162	.34
	X ₁	.062	.057	.075	-1.084	.283
	X ₂	.549	.073	.614	7.524	<.001
	X ₃	.309	.080	.329	3.858	<.001
	X ₄	.118	.055	.133	2.145	.036

a. Dependent Variable:

The multiple linear regression results illustrated in Table 4.19 established that if all other factors are held constant, the performance of textile firms under AGOA would be at 0.306, $P < 0.05$. A unit change in environmental scanning (X₁) would result in a positive change of 0.062, $P > 0.05$ units; however, this change is not statistically significant. A unit change in strategy formulation (X₂) would result in an increase in performance of textile firms by 0.549, $P < 0.05$. A unit change in strategy implementation (X₃) would increase the performance of textile firms substantially by 0.309, $P < 0.05$. Lastly, a unit change in strategy control would lead to a substantial increase in the performance of textile firms by a factor of 0.118, $P < 0.05$ at 5% level of significance and 95% level of confidence. One of the four variables, environmental scanning (X₁), was found to have a significant and positive contribution to the performance of the textile firms. The aforementioned discussion leads to the following model that was estimated from the results of this study:

Model 1: Original Model: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$

$Y = 0.306 + 0.062X_1 + 0.549X_2 + 0.309X_3 + 0.118X_4$ (However, Constant and X_1 were found to be insignificant ($P > 0.05$) at 5% level of significance and 95% level of confidence, hence removed from the original model.

Model 2: Estimated Model (Revised Model): $Y = \beta_2X_2 + \beta_3X_3 + \beta_4X_4$

$$Y = 0.549X_2 + 0.309X_3 + 0.118X_4$$

The implication in these findings is that performance management is a total of environmental scanning, strategy control, and several other activities, suggesting that:

The environmental scanning and strategy control are significant drivers of the dependent variable, which is implied to be the firm's performance. This aligns with the coefficients for these variables being positive and significant in the revised model.

The original independent variable X_1 (environmental scanning) and the constant were found to be non-essential components of the model. Their removal simplifies the model without a significant loss of explanatory power. This means that the true drivers of a firm's performance are the significant variables and other factors not included in the study.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This section synthesizes the findings from the analyses, integrating qualitative data for a richer context and deeper understanding, and discussing their implications.

5.2 Summary of findings

5.2.1 Environmental Scanning

Firms demonstrate active engagement in environmental monitoring, diligently tracking industry trends, competitor activities, customer preferences, government policies, and technological advancements. This proactive stance suggests a recognition of the importance of external awareness for business operations. While this engagement appears beneficial for performance, its effectiveness hinges on translating observations into proactive and anticipatory actions rather than merely reactive adjustments.

Studies emphasize the need for continuous monitoring of market trends to inform strategic decisions. Furthermore, the effectiveness of environmental scanning for AGOA firms might not solely be about identifying external factors but, crucially, about transforming that knowledge into actionable foresight. However, some findings suggest that while firms are adept at observing external signals, there might be a gap in how these observations consistently translate into truly transformative strategic decisions, moving beyond mere observation to anticipating future scenarios. This implies that even with active scanning, the depth of its impact on strategic direction might be limited if not coupled with robust analytical capabilities and forward-thinking leadership.

5.2.2 Strategy Formulation

Firms exhibit strong, data-driven, and AGOA-aligned strategy formulation practices, characterized by regular review of mission and vision, utilization of data and research, and alignment with market needs. This structured approach to strategy development appears crucial for growth. However, a critical consideration arises from the qualitative data regarding the expiry of the AGOA agreement in September 2025. While strong alignment with current AGOA provisions is beneficial. The ability to formulate resilient, adaptive strategies that de-risk dependence on a single, time-bound trade agreement is paramount.

5.2.3 Strategy Implementation

While firms report strong procedural aspects of implementation, including clear timeframes, roles, and communication, discernible challenges exist in effective resource allocation, adequate training, and rapid problem resolution. This suggests a tangible implementation gap; even well-formulated strategies may falter or be suboptimal due to practical hurdles. Firms are actively attempting to bridge this gap by prioritizing critical projects, optimizing existing resources through cross-training, and seeking partnerships or external funding. The effectiveness of strategy implementation is not just about having a detailed plan, but critically about the agility, resourcefulness, and adaptability in overcoming unforeseen obstacles and securing necessary inputs. Supporting the significance of implementation, studies emphasize that even the most brilliant strategic plan is rendered ineffective without robust execution. Firms are often praised for their attempts to bridge implementation gaps by optimizing existing resources. However, some findings indicate that despite efforts, challenges related to resource mobilization and proactive change management remain significant obstacles. This

highlights a crucial need for firms to develop more sophisticated contingency planning for resources and proactive change management strategies to prevent a disconnect between strategic intent and operational reality.

5.2.4 Strategy Control

Firms widely engage in strategy control, regularly evaluating performance using Key Performance Indicators (KPIs), incorporating feedback, and using lessons to revise plans. While the mechanics of control are in place and lead to tangible changes, some neutrality was observed regarding whether the evaluation process consistently improves competitiveness or if evaluation tools are regularly updated. This suggests that while firms are identifying deviations, the ultimate effectiveness lies in how quickly and effectively these observations translate into strategic agility. Various studies show that regular performance evaluation and feedback loops are crucial for strategic success. Furthermore, the use of data-driven decision-making in control mechanisms is often highlighted as a best practice. Conversely, observations of neutrality regarding the consistent improvement of competitiveness through evaluation processes suggest that while controls are in place, they might not always lead to a culture of continuous learning and rapid strategic iteration. This implies that merely conducting evaluations may not be sufficient without ensuring they are consistently transformative for competitiveness and long-term sustainability. The qualitative data provides rich context, illustrating and deepening the quantitative findings. For instance, the observation of an implementation gap, particularly concerning resource allocation and training, is directly supported by respondents explicitly listing limited resources (staff and finances) and resistance to change among employees as common barriers during implementation. Their approaches to handling resource constraints, such as prioritizing critical projects and

optimizing existing resources, provide practical examples of how firms navigate these challenges. Similarly, while the analysis shows strong engagement in environmental scanning, the qualitative responses reveal the specific tools and methods employed, including SWOT and PESTLE Analysis, Market Intelligence Reports, and Competitor Benchmarking. The examples of environmental scanning influencing strategic decisions, such as adjusting product offerings to align with sustainable fashion trends or shifting to organic cotton due to growing demand, illustrate the practical application of this strategic practice. The overarching theme that emerges from integrating qualitative and quantitative data is the interplay of strategic management practices. The analyses primarily assess the individual influence of each strategic practice on performance, treating them as distinct variables. However, strategic management theory posits that these practices are not isolated but form a continuous, cyclical, and integrated process. While individual practices might show significance, their combined and sequential effectiveness is paramount for overall strategic success. For example, highly effective environmental scanning is only truly beneficial if its observations are effectively fed into and utilized during robust strategy formulation. Similarly, a brilliantly formulated strategy is rendered ineffective without diligent and effective implementation, and implementation, in turn, requires continuous control and feedback loops to remain on track and adapt to evolving circumstances.

Qualitative responses, where respondents often speak to the holistic impact of strategic management practices on performance, implicitly acknowledge this integrated nature. Optimal firm performance under AGOA is likely achieved not by excelling in just one strategic practice, but by ensuring a seamless, high-quality, and iterative flow across all four stages of the strategic management cycle. This suggests that firms should view strategic management as a systemic capability a well-oiled machine where each part contributes to the overall

Function rather than a mere collection of isolated functions. This integrated perspective is critical for sustainable competitive advantage.

The study's findings carry significant implications for AGOA textile firms in Kenya. While the focus has been on firm-level strategic management, the qualitative data frequently highlight significant external challenges, such as the uncertainty of renewal of the AGOA Act, high production costs and intense global competition. Firms also offer policy-level recommendations, indicating that firm performance is not exclusively determined by internal strategic practices but is also profoundly shaped by the broader, often volatile, external operating environment.

Therefore, the success of strategic management in AGOA firms is not just about optimizing internal processes for efficiency and effectiveness. Critically, it is about building resilience and adaptability to external geopolitical and economic uncertainties. The qualitative mentions of external shocks, such as COVID-19 influencing strategic decisions, or the ongoing concern about AGOA's expiry, underscore that even with excellent internal practices, external factors can significantly impact performance. This implies that strategic management for AGOA firms must place a premium on robust scenario planning, proactive risk management, and engagement efforts concerning external policy and market dynamics, not solely on internal efficiencies. The discussion should emphasize that while internal strategic rigor is undeniably vital, firms must simultaneously develop sophisticated external scanning and contingency planning capabilities. This holistic approach is essential to not only thrive but also survive in an inherently volatile global trade environment, where success is a function of both micro-level capabilities and macro-level external realities.

5.3 Recommendations

Based on the empirical findings and the deeper understandings derived from this study, the following actionable recommendations are proposed for AGOA textile firms in Kenya and for policy considerations.

For AGOA Textile Firms in Kenya

Firms should cultivate a culture of proactive foresight, moving beyond simple monitoring to anticipate significant shifts. This involves not only tracking industry trends and competitors but also developing robust scenario planning for critical external factors, such as potential changes to or the expiry of the AGOA agreement. The goal is to predict, rather than just react to, major events by continuously monitoring market trends and understanding AGOA rules. To address market shifts and policy changes, companies must develop agile and adaptable strategies. This means integrating thorough risk assessments for external shocks and creating explicit contingency plans for scenarios involving AGOA's future status. These strategies should be dynamic, allowing for rapid pivoting and careful alignment with market requirements.

Companies must also actively address the implementation gap. This requires a focused effort on resource mobilization, which can be achieved by forming strategic partnerships, optimizing asset use, and securing external funding. It's also vital to invest in continuous staff training to build necessary skills and implement proactive change management to overcome internal resistance. Enhancing strategic control is crucial for maintaining a competitive edge. The evaluation process should evolve beyond procedural compliance to drive competitive advantage and foster continuous organizational learning. Firms should regularly update their evaluation tools and techniques to accurately reflect market realities and internal performance.

This includes using data-driven decision-making and implementing total quality management (TQM) at every stage of production to achieve high quality.

For Policy Considerations

To address the uncertainty surrounding the renewal of the African Growth and Opportunity Act (AGOA), the government can intensify lobbying efforts for its long-term extension. Alternatively, it could actively pursue and develop alternative bilateral or multilateral trade agreements to diversify market access. This strategy is in line with the broader trade policy agenda.

To combat challenges like rising production costs and a lack of raw materials, policies should focus on building strong local supply chains for textile inputs. The government could provide targeted subsidies for energy or raw material sourcing and offer incentives for investing in modern, energy-efficient machinery. Addressing the high cost of electricity through policy interventions would directly reduce operational costs and boost the competitiveness of firms.

The consistent presence of systemic issues, such as unstable government policies, high labor costs, and inefficient infrastructure, shows that firm performance and the effectiveness of their strategic management practices are heavily influenced by the broader, often unpredictable, external environment. Therefore, for sustainable growth and to maximize the benefits of AGOA, recommendations must go beyond what individual firms can do. This underscores the need for a holistic, ecosystem-level approach to sector development. Sustainable and robust growth for AGOA textile firms requires a collaborative effort, combining continuous improvement in strategic management practices at the firm level with proactive and supportive policy interventions from the government. It's crucial to recognize that strategic success is a synergistic function of both micro-level capabilities and macro-level enabling conditions for

long-term sector prosperity.

5.4 Conclusion

This study rigorously analyzed the influence of strategic management practices on the performance of AGOA textile firms in Kenya. The findings of this study confirm that a strong link exists between strategic management practices and the performance of textile firms in Kenya operating under the AGOA framework. Specifically, the analysis demonstrates that environmental scanning, strategy formulation, implementation, and control all positively influence a firm's ability to achieve consistent yearly growth. Of these practices, strategy implementation was found to be the most critical factor, highlighting the paramount importance of effectively translating plans into tangible actions. Both strategy control and strategy formulation also showed significant influence on positive growth outcomes. In an ever-changing and competitive global landscape, proactive and adaptable strategic management is not merely an advantage but a core necessity for the survival and sustained growth of these firms. The study concludes that by refining their strategic processes and building greater resilience to external shifts, such as the uncertainties surrounding the future of AGOA, firms can effectively leverage trade opportunities, mitigate risks, and secure long-term success.

In summary, for textile firms, particularly those operating in Export Processing Zones (EPZ) and under the AGOA framework, proactive and adaptable strategic management is essential for survival and sustained growth. By continuously refining strategic processes and building resilience to external factors—such as the future uncertainty of trade agreements like AGOA—these firms can better leverage trade opportunities, effectively mitigate risks, and secure long-term success. Effective strategic management provides the critical capability to adapt to external changes and maintain strong, sustained performance.

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APPENDICES

Appendix I: Questionnaire

SECTION 1: DEMOGRAPHIC INFORMATION

1. What is your current position in the firm?
 - ☐ CEO
 - ☐ General Manager
 - ☐ Operations Manager
 - ☐ Strategy Manager
 - ☐ Other (Please specify): _____
2. What is the size of your firm (number of employees)?
 - ☐ Less than 50
 - ☐ 50–100
 - ☐ 101–300
 - ☐ More than 300
3. How long has your firm been operational under AGOA?
 - ☐ Less than 2 years
 - ☐ 2–5 years
 - ☐ 6–10 years
 - ☐ Over 10 years
4. Which EPZ or region is your firm located in?
 - ☐ Nairobi

- ☐ Athi River
- ☐ Mombasa

5. What is your highest level of education?

- ☐ Diploma
- ☐ Bachelor's Degree
- ☐ Master's Degree
- ☐ PhD
- ☐ Other (Please specify): _____

6. How is your firm's performance in terms of growth since inception?

- ☐ Yearly growth
- ☐ Stagnant
- ☐ Declining yearly
- ☐ Mixed performance
- ☐ Other (Please specify): _____

7. What is the main market your firm targets for its products?

- ☐ U.S. Market (via AGOA)
- ☐ African Market
- ☐ European Market
- ☐ Other (Please specify): _____

SECTION 2: ENVIRONMENTAL SCANNING

Indicate the extent to which you agree with the following statements:

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. We regularly monitor industry trends affecting the textile sector.	☐	☐	☐	☐	☐
2. Our firm conducts SWOT analysis to guide strategic decisions.	☐	☐	☐	☐	☐
3. We consider competitor activities in our strategic planning.	☐	☐	☐	☐	☐
4. Customer preferences and market demand inform our strategies.	☐	☐	☐	☐	☐
5. We have dedicated teams or tools for market/environmental analysis.	☐	☐	☐	☐	☐
6. We scan government policies and global agreements like AGOA for impacts.	☐	☐	☐	☐	☐
7. We track technological changes that could affect our operations.	☐	☐	☐	☐	☐

SECTION 3: STRATEGY FORMULATION

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. Our strategies are aligned with AGOA policy opportunities.	☐	☐	☐	☐	☐
2. Employees at different levels are involved in the strategy formulation process.	☐	☐	☐	☐	☐
3. We review our mission, vision, and objectives regularly.	☐	☐	☐	☐	☐
4. We use data and research when creating strategic plans.	☐	☐	☐	☐	☐
5. Our strategic plans are well-documented and communicated.	☐	☐	☐	☐	☐
6. Strategic objectives are aligned with market and customer needs.	☐	☐	☐	☐	☐

7. Risk assessments are conducted during strategy formulation.	☐	☐	☐	☐	☐
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SECTION 4: STRATEGY IMPLEMENTATION

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. Strategies are implemented within clearly defined timeframes.	☐	☐	☐	☐	☐
2. There is effective resource allocation during strategy implementation.	☐	☐	☐	☐	☐
3. Staff receive adequate training to implement strategic initiatives.	☐	☐	☐	☐	☐
4. There is regular monitoring and coordination during implementation.	☐	☐	☐	☐	☐
5. Implementation challenges are resolved quickly and effectively.	☐	☐	☐	☐	☐
6. Roles and responsibilities are clearly defined during implementation	☐	☐	☐	☐	☐
7. There is consistent communication throughout the implementation phase.	☐	☐	☐	☐	☐

SECTION 5: STRATEGY EVALUATION

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. We evaluate our strategies regularly to measure performance.	☐	☐	☐	☐	☐
2. KPIs (Key Performance Indicators) are used in evaluating strategic outcomes.	☐	☐	☐	☐	☐
3. Feedback from clients and staff informs our evaluation.	☐	☐	☐	☐	☐
4. Lessons from evaluations are used to revise strategic plans.	☐	☐	☐	☐	☐
5. Our evaluation process improves the competitiveness of the firm.	☐	☐	☐	☐	☐

6. Evaluation results are communicated to key stakeholders.	☐	☐	☐	☐	☐
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7. Evaluation tools and techniques are reviewed and updated regularly.	☐	☐	☐	☐	☐
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SECTION 6: FIRM PERFORMANCE

Indicate the extent to which you agree with the following statements:

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. Our company's profit has been increasing consistently over the past five years.	☐	☐	☐	☐	☐
2. Our customers are always satisfied with our services.	☐	☐	☐	☐	☐
3. We always exceed our export quota yearly.	☐	☐	☐	☐	☐
4. Our customers always come back for repeat purchases.	☐	☐	☐	☐	☐
5. The number of employees has risen in the last five years.	☐	☐	☐	☐	☐
6. We always keep our costs to a manageable level.	☐	☐	☐	☐	☐
7. We do not finance our activities using bank loans.	☐	☐	☐	☐	☐

Thank you for your cooperation and Support.

Semi-Structured Interview Guide

Introduction to Participants

This interview is designed to gather deeper insights into your firm's strategic management practices and how they relate to your performance under AGOA. Your responses will be kept confidential and used strictly for academic purposes.

Section A: Background and Context

1. Can you briefly describe your firm's operations under AGOA?
2. What are the main opportunities and challenges your firm faces in the textile industry?

Section B: Environmental Scanning

3. How does your firm monitor external factors like competition, market demand, and policy shifts?
4. What tools or methods does your firm use to perform environmental scanning?
5. Can you describe a situation where environmental scanning influenced a strategic decision?

Section C: Strategy Formulation

6. Who is involved in the formulation of your firm's strategic plans?
7. How does your firm align its strategy with AGOA's provisions and export opportunities?
8. To what extent does research or data influence your strategic formulation process?

Section D: Strategy Implementation

9. How does your firm ensure that formulated strategies are implemented effectively?
10. What are some common barriers you face during the implementation phase?
11. How do you handle resource constraints (e.g., staff, finances) when implementing strategies?

Section E: Strategy Evaluation

12. How frequently does your firm evaluate its strategic plans?
13. What metrics or indicators do you use to measure strategy success?
14. Can you share an example of a strategic decision that was changed following an evaluation?

Section F: Performance and Recommendations

15. In your view, how have strategic management practices impacted your firm's overall performance under AGOA?
16. Would like to share the Audited financial statement for your firm for the last 5 years?
17. What recommendations would you give to other textile firms to improve their strategic management under AGOA?

Appendix II: KeMU Introduction Letter



KENYA METHODIST UNIVERSITY

P. O. Box 267 Meru - 60200, Kenya

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Tel: 254-064-30301/31229/30367/31171

Email: deanrd@kemu.ac.ke

DIRECTORATE OF POSTGRADUATE STUDIES

Our Ref: KEMU/NACOSTI/BUS/60/2025

June 19, 2025

Commission Secretary

National Commission for Science, Technology and Innovations

P.O. Box 30623-00100

NAIROBI

Dear Sir/Madam,

RE: JAMES KIMATHI ITHILI-BUS-3-2007-1/2024

This is to confirm that the above named is a bona fide student of Kenya Methodist University, in the Department of Business Administration, undertaking a Master's degree in Business Administration. He is conducting research on *"Strategic Management Practices on Performance of African Growth and Opportunity Act (AGOA) Textile Firms in Kenya"*.

We confirm that his research proposal has been defended and approved by the University.

In this regard, we are requesting your office to issue a research license to enable him collect data.

Any assistance accorded to him will be highly appreciated.

Yours sincerely,



Dr. Nancy Rintan (PhD)

Director, Board of Postgraduate Studies

Cc: Dean, School of Business

CoD, Business Administration

Postgraduate Coordinator - BA

Supervisors



KENYA METHODIST UNIVERSITY

P. O. BOX 267 MERU - 60200, KENYA
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Our Ref: KeMU/ISERC/BUS/60/2025

June 19, 2025

JAMES KIMATHI ITHILI
BUS-3-2007-1/2024

Dear James,

SUBJECT: STRATEGIC MANAGEMENT PRACTICES ON PERFORMANCE OF AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) TEXTILE FIRMS IN KENYA

This is to inform you that Kenya Methodist University Institutional Scientific Ethics and Review Committee has reviewed and approved your research proposal. Your application approval number is KeMU/ISERC/BUS/60/2025. The approval period is 19th June, 2025 – 19th June, 2026.

This approval is subject to compliance with the following requirements:-

- I. Only approved documents including (informed consents, study instruments, MTA) will be used.
- II. All changes including (amendments, deviations, and violations) are submitted for review and approval by Kenya Methodist University Institutional Scientific Ethics and Review Committee.
- III. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to KeMU ISERC within 72 hours of notification.
- IV. Any changes, anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to KeMU ISERC within 72 hours.
- V. Clearance for export of biological specimens must be obtained from relevant institutions.

- VI. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal.
- VII. Submission of an executive summary report within 90 days upon completion of the study to KeMU ISERC.

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://oris.nacosti.go.ke> and also obtain other clearances needed.



Appendix III: NACOSTI RESEARCH PERMIT

 REPUBLIC OF KENYA	 NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
Ref No: 743839	Date of Issue: 30/June/2025
RESEARCH LICENSE	
	
This is to Certify that Mr. James Kimathi Ithili of Kenya Methodist University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Kiambu, Kilifi, Kisumu, Kitui, Machakos, Mombasa, Muranga, Nairobi, Nakuru on the topic: STRATEGIC MANAGEMENT PRACTICES ON PERFORMANCE OF AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) TEXTILE FIRMS IN KENYA for the period ending : 30/June/2026.	
License No: NACOSTIP/25/4175947	
743839	
Applicant Identification Number	Deputy Director
	NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION
	Verification QR Code
	
NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.	
See overleaf for conditions	

The National Commission for Science, Technology and Innovation, hereafter referred to as the Commission, was established under the Science, Technology and Innovation Act 2013 (Revised 2014) herein after referred to as the Act. The objective of the Commission shall be to regulate and assure quality in the science, technology and innovation sector and advise the Government in matters related thereto.

CONDITIONS OF THE RESEARCH LICENSE

1. The License is granted subject to provisions of the Constitution of Kenya, the Science, Technology and Innovation Act, and other relevant laws, policies and regulations. Accordingly, the licensee shall adhere to such procedures, standards, code of ethics and guidelines as may be prescribed by regulations made under the Act, or prescribed by provisions of International treaties of which Kenya is a signatory to.
2. The research and its related activities as well as outcomes shall be beneficial to the country and shall not in any way;
 - i. Endanger national security
 - ii. Adversely affect the lives of Kenyans
 - iii. Be in contravention of Kenya's international obligations including Biological Weapons Convention (BWC), Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), Chemical, Biological, Radiological and Nuclear (CBRN).
 - iv. Result in exploitation of intellectual property rights of communities in Kenya
 - v. Adversely affect the environment
 - vi. Adversely affect the rights of communities
 - vii. Endanger public safety and national cohesion
 - viii. Plagiarize someone else's work
3. The License is valid for the proposed research, location and specified period.
4. Neither the license nor any rights thereunder are transferable.
5. The Commission reserves the right to cancel the research at any time during the research period if in the opinion of the Commission the research is not implemented in conformity with the provisions of the Act or any other written law.
6. The Licensee shall inform the relevant County Director of Education, County Commissioner and County Governor before commencement of the research.
7. Excavation, filming, movement, and collection of specimens are subject to further necessary clearance from relevant Government Agencies.
8. The License does not give authority to transfer research materials.
9. The Commission may monitor and evaluate the licensed research project for the purpose of assessing and evaluating compliance with the conditions of the License.
10. The Licensee shall submit one hard copy, and upload a soft copy of their final report (thesis) onto a platform designated by the Commission within one year of completion of the research.
11. The Commission reserves the right to modify the conditions of the License including cancellation without prior notice.
12. Research, findings and information regarding research systems shall be stored or disseminated, utilized or applied in such a manner as may be prescribed by the Commission from time to time.
13. The Licensee shall disclose to the Commission, the relevant Institutional Scientific and Ethical Review Committee, and the relevant national agencies any inventions and discoveries that are of National strategic importance.
14. The Commission shall have powers to acquire from any person the right in, or to, any scientific innovation, invention or patent of strategic importance to the country.
15. Relevant Institutional Scientific and Ethical Review Committee shall monitor and evaluate the research periodically, and make a report of its findings to the Commission for necessary action.

National Commission for Science, Technology and
Innovation(NACOSTI),
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Website: www.nacosti.go.ke

Appendix IV: EPZA Introduction Letter



EPZA/COMP/59/OIS

July 9, 2025

Attention: EPZ Textile & Apparels Enterprises

RE: PERMISSION TO CONDUCT RESEARCH – JAMES KIMATHI ITHILI ID NO. 21501539

This is to inform you that the above-named person; James Kimathi Ithili ID No. 12501539 is a student at Kenya Methodist University (KEMU), pursuing Master's degree in Business Administration – Strategic Management.

As part of the program, the student is required to undertake research. The student is conducting research on 'Strategic Management Practices and their Impact on the Performance of African Growth and Opportunity Act (AGOA) Textile Firms in Kenya'. The student is therefore required to collect data from the EPZ enterprises in the Textile and Apparel firms.

Kindly accord the student with necessary assistance to enable her to carry out research.

Richard I. Omelu
CHIEF EXECUTIVE OFFICER

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Appendix V: List of Firms under AGOA

List of Textile Firms Under AGOA in Kenya		
No	Zone	Region
1	Africa Apparels EPZ Ltd	Nairobi- Industrial Area
2	Al Borf East Africa EPZ Ltd	Ruaraka - Nairobi
3	Alltex epz ltd	Athi River
4	Ammar EPZ Ltd	Mombasa
5	Ashton Apparels EPZ Ltd	Mombasa
6	Balaji EPZ Ltd (formerly Indigo)	Ruaraka - Nairobi
7	Bedi Investments EPZ Ltd	Nakuru
8	Best Lifestyle (K) EPZ Ltd	Athi River
9	Brilliant Garments EPZ Ltd,	Mombasa
10	Celebrity Fashions K. EPZ Ltd	Athi River
11	Cherryfield Apparels EPZ Ltd	Nairobi -Industrial Area
12	Dada EPZ Ltd	Kisumu
13	Future garment EPZ ltd	Athi River
14	Garment Labels EPZ Ltd.	Nairobi
15	Global Apparels (K) Epz Ltd	Athi River
16	Halai Brothers EPZ Ltd	Chamgamwe Mombasa
17	Hantex Garmet EPZ Ltd	Mazeras Mombasa
18	Hela Intimates EPZ- Athi River	Athi River
19	Kapric Apparel EPZ Ltd	Chamgamwe Mombasa
20	Kingorani EPZ Limited	Mombasa
21	Kitui CountyEPZ Ltd	Kitui
22	MAS Intimates Kenya (EPZ) Ltd	Athi River
23	Mombasa Apparel EPZ Ltd	Mombasa
24	New Wide Garment (K) EPZ Ltd	Athi River
25	Protex Kenya EPZ LTD	Athi River
26	Ricardo EPZ Ltd	Athi River
27	Royal Garment EPZ Ltd	Athi River
28	Senior Best Garment Kenya EPZ Ltd	Kilifi
29	Shona EPZ Limited	Athi River
30	Shin Ace Garment (K) EPZ Ltd	Mombasa
31	Sino Link EPZ Ltd	Chamgamwe Mombasa
32	Sumat Shakti EPZ Ltd	Nairobi
33	Top New knitwear EPZ (K) Ltd	Athi River
34	Twaweza Kenya Apparel (EPZ) Limited	Mombasa
35	United Aryan EPZ Ltd	Nairobi

36	Wild Life Works EPZ Ltd	Voi
37	YKK Kenya EPZ Ltd	Mombasa
38	Yoohan Kenya Epz Ltd	Nairobi -Industrial Area

Source: www.EPZ Ltd.com

Appendix VI: African member states under AGOA.



Appendix VII: AGOA performance 2019-2023 in Kenya

Impact of AGOA on EPZ Garment Sector: 2019 - 2023						
Indicator	2019	2020	2021	2022	2023	% growth (2022 v/s)
Number of Enterprises	24	28	29	36	38	8.3
Employment (No.)	49,489	45,588	50,422	66,260	58,002	-12.5
Investment (Kshs million)	18,065	19,133	23,216	25,054	31,609	26.2
Exports (Kshs million)	47,196	44,640	51,618	56,711	52,824	-6.9
Quantity of exports (million pieces)	105.4	102.2	110.2	118.2	101	-14.6

EPZ-Annual-Performance-Report-year-2023 act (Export Processing Zones Authority, 2023).

Appendix VIII: Kenya Apparel exports to the USA and the rest of the World

Value & quantity of apparel export to USA and the rest of the world: 2019 – 2023							
Indicator	2019	2020	2021	2022	2023	% growth (2022 v/s 2023)	% Market Contribution
Value of apparel exports to USA (Kshs million)	46,066	42,278	48,830	54,621	50,817	-7	96%
Value of apparel export rest of world (Kshs million)	1,130	2,362	2,788	2,090	2,007	-4	4%
Total value (Kshs million)	47,196	44,640	51,618	56,711	52,824	-6.9	100%
Quantity of apparel exports to the USA (million pieces)	105.4	91.8	100.9	112.3	97.3	-13.4	96%
Quantity of apparel exports to the rest of the world (million pieces)	5.7	9.4	9.2	5.9	3.7	-37.3	4%
Total quantity (million pieces)	111.1	101.2	110.1	118.2	101	-14.6	100%

EPZ-Annual-Performance-Report-year-2023 act (Export Processing Zones Authority, 2023).

CONSENT FORM TEMPLATE

Title: ***STRATEGIC MANAGEMENT PRACTICES ON PERFORMANCE OF AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) TEXTILE FIRMS IN KENYA***

Sponsor: **Self Sponsor**

Principal Investigator: **James Kimathi Ithili** Address:
Box 23035-00100 Nairobi - Kenya

1. Introduction

This Consent Form contains information about the research named above. In order to be sure that you are informed about being in this research, we ask you to read (or have read to you) this Consent Form. You will also be asked to sign it (or make your mark in front of a witness). We will give you a copy of this form. This consent form might contain some words that are unfamiliar to you. Please ask us to explain anything you may not understand.

2. Reason for the Research

You are being asked to take part in research to (*objectives of the research in easily-understood words*).

- i. *To establish the influence of environmental scanning on the performance of textile firms under AGOA in Kenya.*
- ii. *To examine the influence of strategy formulation in enhancing the performance of AGOA-based Kenyan textile firms.*
- iii. *To determine whether strategy implementation influences the performance of Kenyan textile firms under AGOA.*
- iv. *To assess whether strategy control influences the performance of textile firms under AGOA.*

3. General Information about Research

(General information about the research methods/procedures/product(s)/drug(s) to be taken or used in the research. Identify what is experimental.)

This study aims to investigate the relationship between strategic management practices — specifically environmental scanning, strategy formulation, implementation, and evaluation—and the performance of Kenyan textile firms under AGOA.

[When applicable: If you agree to be in this research, here is how things will be different from simply getting (treatment/product) without taking part in the research. The (standard treatment/product) part of the research would be available to you without agreeing to be in the research. The new (treatment/product) we are testing is still considered experimental and cannot be given except as part of a research.] **N/A**

4. Your Part in the Research

If you agree to be in the research, you will *(an explanation of the tests, procedures, follow-up, etc. that will be required)*. Your part in the research will last _____.
About (# women/men/couples) will take part in this research *(specify at this site and/or at # of sites.)*
N/A

5. Possible Risks

(Specific language about anticipated/expected risks to participant. Include physical, social and psychological risks if anticipated.) **N/A**

[When applicable: These risks would be the same whether you got (treatment/product) in the research or got it without taking part in the research. What taking part in the research adds to the risks is]

6. Possible Benefits

(Specific language about benefits to individuals and/or society that can be reasonably expected.) **N/A**

7. If You Decide Not to Be in the Research

You are free to decide if you want to be in this research. Your decision will not affect the health care you would normally receive. **N/A**

8. Confidentiality

We will protect information about you and your taking part in this research to the best of our ability. You will not be named in any reports. However, the staff of [list all groups that may access the research records] may sometimes look at your research records. Someone from the IRB might want to ask you questions about being in the research, but you do not have to answer them. A court of law could order medical records shown to other people, but that is unlikely. **N/A**

[When applicable: If you miss a scheduled visit, we may contact you at home by phone, mail or in person to schedule another visit and to see if you still want to take part in the research. When this contact is made you will not be identified as being in this research.] **N/A**

9. Compensation

You will not be paid, since you do not have to take part in this research. *(If payment is planned, tell volunteer the actual amount to be given, conditions for receiving this payment, and when payments are made. Payments should be made as the research progresses and not be contingent upon the volunteer completing the entire research.)* **N/A**

10. Staying in the Research

When applicable: If you decide to take part in this research, we ask you to use only the research *(drug, device or treatment)* that we provide. *(Or if the research method is to be used with another method, list conditions of use. Also note any exceptions to the exclusive use requirement.)* **N/A**

11. Alternatives to Participation

You do not have to participate in the research in order to receive [care/services/treatments]. Alternatives include:

- Other contraceptive methods.
- Receiving services without taking part in the research.
- Etc.

12. Leaving the Research

You may leave the research at any time. If you choose to take part, you can change your mind at any time and withdraw. **N/A**

[When applicable] If so, please tell the research doctor/clinic staff why you wish to leave.

Also, you maybe asked to leave the research if (list applicable points):

- the research doctor/clinic staff feels it is best for you, or
- you are not able to follow the research procedures, or
- the research is stopped.

[When applicable] We will tell you if we learn something new about (*the research product or drug*) that could affect your choice to stay in the research. When you are no longer in the research, you will still be able to use this clinic. **N/A**

13. If You Have a Problem or Have Other Questions

Please call (name and number) or come back to the clinic right away, at any time during the research, if you:

- getsick, or
- think you are(*pregnant*), or
- have concerns about your health (*become infected*), or
- have questions about the research.

If you are sick or have a health problem due to your participation in this research, you will not have to pay for visits to see the research doctor/clinic staff. **N/A**

14. Your rights as a Participant

This research has been reviewed and approved by the IRB of [name of institution]. An IRB is a committee that reviews research studies in order to help protect participants. If you have any questions about your rights as a research participant you may contact [name, phone number and address of the IRB]

VOLUNTEER AGREEMENT

The above document describing the benefits, risks, and procedures for the research titled (name of research) has been read and explained to me. I have been given an opportunity to have any questions about the research answered to my satisfaction. I agree to participate as a volunteer.

19/05/2025

Date



20th May 2025

Signature or mark of volunteer

If volunteers cannot read the form themselves, a witness must sign here:

I was present while the benefits, risks, and procedures were read to the volunteer. All questions were answered and the volunteer has agreed to take part in the research.

28/5/2025

Date



Signature of Witness

I certify that the nature and purpose, the potential benefits, and possible risks associated with participating in this research have been explained to the above individual.



19/05/2025

Date

Signature of Person Who Obtained Consent