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CORPORATE CULTURE DYNAMICS AND CORPORATE STRATEGIC CHOICE BY FLOWER FIRMS IN KENYA

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ABSTRACT

The study examined corporate culture dynamics and corporate strategic choices by flower firms in Kenya. Corporate culture has been defined by scholars as the shared values, beliefs, and norms within an organization and shapes how decisions are made. Strategic choices, on the other hand, involve decisions related to market positioning, resource allocation, and growth strategies that determine the long-term direction of a company. Specifically the study explored whether clan culture, market culture and hierarchal culture influenced the corporate strategic choices by flower firms in Kenya in. A moderating role (firm size) was established. Descriptive research design was adopted and embedded on the positivistic paradigm. The study targeted the flower firms in Kenya. The total number of flower firms in Kenya as per the current Kenya Flower Council (KFC) data is 70. This figure constituted the sample size from where primary data was collected using structured questionnaires. Questionnaires were administered to the respondents and given a day to complete. The secondary data was collected from journals, books and the internet. Descriptive statistics, regression and correlation analysis were carried out. Descriptive statistics were done to describe the data set of 70 flower firms. Analysis of variance was done to test the research hypothesis. Presentation of the data was done in form of charts and frequency tables. The study established that external environmental dynamics is statistically significant in explaining strategic choices by flower firms in Kenya'. The influence was found to be negative. This means that unit increase in Environmental dynamics would lead to a decrease in strategic choices by flower firms in Kenya. The results indicated that when the external environment is turbulent, or uncertain, the flower firms would adjust their strategies more frequently to mitigate risks and capitalize on emerging opportunities. Based on the findings, the study concluded that external environmental dynamics negatively and significantly influences corporate strategic choices by flower firms in Kenya. In addition, firm size was found to have significant moderating effect on the relationship between external environmental and corporate strategic choices by flower firms in Kenya. From the findings, the study recommends that to survive in a globally competitive market, organizations should consider taking advantage of the new technological opportunities within their target market and responding efficiently to the customer needs. Flower firms can also attempt to minimize the cost of complying with the demands made by those external elements.

Key Words: Corporate culture; Firm Size; Diversification Strategic Choices

Background of the Study

Corporate culture dynamics are essentially the changing nature of the values, beliefs, behaviors, and practices that define the environment within an organization (Namatsi, 2018) The dynamics guide the way employees interact, make decisions, and perceive their roles within an organization. Culture in an organization has the potential to either support or hinder the implementation of strategic initiatives (Junqueira, 2016).The role of corporate culture in the implementation of strategic choices has received a lot of attention from scholars in the field of strategic management. Gochhayat, Giri and Suar (2017) define corporate culture as the shared values, beliefs, and norms within an organization and shapes how leaders make decisions. Based on the studies (Gochhayat, Giri & Suar, 2017) there are two dimensions (vertical dimension and horizontal dimension) framework for disclosing corporate culture. The framework allows for four core culture types namely: clan, adhocracy, market, and hierarchy.

An organization that has Clan culture type is characterized by family like behavior focusing on mentoring, nurturing and doing things together. The organization that possesses an Adhocracy culture type is characterized with dynamism and being entrepreneurial. The Adhocracy culture focuses on risk taking, innovation and doing things first. The market culture type is result oriented with a focus on competition, achievement and getting the job done. The Hierarchy culture type is structured and controlled; with a focus on efficiency, stability and doing things right (Gavetti & Ocasio, 2015).It is out of the core culture types that the firm's corporate culture is determined (Gavetti & Ocasio, 2015). On the other hand corporate strategic choices involve decisions related to market positioning, resource allocation, and growth strategies that determine the long-term direction of a company.

A number of studies (Kamau & Wanyoike, 2019; Kim, 2018) underline the importance of aligning corporate culture with strategic choices. These studies suggest that when cultural values support strategic objectives, organizational leaders are more likely to demonstration behaviors that drive strategic success. Successful companies continuously adapt their cultures to support evolving strategic priorities, thereby maintaining a dynamic fit between culture and strategy (Guiso, et al., 2015). Conversely, the relationship between corporate culture and strategic choices is mutually reinforcing given that strategic choices can shape corporate culture over time, just as culture influences strategic decisions. Argument from the studies suggest that a positive corporate culture can lead to higher employee satisfaction, increased productivity, better teamwork, and stronger organizational loyalty

The Flower Industry in Kenya

Being an industry, Kenya flowers has now become the third most important foreign exchange earner after tea and tourism. The present day flower industry is a dynamic and highly international industry. Significant growth rate in the industry has been achieved during the past few decades. It has been referred to as 'an island of success in the sea of failure" (Manamba, 2016). This is because the traditional exporters of tea, coffee and tourism have been dogged by dismal performance over the past decade. Evidently, trade in the flower industry is dominated by south-north regions with Europe and North-America housing the world's largest consumer markets, while the producing countries are situated close to the equator (Manamba, 2016).

For the past ten years, the leading flower exporting countries have been the Netherlands, Colombia, Kenya, Ecuador and Israel. For the last few years, Ethiopia has joined the list of the leading flower firms (KFC, 2020). In the global arena, Kenya takes position three after Netherlands and Colombia. Ecuador and Ethiopia takes position four and five respectively (KFC, 2020).

Kenya and the other four countries are aggressively competing with each other on the same global markets - Europe, Russia, and North-America (Chepoghisho, 2019). There is evidence to suggest that there is decreasing demand of flowers in the leading global consumers. These studies predict that a moderate growth of only 2% to 4% annually is expected in Western Europe's cut flower markets (KFC, 2020). Prior studies (Awan, 2015) show that the flower industry in Kenya was initially dominated by 24 large companies by the year 2005 exporting 72% (equivalent to over 40,000 metric tons of flowers) to the European countries (KFC, 2020). The studies further confirm that new investors have ventured the business and by the year 2010, the number of large companies increased to 30 companies (KFC, 2020). This shows that there has been a consisted growth of about 20% every year since the year 2000 (Chepoghisho, 2019).

Currently the rate of growth in the flower industry could be far above 100%. However, as the industry becomes more lucrative and viable, the more demands are expected from the players. The more the demands from the players in the flower industry by the regulating bodies, the more strategic decisions are expected of the players (Awan, 2015). The growers of flowers; for instance are expected to comply with international standards of business - regarding quality, workers' health, safety, rights, and environmental sustainability (a precondition for European market access). They are also expected to comply with local laws and regulations, adopt appropriate level of Technology, align themselves to the economic and political environment. In summary, they are expected to adopt strategies that guarantee their competitiveness (Awan, 2015).

Statement of the Problem

With globalization and free market economy, the flower industry has become one of the fast growing industries in the international trade; making significant contribution to the world economic growth (Christensen, Raynor & McDonald, 2015). The industry is currently estimated to be generating about $55 billion of trade out of which Netherlands, Japan, and the United States (US) lead the global production in floriculture (Nungari, 2018). In Kenya, the flower sector is a fast growing sector and the third largest foreign exchange earner in the agriculture industry. It has created direct employment to over 50,000 people and over 2 million people through related economic activities (KFC, 2020). The sector contributes about 30% to the gross domestic product (GDP) annually and in effect, helping the country achieve its long term development plans of vision 2030 (KFC, 2020). In spite of its fast growth and its significant contribution to the economic growth, the industry has been facing a number of challenges.

The advent of a global pandemics and global war between key consuming nations such as that of Russia has led to serious declining on the export of flowers to the major consumers in Europe and America (GoK, 2020). Secondly, as the sector grows, new entrants have joined the market posing a competitive challenge (Christensen et al., 2015). Thirdly, trade regulators such as AGOA, KFC and the government have imposed rules in form of tariffs, application of new cultivating technology, compliance with social environmental regulations, the quality of flowers and the workers' health and safety (Yoganandan, 2020). Fourthly, the un-organized global market structure, price fluctuation, motivation to adopt modern production methods, menace of middle men who exploit flower farmers in pricing, lack of scientific knowledge, high price of fertilizers and insecticides, non-availability of basic inputs, non-availability of skilled manpower, low market prices, demand fluctuation and the marketing of the flowers, are other challenges that face the flower farmers (Amin, 2018). Based on the foregoing, there is reason to suggest that the players in the flower industry have to select and adopt the right Turnaround strategic choices to enhance their competitiveness (Krishna, 2015). This study therefore sought to explore the influence of leaders' risk-taking dynamics on corporate strategic choices by flower firms in Kenya

Objectives of the Study

i. Explore the influence of corporate culture dynamics dynamics on corporate strategic choices by flower firms in Kenya.
ii. To assess the moderating effect of firm size on the relationship between corporate culture dynamics and corporate strategic choices by flower firms in Kenya.

LITERATURE REVIEW

Theoretical Framework

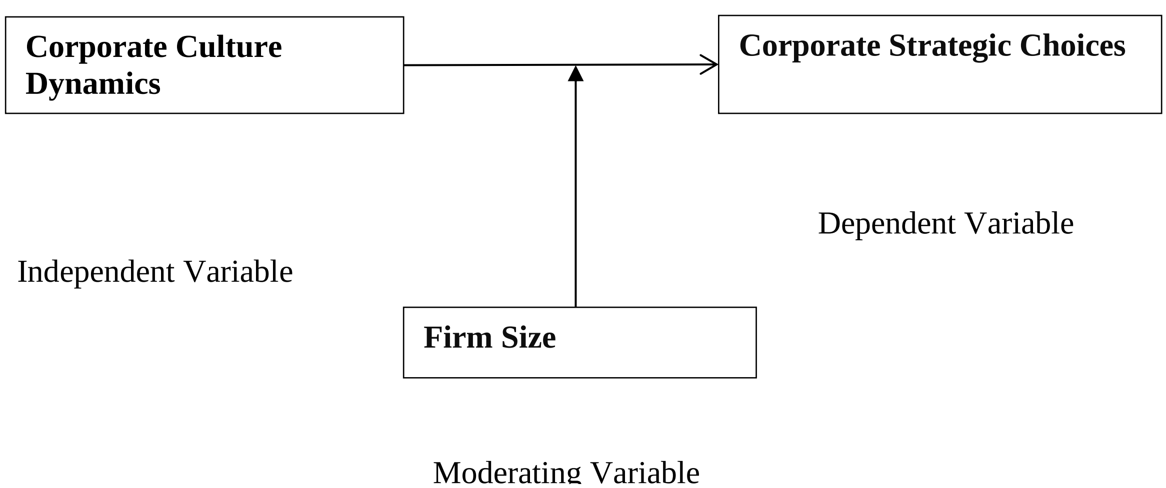
Transformational Leadership Theory

Transformational leadership Theory informed the choice of leaders' risk-taking dynamics. The theory was initially popularized by McGregor Burns in 1978 even though the theory was subsequently developed by other scholars (Ocak & Ozturk, 2018). Burns (1978) in this theory states that the focus of transformational leadership, is about influencing major changes in the attitudes of the followers (workers), beliefs, and values to a point where the goals of an organization and the vision of the leader are internalized (Maganjo, 2015). It is evident from Burns (1978) theory that the leader in the transformation process is willing to take risks to achieve the desired goals. The theory further states that transformational leadership is ideally elevating followers into leaders. Transformational leadership encourages creativity where the leader solicits new ideas and creative solutions to problems (Ocak & Ozturk, 2018).

Contributing to the development of transformational theory, Ocak and Ozturk (2018) described transformational leadership as leadership that inspires followers and helps to form a culture that adapts to change. Mesu, Sanders and Riemsdijk (2015) on the other hand viewed transformational leadership as the process of applying influence on followers so as to make a fundamental change in their attitudes in order to build their commitment toward the organization's mission, vision, and objectives. The contribution of some scholars (Mesu et al., 2015) in transformational leadership theory was by presenting transformational leadership as the ability of a leader to motivate followers so that the followers place the needs of the organization above their needs.

The application of this theory on leaders' risk-taking dynamics is that; Burns (1978) theory acknowledges the power of transforming leadership as noble. The theory is useful in corporate strategic choices because strategic decisions which are of long term nature, often unstructured, multifaceted, and inherently involve some risks are made by leaders (Krause, Timothy & Yiuman, 2016). Firms that are lucky to have strategic leaders, who are able to select new strategic directions enjoy a competitive advantage over their business rivals (Meidell & Katarina, 2017)

CONCEPTUAL FRAMEWORK



Corporate Culture Dynamics

The beliefs and behaviors that determine the interaction of company's employees and the management and the handling of outside business is what different studies (Ahern, Daminelli & Fracassi, 2015) refer to as corporate culture. The studies have further argued that even though culture is connected to the organization's history, it is not static, but dynamic and it is subject to continuous change. The concept of corporate culture (Braguinsky & Mityakov, 2015) was developed in the early 1980s and became widely known by early 1990. The concept was then used by managers, sociologists, and other academics to describe the character of a company. It increasingly developed organically overtime from the personalities of the hired people by the company. According to Ahern et al. (2015) the companies' culture may be a reflection of its dress code, business hours, office setup, employee benefits, turnover, employee's appointment decisions, treatment of customers, customer satisfaction, and any other issue related to operations. Ahern et al. (2015) identified about seven basic features of corporate culture namely: innovation and risk taking, attention to detail, outcome, people orientation, team orientation, aggressiveness, and stability.

The dynamic changes in the business environment brought on by international competition, increasing demands for quality and product development, and the shift from a manufacturing to a service-oriented economy have greatly affected how companies' culture and how they make strategic decisions (Graham et al., 2017). A lot of attention is being put by leaders and researchers to ascertain the link between corporate culture and strategy. Apparently, corporate culture is just an abstraction concept that may not be easy to measure. Argument by some scholars (Graham, Harvey & Popadak, 2017) advances the view that corporate culture endorsement is customized to a firm's own purposes. Thus, an organization adopts a corporate culture tailored to its needs.

Corporate Strategic Choice

The concept of corporate strategic choice can be well conceptualized by first understanding what the term 'choice' means. Choice is the outcome of a process which involves assessment and judgment (Harney, 2016). It is the evaluation of different options and making decisions about which options to choose (Harney, 2016). This means there should be two or more alternatives from which to choose and the alternatives should have positive value or help the organization achieve its objectives. Past studies (Gavetti & Ocasio, 2015) have suggested that Turnaround strategic choices occur when leadership evaluate and make decisions in light of their long term and strategic objectives. Strategic choice concept therefore refers to the process whereby leaders within an organization make decision upon courses of strategic action (Nyangara et al., 2015).

The major corporate strategic choices that face organizations in order to maintain or creative sustainable strategic advantage are turnaround, divestment or liquidation (Nyangara et al., 2015). Turnaround is the strategy of reversing a negative trend to get the organization back on the track of profitability. The strategy is intended to reduce the costs of operations at the same time increasing efficiency which is often done by downsizing number of employees or shedding replicated operations (Nyangara et al., 2015). Divestment involves selling off part of the business such as a Strategic business unit (SBU), a product line or a division. Liquidation on the other occurs when an entire company is either sold out or dissolved. Harney (2016) points out that the decision to adopt a turnaround strategy may come by choice or by force.

Firm Size

Previous studies (Ali, 2016) have defined firm size as the number of people in that organization and it is one of the fundamental components of firm characteristics affecting strategic decisions. But in the recent studies, the concept has drawn enormous attention among researchers who have proposed total assets of a firm, total sales, total annual revenue, market capitalization plus net debt as perfect parameters for measuring firm size (Jing, Yuchen, & Goh, 2018). Recent studies (Reed, 2020) have suggested that the size of a firm can be measured by the number of employees in the firm. Firms' total assets are a term often applied in the context of large organizations. It can be defined as the assets owned an entity that has an economic value whose benefits can be derived in the future.

Total revenue is the amount of money that a company earns by selling its goods and/or services during a period of time. The number of employees in an organization is critical component to measure the size of a firm (Reed, 2020). The more skilled the employees and bigger the number, the more its coordination and control of costs is expected. One of the basic management activities in a business; is decision making that culminate into Turnaround strategic choices (Jankelová, 2017). At the top level of businesses there are strategic decisions that unlike tactical and operational decision making is more complicated, more complex and the consequences of strategic decisions are long-term character.

It is common knowledge that large firms are supposed to be stronger than the smaller firms due to their capacity and better access to credit market or capital market to fulfill their financial needs. This notion however has been challenged by some critics (Brahmi, & Laadjal, 2015) arguing that large firms are at risk than small firms especially in times of crises. In this case the kind of strategic decisions and choices adopted by the large firms would differ from the latter. Evidence (Reed, 2020) has shown that in large firms, strategic decision encompasses three categories of people: The business owners focused on the board or supervisory board, top management, and strategic management department. In this, there is sharing of tasks.

EMPIRICAL REVIEW

Corporate Culture Dynamics and Corporate Strategic Choices

Empirical evidence exists to support the claim that corporate strategic choices takes place at the corporate level where the focus of the strategic choices are long term outcomes in reference to the firm's mission and vision (Gavetti & Ocasio, 2015). Despite the fact that there are some subjective empirical evidences, studies done earlier find some empirical evidence that corporate culture dynamics affects corporate decision making. Through interview questionnaires, in a study on "Influence of Organizational Culture on Organizational effectiveness" Gochhayat, Giri and Suar (2017) study findings indicated that organizations with a strong and deep-rooted culture perform more effectively than organizations with a weak culture. Gochhayat et al. (2017) study also found out that a strong corporate culture is able to create a superior competitive position to the extent that a distinctive competence is embedded in the corporate culture.

Dimitrov (2016) conducted a study on "exploring the nuances in the relationship culture-strategy in the business world". Using a baseline regression model, the study found out that culture and strategy take shape in different spheres such as customer experience, innovation, operational excellence, performance and results (Dimitrov, 2016). This study concluded that strategy align dominating cultures at corporate, divisional, organizational, unit and team level with overall company development strategy. Consequently, for strategic choice to be effective, the study findings showed that clan culture may be a critical dependency (Dimitrov, 2016). Further results of the study demonstrated that there is a possibility that corporate culture can restrain or improve the choice and implementation of business strategy.

In contrast, studies by Tedla (2016) on the impact of Organizational Culture on Corporate Performance established that corporate culture determines development of core beliefs. The study which was fundamentally empirical, found out most of the strategic decisions emanate from a wellfounded corporate culture. Since organizational culture includes the shared beliefs, norms and values within an organization, Tedla (2016) inferred that organizational culture sets the foundation for strategy. For a strategy within an organization to develop and be implemented successfully, it must fully align with the organizational culture (Tedla, 2016). Thus, initiatives and goals must be established within an organization to support an organizational culture that embraces the organization's strategy over time. Tedla (2016) study further found out that when culture aligns with strategy implementation, an organization is able to more efficiently operate in the global marketplace.

Firm Size and Corporate Strategic Choice

The analysis of strategic decision making process in both small firms and large firms has been an extensive research gap. Most of the studies done on the relationship between firm size and strategic choice happen to be incomplete and with little or no formal structural framework (Mutunga & Owino, 2017). However, some studies have managed to identify some link between the variables. For instance, Brahmi and Laadjal (2015) carried out a survey whose study findings revealed that the number of employees was one of the firm size parameters applied in this study. The study further proposed that firms should ensure there is adequate combination of critical resources before deciding on any strategic choices.

In another study done in Nigeria using a case study, Yilmaz and Triant (2017) demonstrated that decision making and corporate strategic choices made by corporate organizations were centralized; to imply that strategic choices were more influenced by firm size as a key characteristic. In an exploratory study by Ali (2016) research findings confirmed that firm characteristics and especially resource base played a very critical role in providing an environment that was conducive for strategy choice. In contrast, a descriptive study done by Brahmi and Laadjal (2015) to determine the critical firm characteristics that influence strategic choice the results of the study found out that in making strategic choice, the size of the firm was not a key determinant.

RESEARCH METHODOLOGY

This study was anchored on the positivism philosophy to achieve its objectives. A case study design was adopted. The target population was the flower firms in Kenya. The KFC (2020) reveals that currently there are a total of 70 major flower firms. This study used structured questions tailored to collect quantitative primary data which will use a drop and pick method to administer the questionnaires. The action before going to the field involved designing of the data collection instrument and development. Pre-contact with the respondents was done via administering of a questionnaire to the respondent. The researcher set six questionnaires representing 10% of the sample size and administered to the flower firms. The pre- tested respondents were not part of study population because this would bring assessment bias. In the analytical phase of this study, quantitative analysis method was used to transform data into the information required per the research objectives. The analysis involved a systematic data processing, presentation, and interpretation. Data analysis was done through use of descriptive statistics and inferential statistics. Descriptive statistics included; percentages, mean and standard deviation. Inferential statistics included; correlation and regression analysis. The study results were presented through use of tables and figures

RESEARCH FINDINGS AND DISCUSSIONS

DESCRIPTIVE STATISTICS

Corporate Culture Dynamics on Corporate Strategic Choices

The first objective of the study was to examine the influence of corporate culture dynamics on corporate strategic choices by flower firms in Kenya. This section presents descriptive findings on influence of corporate culture dynamics on corporate strategic choices. On Likert scale questions, respondents were asked to indicate how far they agree or disagree with the statement by ranking their answer in the scale of 1-5. Table 1 presents summary of the findings.

Table 1: Descriptive Statistics for Corporate Culture Dynamics

Statements	Mean	Std. Dev.
Our Corporate culture guides us in making good corporate strategic choices.	3.982	0.375
Our Aggressive and defensive practices is as a result of our corporate strategic choices.	3.948	0.34
The adoption of entrepreneurial and innovative behavior has influenced selection of appropriate corporate strategic choices	3.889	0.377
Our risk-taking behavior results in our firm's is as a result of our corporate strategic choices.	3.863	0.36
The practice of making decisions together as a team is motivated by our corporate strategic choices.	3.836	0.33
The practice of mentoring and nurturing our workforce leads to better corporate strategic choices.	3.777	0.345
Our competition-oriented behavior is as a result of our corporate strategic choices	3.738	0.361
Efficiency in product delivery has been motivated by our corporate strategic choices	3.698	0.358
Aggregate Score	**3.841**	**0.356**

The findings show that the respondents agreed that their corporate culture dynamics guides them in making good corporate strategic choices (M= 3.982, SD= 0.375); that their aggressive and defensive practices is as a result of their corporate strategic choices (M= 3.948, SD= 0.34); and that the adoption of entrepreneurial and innovative behavior has influenced selection of appropriate corporate strategic choices (M= 3.889, SD= 0.377). The findings also show that the respondents agreed that their risk-taking behavior results in their firm's is as a result of our corporate strategic choices (M= 3.863, SD= 0.36); that the practice of making decisions together as a team is motivated by their corporate strategic choices (M= 3.836, SD= 0.33); and that the practice of mentoring and nurturing their workforce leads to better corporate strategic choices (M= 3.777, SD= 0.345).

The respondents also agreed that their competition-oriented behavior is as a result of their corporate strategic choices (M= 3.738, SD= 0.361); and that efficiency in product delivery has been motivated by their corporate strategic choices (M= 3.698, SD= 0.358). The findings therefore show that the respondents were of the pinion that corporate culture influences corporate strategic choices by flower firms in Kenya as supported by an aggregate mean score of 3.841 (SD=0.356). This is within the likert scale mean values of 3.5 – 4.4 (Agree). The findings agree with those of Gochhayat, Giri and Suar (2017) that organizations with a strong and deep-rooted culture perform more effectively than organizations with a weak culture. This is because strong corporate culture is able to create a superior competitive position to the extent that a distinctive competence is embedded in the corporate culture. The findings also agree with Dimitrov (2016) that a firm's culture can be a source of sustainable competitive advantage if that culture is valuable, rare, and hard to imitate. Tedla (2016) study further found out that when culture aligns with strategy implementation, an organization is able to more efficiently operate in the global marketplace and Kim (2018) also established that culture allows organizational leaders to work both individually and as teams to develop strategic initiatives within the organization.

Firm Size and Strategic Choice

The second objective of the study was to determine the moderating effect of firm size on the corporate strategic choices by flower firms in Kenya. This section therefore presents descriptive findings on influence of firm size on corporate strategic choices. On Liker scale questions, respondents were asked to indicate how far they agree or disagree with the statement by ranking their answer in the scale of 1-5. Table 2 presents summary of the findings.The findings shows that the respondents agreed that their firm has large marketable securities that can easily be converted into cash (M= 4.021, SD= 0.342); that their large marketable securities influence their corporate strategic choices (M= 3.81, SD= 0.303); and that they have a large inventory that act as collateral in the event of procuring a loan (M=3.902, SD= 0.332).

The respondents were also in agreement that they have a wide range of fixed assets that give them competitive advantage (M= 3.738, SD= 0.315); and that their large total annual revenue helps the top management make sound corporate strategic choices (M= 3.988, SD= 0.316). Respondents further agreed that the big profitability index influences their corporate strategic choices (M= 3.902, SD= 0.332); that their corporate strategic choices are guided the big number of their unskilled workforce (M= 3.836, SD= 0.356); and that their corporate strategic choices are influenced by the firm's high labor costs that adversely affect profitability (M= 3.85, SD= 0.33). As the findings above have shown, firm size influences corporate strategic choices by flower firms in Kenya.

The above finding was supported by an aggregate mean of 3.881 (SD= 0.328). The findings agree with Yilmaz and Triant (2017) who demonstrated that decision making and corporate strategic choices made by corporate organizations were centralized; to imply that strategic choices were more influenced by firm size as a key characteristic. It also agrees with Ali (2016) research findings that firm characteristics and especially resource base played a very critical role in providing an environment that was conducive for strategy choices.

Table 2: Descriptive Statistics on Firm Size

Statements	Statements	Mean
Our firm has large marketable securities that can easily be converted into cash.	4.021	0.342
Our large marketable securities influence our strategic choices.	3.81	0.303
We have a large inventory that act as collateral in the event of procuring a loan	3.902	0.332
We have a wide range of fixed assets that give us competitive advantage	3.738	0.315
Our large total annual revenue helps the top management make sound strategic choices.	3.988	0.316
The big profitability index influences our strategic choices.	3.902	0.332
Our Turnaround strategic choicesare guided the big number of our unskilled workforce	3.836	0.356
Our Turnaround strategic choicesare influenced by the firm's high labor costs that adversely affect profitability.	3.85	0.33
Aggregate Score	**3.881**	**0.328**

Correlation Analysis

The study computed Correlation analysis to determine the strength and the direction of the relationship between the variables being studied. If the correlation values are r = ±0.1 to ±0.29 then the relationship between the two variables is small, if it is r = ±0.3 to ±0.49 the relationship is medium, and when r= ±0.5 and above there is a strong relationship between the two variables under consideration. Table 4.17 presents the findings obtained. The findings show that corporate culture dynamics and strategic choices by flower firms in Kenya have a strong positive and significant relationship (r= 0.674, p<0.05). The relationship was considered significant since the p-value (0.000) was less than the selected level of significance (0.05). The above results suggest that corporate culture has significant effect on strategic choices by flower firms in Kenya. The findings agree with Graham et al. (2017), who argue that in an organization where there is a strong culture which is accommodative to change, it can be theoretically inferred that corporate culture dynamics can affect corporate strategy positively. However, in the event that a toxic corporate culture exists in that organization there is bound to be resistance and negativity which will affect the strategic choice adoption negatively (Ahern et al., 2015).

Table 3: Correlation Analysis

		Corporate Strategic Choices	**Corporate Culture Dynamics**
Corporate Strategic Choices	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	53	
Corporate Culture Dynamics	Pearson Correlation	.674**	1
	Sig. (2-tailed)	.001	
	N	53	53

Multiple Regression Analysis
Model Summary

Model summary was used to establish amount of variation in corporate strategic choices by flower firms in Kenya that can be explained by corporate culture dynamics. The predictive power of the model was determined using coefficient of determination (R^2). The model summary results in Table 4 show that the R-squared is 0.739 which suggests that 73.9% of all variation in strategic choices by flower firms in Kenya are explained by changes in leaders' risk-taking dynamics. The remaining 26.1% suggests that there are other factors that can be attributed to variation in strategic choices by flower firms in Kenya that were not discussed in this study. Correlation coefficient (R) shows the relationship strength between the study variables. From the findings the variables were strongly and positively related as indicated r= 0.859.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.859	0.739	0.717	0.26800

a. Predictors: (Constant), Corporate Culture dynamics,

Analysis Of Variance (ANOVA)

To determine the fitness of the model to predict the dependent variable (corporate strategic choices by flower firms in Kenya), the study conducted an F-test at 95% confidence level. The significance of the study variables was determined based on the P-value of the variable coefficients at 0.05 significance level. The decision in the fitness of the model was accepted if p-values were below 0.05 and rejected if it was above 0.05. The findings in Table 5 showed that Prob>F 4, 48= 0.000 was less than the 0.05 significance level. This suggested that the model as constituted was fit. Further, the F-calculated, from the table (33.916) was greater than the F-critical, from f-distribution tables (2.565) supporting the findings that corporate culture dynamics can be used to predict corporate strategic choices by flower firms in Kenya.

Table 5: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	10.353	1	2.58825	33.916	.000[b]
1	Residual	3.663	51	0.076		
	Total	14.016	52			

a. Dependent Variable: corporate strategic choices by flower firms in Kenya
b. Predictors: (Constant), corporate culture dynamics

Beta Coefficients of The Study Variables

From the coefficients in Table 6, the following regression model was fitted;

$Y = 1.481 + 0.159 X_1$
Where Y is Strategic choices by flower firms in Kenya*;* X_1 is corporate culture dynamics;

Regarding leaders' risk-taking dynamics, it was observed that leaders' risk-taking dynamics had a coefficient of 0.159suggesting that holding all other factors constant, a unit change in corporate culture dynamics results in a 15.9% change in corporate strategic choices by flower firms in Kenya. This variable was significant since the p-value (.004) was less than the significance 0.05.

Table 6: Beta Coefficients of Study Variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.481	0.201		7.368	.000
	Corporate Culture Dynamics	0.159	0.082	0.016	2.634	.004

a. Dependent Variable: Corporate Strategic choices

Test Of Hypotheses

H01: Corporate culture dynamics does not significantly influence Corporate strategic choices by flower firms in Kenya.

The objective of the study was to explore the influence of corporate culture dynamics on corporate strategic choices by flower firms in Kenya. The corresponding hypothesis was:
$H0_1$: Corporate Culture dynamics does not significantly influence corporate strategic choices by flower firms in Kenya. A univariate analysis was conducted in which strategic choices by flower firm in Kenya was regressed on corporate culture. The R-Squared depicted the variation in the dependent variable that can be explained by the independent variables. The greater the value of R-squared the greater the effect of predictor variable. The R Squared can range from 0.000 to 1.000, with 1.000 showing a perfect fit that indicates that each point is on the line. Table 4.21 shows the findings.

Table 7: Model Summary for Corporate Culture Dynamics on Corporate Strategic Choices

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.491[a]	.241	.239	.69655

a. Predictors: (Constant), corporate culture Dynamics

According to the findings, the R-squared for the relationship between corporate culture dynamics and strategic choices by flower firm in Kenya was 0.241; this is an indication that at 95%

confidence interval, 24.1% of variation in strategic choices by flower firms in Kenya can be attributed to changes in corporate culture dynamics. Therefore, corporate culture dynamics can be used to explain 24.1% of changes in corporate strategic choices by flower firms in Kenya but there are other factors that can be attributed to 75.9% change in corporate strategic choices by flower firms in Kenya. The analysis of variance was used to determine whether the regression model is a good fit for the data. It also gave the F-test statistic; the linear regression's F-test has the null hypothesis that there is no linear relationship between the two variables. The analysis of variance (ANOVA) were given in Table 8.

Table 8: ANOVA for Corporate Culture Dynamics on Corporate Strategic Choices

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.87	1	45.87	94.542	.000[b]
	Residual	24.735	51	0.485		
	Total	70.605	52			

a. Dependent Variable: Corporate Strategic Choices
b. Predictors: (Constant), Corporate Culture Dynamics

Results from ANOVA found out that that Prob>$F_{1,51}$= 0.000 was less than the selected 0.05 level of significance. The above suggests that the model as constituted was fit to predict corporate strategic choices by flower firms in Kenya. Further, the F-calculated, from the table (94.542) was greater than the F-critical, from f-distribution tables (4.030) supporting the findings that corporate culture dynamics can be used to predict corporate strategic choices by flower firms in Kenya. Beta Coefficients for Corporate Culture dynamics on corporate Strategic Choices was also done and the results illustrated in table 9.

Table 9: Beta Coefficients for Corporate Culture Dynamics on Corporate Strategic Choices

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.069	.174		11.881	.000
	Corporate Culture Dynamics	.433	.045	.491	9.723	.000

a. Dependent Variable: corporate Strategic Choices

From the results, the following regression model was fitted.

$$Y = 2.069 + 0.433 X_1$$

(X_1 is Corporate Culture Dynamics)

The coefficient results showed that the constant had a coefficient of 2.069 suggesting that if corporate culture dynamics was held constant at zero, strategic choices by flower firms in Kenya would be 2.069 units. In addition, results showed that corporate culture dynamics coefficient was 0.433 indicating that a unit increase in corporate culture dynamics would result in a 0.433 improvement in strategic choices by flower firms in Kenya. It was also noted that the P-value for corporate culture dynamics coefficient was 0.000 which is less than the set 0.05 significance level indicating that corporate culture dynamics was significant. Based on these results, the study rejected the null hypothesis and accepted the alternative that corporate culture dynamics has positive significant influence on strategic choices by flower firms in Kenya.

Test For Hypothesis Two

The study computed moderating effect regression analysis. This (moderating effect regression analysis) also guided the study in testing the fifth research hypothesis. Firm size (M) was introduced as the moderating variable.

Ho_2: Firm size has no significant moderating effect on the relationship between corporate culture dynamics and corporate strategic choices by flower firms in Kenya.

The study combined all the variables (corporate culture dynamics to form a new variable X. The study then used stepwise regression to establish the moderating effect of firm size (M) on the relationship between independent variable (X) and corporate strategic choices by flower firms in Kenya (Y).

From the model summary findings in Table 10, the first model for which is the regression between corporate culture dynamics (X) without moderator, firm size (M) and interaction, the value of R-squared was 0.336 which suggests that 33.6% change in corporate strategic choices in flower firms in Kenya can be explained by changes in corporate culture dynamics. The p-value for the first model (0.000) was less than the selected level of significance (0.05) suggesting that the model was significant. The findings in the second model which constituted corporate culture dynamics, firm size and corporate strategic choices by flower firms in Kenya (X*M) as predictors, the r-squared was 0.568. This implies that the introduction of firm size in the second model led to a 0.232 increase in r-squared, showing that firm size positively moderates corporate strategic choices by flower firms in Kenya.

Table 10: Model Summary for Moderation Effect

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.580[a]	.336	.334	.65170	.336	150.295	1	267	.000
2	.754[b]	.568	.564	.52727	.232	79.360	3	265	.000

a. Predictors: (Constant), Corporate culture Dynamics

b. Predictors: (Constant), corporate culture dynamics, firm size, Interaction (X*M)

From the model summary findings in Table 11, the F-calculated for the first model, was 150.295 and for the second model was 129.441. Since the F-calculated for the two models were more than the F-critical, 4.030 (first model) and 2.793 (second model), the two models were good fit for the data and hence they could be used in predicting the moderating effect of firm size on the corporate strategic choices by flower firms in Kenya.

Table 11: ANOVA for Moderation Effect

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.832	1	63.832	150.295	.000[b]
	Residual	21.675	51	0.425		
	Total	85.507	52			
2	Regression	107.958	3	35.986	129.441	.000[c]
	Residual	13.622	49	0.278		
	Total	121.58	52			

a. Dependent Variable: Corporate Strategic Choices

b. Predictors: (Constant), corporate culture dynamics

c. Predictors: (Constant), corporate culture dynamics, firm size, Interaction

Further, by substituting the beta values as well as the constant term from the coefficient's findings for the first step regression modeling, the following regression model was fitted:

$Y = 1.387 + 0.608\ X$

Where X is corporate culture dynamics

The findings show that when corporate culture dynamics are held to a constant zero, corporate strategic choices in flower firms in Kenya will be at a constant value of 1.387. The findings also show that corporate culture dynamics has a statistically significant effect on corporate strategic choices in flower firms in Kenya as shown by a regression coefficient of 0.608 (p-value= .000). By substituting the beta values as well as the constant term from model 2 emanating from the second step in regression modeling the following regression model was fitted:

$$Y= 3.876 + 0.220\ X + 0.325\ M + 0.283\ X*M$$

Where X is corporate culture dynamics; M is firm size and X*M is the interaction term between corporate culture dynamics and firm size.

The findings show that when corporate culture dynamics, firm size, interaction (X*M) are held to a constant zero, corporate strategic choices in flower firms in Kenya will be at a constant value of 3.876. The model also indicated that corporate culture dynamics had a positive and statistically significant effect on corporate strategic choices in flower firms in Kenya as shown by a regression coefficient of 0.220 (p-value= 0.002). It is also seen that firm size had a positive and significant effect on corporate strategic choices in flower firms in Kenya as shown by a regression coefficient 0.325. On the other hand, interaction of corporate strategic choices in flower firms in Kenya and firm size (X*M) also had a positive and significant effect on corporate strategic choices in flower firms in Kenya as shown by a regression coefficient of 0.283 (p-value= 0.000).

It is therefore seen that corporate culture dynamics on its own has 22% effect on corporate strategic choices in flower firms in Kenya. However, when interacted with firm size, it has an effect of 28.3%. This is a clear indication that introduction of firm size as moderating variable has positive influence corporate strategic choices by flower firms in Kenya. The study therefore rejects the null hypothesis and accepts the alternative that firm size has significant moderating effect on the relationship between corporate culture dynamics and strategic choices by flower firms in Kenya.

Table 12: Beta Coefficients for Moderation Effect

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.387	.194		7.163	.000
	Corporate culture dynamics	.608	.050	.580	12.260	.000
2	(Constant)	3.876	1.009		3.841	.000
	Corporate culture dynamics	.220	.067	.782	3.284	.002
	Firm Size	.325	.048	.310	6.748	.000
	Interaction (X*M)	.283	.065	1.661	4.357	.000

a. Dependent Variable: Corporate Strategic Choices

Conclusions

The first null hypothesis test was 'Corporate Culture dynamics does not significantly influence strategic choices by flower firms in Kenya'. The study found that corporate culture dynamics is statistically significant in explaining corporate strategic choices by flower firms in Kenya'. The influence was found to be positive. This means that unit improvement in corporate culture dynamics would lead to an increase in corporate strategic choices by flower firms in Kenya'. Based on the findings, the study concluded that corporate culture dynamics positively and significantly influences corporate strategic choices by flower firms in Kenya'.

The second research hypothesis tested was that 'Firm size has no significant moderating effect on the relationship between environmental dynamics and corporate strategic choices by flower firms in Kenya'. The study revealed that firm size is statistically significant in explaining strategic choices by flower firms in Kenya. It was also found that the interaction between firm size and environmental dynamics had positive, statistically significant effect on corporate strategic choices by flower firms in Kenya. Based on the findings, the study concludes that firm size has significant moderating effect on the relationship between environmental dynamics and corporate strategic choices by flower firms in Kenya.

Recommendations

The study recommends management of flower firms to an adopts a corporate culture tailored to its needs because corporate culture is fundamentally useful in implementing new strategic decisions particularly in firms that seek to survive in turbulent business environments. A good job of culture building on management's part promotes attitudes and acceptance of change, and instills strong employee behaviors conducive to good strategy choice. When culture influences actions of employees to support current strategy, implementation is strengthened.

This study was limited to establish influence of corporate culture dynamics on corporate strategic choices by flower firms in Kenya. The study thus recommends a similar study to be conducted in other firms in the sectors of the economy such as food processing, dairy market, apiculture, sericulture, seeds, fisheries, etc. Also, firm size was used as the moderating variable; the study thus recommends the use of a different moderator such as technology since Corporate Strategic Choices are highly influenced by their level of technology use.

Contribution of the Study to the Body of Knowledge and Policy.

Study in the field of strategic choices profoundly contributes to the understanding of business dynamics. The study further provides insights into the drivers of economic growth and development at both firm and industry level. Through the research work, policy makers would be able to appreciate the dynamics of various industries and markets hence use the information to design strategies and initiatives aimed at promoting business sustainability, competitiveness, entrepreneurship and innovation.

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