

**EFFECTS OF GLOBALIZATION STRATEGIES ON FINANCIAL
PERFORMANCE OF KENYAN COMPANIES. A CASE STUDY OF BIDCO
AFRICA**

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DECLARATION

This project is my original work and has not been presented for the award in any other University or institution. No part of this research should be reproduced without the author's consent or that of the Management University of Africa.

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DEDICATION

This project is dedicated to my family members and friends who have always encouraged me and have been there for me and my employer who has facilitated my studies. May God accord them good health, joy, peace, long life and above all, God's everlasting love.

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OPERATIONAL DEFINITION OF TERMS

Foreign Direct Investment (FDI) is the acquisition of a majority stake by a foreign entity in a firm in another nation.

Globalization Integration of cultures, goods, ideas, and other components of the world's outlook

Acquisitions and Mergers transfers of ownership of commercial entities, such as corporations and other business organizations, or their operational units

A brand's "effects" are measured by how well people can remember or identify a brand under various circumstances. An associative network memory model of brand knowledge includes two dimensions: brand awareness and brand knowledge. Customer behavior, advertising strategy, and brand management all revolve on building and maintaining consumer awareness of a company's brand..

LIST OF ABBREVIATIONS

IMF:	International Monetary Fund
FDI:	Foreign Direct Investments
GDP:	Gross Domestic Product
UNCTAD:	United Nations Conference on Trade and Development
TNC:	Transnational Corporations
MNCs:	Multinational Corporations
WIPS:	World Investment Prospects Survey
IPAs:	Investment Promotion Agencies
BITs:	Double Taxation Treaties
ASEAN:	Association of Southeast Asian Nations
OECD:	Organization for Economic Co-operation and Development
WTO:	World Trade Organization
TRIMs:	Trade Related Investment Measures
GATS:	General Agreement of Trade in Service

ABSTRACT

This study's main goal is to determine how globalization policies affect Kenyan companies' financial performance. Establishing the impact of franchising as a globalization strategy on the financial performance of Kenyan enterprises is one of the specific objectives. to ascertain how the financial performance of Kenyan companies is impacted by mergers and acquisitions as a globalization strategy. To assess the role of FDI as a Globalization strategy on financial performance of Kenyan companies. To establish how Brand Effects as a Globalization strategy affect financial performance of Kenyan companies. A descriptive study was used as the method of investigation. In order to gather data, a questionnaire was dropped off and picked up at a later date. Regression analysis was utilized to examine the link between business integration and supply chain performance, whereas percentages and frequencies were employed for objective one and three. Tables were used to display the results. Financial performance of Kenyan companies from the analysis 98% of the respondents were for the opinion that Franchising as a Globalization strategy affect financial performance of Kenyan companies. While 2% of the respondents stated that Franchising as a Globalization strategy does not affect financial performance of Kenyan companies. indicates that 71% of respondent indicated that Mergers & acquisition as a Globalization strategy Financial performance of Kenyan companies while 29% indicated that mergers & acquisition as a Globalization strategy does not financial performance of Kenyan companies. From the analysis 79% accepted that FDI as a Globalization strategy financial performance of Kenyan companies while the remaining being the minority of 21% stated that FDI as a Globalization strategy does not affect financial performance of Kenyan companies. That 88% of the respondents agreed that brand effects as a globalization strategy financial performance of Kenyan companies whereas 12% of the respondents disagreed. The study recommends that Bidco Africa should foster innovation as this will enhance their profitability. The study recommends that Bidco Africa should formulate a clear rewards system, bonus structures, and other fringe benefits that can help improve productivity within the firm. The research recommends that the bank should foster their training programmers across all employees' aspects to ensure a positive impact on their profitability. The study also recommends that the bank should review the operational costs associated with market segmentation and product delivery to ensure the banks absorb minimal costs.

CHAPTER ONE INTRODUCTION

1.0 Introduction

This chapter covered the research's history, the problem statement around which the study was centered, and the study's goals. Research questions, the rationale for the study, and the study's scope are also included.

1.1 Background to the Study

The New Trade Theory, laid out by Krugman in 1991, the Resource Based View Theory, created by Penrose in 1959, the Circumvention Theory, created by Kane in 1981, and the Regulation Innovation Theory, created by Scylla in 1982, are undeniably founded on monetary execution of associations. Guideline Innovation and Circumvention Theories, as per Nyathira (2012), portray monetary development strategies that organizations use in their craving to expand their monetary benefits. He proceeds to say that the speculations widen the extent of monetary advancement, which is customarily founded on government activities and concerns. Han (2019), then again, took a gander at the pertinence of New Trade Theory and Resource Based View in global business and showed what they mean for returns and blemished rivalry in worldwide exchange. Based on Han's internationalization contention, a similar thought might be applied to provincial exchange coalitions.

Globalization is a conscious methodology that fortifies social and social interconnections, as well as monetary, market, and financial coordination and political interdependencies, because of advances in exchange progression, change, transportation, and correspondence innovation (Owusu, 2012). Regarding financial matters, Oman (2019) sees globalization as an essential crystal for eliminating monetary hindrances to worldwide financial tasks. As per Easterly et al., (2014) and Acocella (2015), globalization builds the progression of work, capital, and unfamiliar direct speculation, as well as the acknowledgment of coordinated markets on an overall stage (O'Rourke and Williamson, 2020). Subsequently, globalization might be viewed as a vital time throughout the entire existence of variety, mass relocation, and cosmopolitanism.

Globalization is isolated into seven sub-elements, as per Inglehart (2020) and School work right hand Editorial Team (2016), which might be taken exclusively or in at least one mixes. Monetary, financial, specialized, political, social, biological, and

humanistic globalization are among the seven. As per Ruetttimann (2014), there are two kinds of globalization: material globalization for claims to fame and things and irrelevant globalization for accommodations and standards. He proceeds to say that type one has an actual nature, while type two has a monetary nature.

As indicated by Caselli (2016), globalization ought to show its multidimensionality. He proceeds to say that the distinction among globalization and other nations' worldwide receptiveness is that globalization truly includes the entire globe. As indicated by Vujakovic (2010), the three essential current recognized parts of globalization are social, political, and monetary frameworks. The New Globalization Index (NGI) is utilized to quantify globalization, and it estimates the accompanying markers under the three principal aspects: financial, exchange products as weighted with geological distances in level of GDP, administrations exchange, FDI stock and stream, portfolio venture stock, portfolio speculation stream, unfamiliar nationals' pay installment, brand name applications by non-occupants, and patent applications by non-inhabitants (Dreher, 2016; Martens and Raza, 2018; Raab, et al., 2018). The NGI on financial matters will be utilized in this exploration to survey globalization methodology. For this appraisal, we might induce that globalization is the act of de-territorialization (Gekara, 2018) fully intent on advancing unlimited and free capital versatility for basic between line/worldwide monetary mix.

As per a survey directed by Farrell (2014), worldwide organizations have an edge in acquiring new clients and developing into new regions. This development expands the objective possibilities, bringing about additional inflows. As per a review distributed by the McKinsey Global Institute, globalized associations have reduced in general working expenses by around 70%, with half of the reserve funds coming from work reevaluating, 15% from further developed business processes, and the rest credited to work plan. Likewise, as per KPMG (2016), numerous associations are becoming globalized to exploit the wide assortment of assets and potential outcomes open in commercial centers with an overall stage. "Globalization might add to business benefit for the most part by means of two sources: economies of scale and exchange

prospects," Han (2019) built up a comment by Ghemawat (2013). Han proceeds to say that prior research (Daniels and Bracker 1989; Caves 1971; Grant 1987; Grant, Jammine, and Thomas. 2018) upheld a more grounded interface between organization achievement and globalization.

1.1.1 Profile of Bidco Africa

With over 40 products supplied throughout 17 African nations, Bidco Africa has production facilities in Kenya, Tanzania, and Uganda. Bidco Africa said in April 2015 that it will treble its business volume by 2020 by adding new manufacturing units in Mozambique, Madagascar, and Ethiopia to its current operations in Kenya, Tanzania, Rwanda, and Uganda. Bidco Africa's growth into the food and beverage industry was described by the BBC in February 2019 as a move that positions the business to become the top consumer products maker in East Africa, with a portfolio of over 40 brands and over 25,000 people.

Bidco Africa is a completely owned subsidiary of Bhimji Depar Shah and his family's Hemby Holdings Limited, a privately held investment holding firm. Bhimji Depar Shah, Vimal Shah, and Tarun Shah each had an equal indirect stake in the group's equity. Bhimji Depar Shah launched Bidco Africa in 1970 to make clothes. In 1985, the firm began producing soap, and in 1991, it began producing edible oils. Bidco bought the Elianto business from Unga Group, a Nairobi Securities Exchange-listed company, in 1998. This was Bidco's first purchase. BIDCO Oil & Soap Ltd, based in Dar es Salaam, was established in 2001 as part of the group's regional expansion. This represented Bidco's first foray into one of Africa's quickest-growing marketplaces. Bidco purchased Unilever's edible oil and soap brands in Kenya in 2019. This allowed them to acquire brands like Kimbo and Cowboy.

With the formal launch of the Bidco Uganda Limited Complex in Jinja in 2015, the company expanded into Uganda. Since then, this factory has been manufacturing goods for both the Ugandan and international markets. With the advent of "Pure and Natural Bar" soap in 2011, the company began developing personal care and cosmetic goods. With the introduction of "Nuru premium multifunctional soaps, Power Boy Pro-Activ Liquid detergent, and Pure and Natural Activ Man" in 2013, Bidco expanded their personal care and beauty product line, as well as detergents and laundry soaps. With the introduction of Gaea – a family bath soap – and Germonil – a personal hygiene product in 2014, the Company expanded its personal care and

beauty soap portfolio. In the same year, the firm expanded its product line to include animal feeds, adding to its increasing list of offerings. The firm invested Sh500 million in a manufacturing facility that can produce 100 tonnes of animal feed each day. In 2016, the firm launched a joint venture with Land O'Lakes Ltd, a Fortune 500 corporation, to establish Bidco Land O'Lakes Ltd, which would first develop animal feeds for the Kenyan market before expanding into other East African nations. In 2017, Bidco Africa announced intentions to commission four additional facilities over the next five years as part of a \$200 million (Kshs 20.66 billion) diversification strategy. Construction of an industrial park in Ruiru, which includes a noodle factory and a beverage facility, was part of the development.

Bidco Africa's growth into the food and beverage industry was described by the BBC in February 2019 as a move that positions the business to become the top consumer products maker in East Africa, with a portfolio of over 40 brands and over 25,000 people. Animal feeds, fats and edible oils, baking goods, food and drinks, detergents and laundry soaps, hygiene, personal-care and beauty items are among the 40 brands produced by Bidco Africa. Kimbo and Elianto are two of Bidco's most popular edible oil brands.

1.2 Statement of the Problem

On both an international and a local level, globalization and corporate financial performance have been extensively studied. Kafela (2011) looked at how globalization is affecting emerging market economies and underdeveloped nations. His results show that there are disagreements about the advantages of globalization as a driving force, and that in order for it to completely achieve its potential, emerging countries must open up and decrease trade and capital flow obstacles. The cable and wire manufacturing industry has been significantly impacted by the globalization approach, claims Owusu (2012). (Karadagli, 2012) on emerging markets demonstrates how internationalization significantly improves business success. Mitrovic (2013) conducted study on how globalization affected Serbian banking's financial performance and came to the conclusion that wide markets and lower operating costs were the most crucial elements. Sengul, Alpkan, and Eren (2015) found that operational performance in Turkey was impacted by globalization variables such as technical advancement, new opportunities, and cost pressure.

Mukundi (2016) examined how globalization has affected Kenya's domestic sector. His findings demonstrate that companies who have embraced globalization have seen increases in market share and profits. Gichira (2017) studied the effects of globalization obstacles on Kenya Airways Limited. He discovered that challenges with adverse competition and quick technical mutations had a significant advantage over other issues. According to Nyanchoka, Mosomi, and Namusonge (2014), the effects of globalization on sourcing have a significant impact on a company's ability to produce and distribute items to customers. Wanjohi (2015) concentrated on Kenya's brain drain and its effects on economic growth and globalization. She found an unbreakable relationship between globalization and brain drain.

Various research on the consequences of globalization and performance have been conducted, either individually or collectively. However, in terms of the consequences of globalization on the financial performance of Kenyan enterprises, there are insufficient contributions. A research gap is present because there isn't much knowledge available on such an important subject. In order to determine the impact of globalization strategies on corporate financial performance, this study will address the following: what are the effects of globalization strategies on financial performance of Bidco Africa?

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of this study is to establish the effects of globalization strategies on financial performance of Kenyan companies.

1.3.2 Specific Objectives

- i. To establish the effect of Franchising as a Globalization strategy on financial performance of Kenyan companies.
- ii. To find out the effect of mergers & acquisition as a Globalization strategy on financial performance of Kenyan companies.
- iii. To assess the role of FDI as a Globalization strategy on financial performance of Kenyan companies.
- iv. To establish how Brand Effects as a Globalization strategy affect financial performance of Kenyan companies.

1.4 Research Questions

- I. How does franchising as a globalization strategy affect the effectiveness of financial performance of Kenyan companies?
- II. In what way does mergers & acquisition as a globalization strategy affect the effectiveness of financial performance of Kenyan companies?
- III. To what extent does FDI as a globalization strategy affect the effectiveness of financial performance of Kenyan companies?
- IV. How much do brand effects as a globalization strategy affect the effectiveness of financial performance of Kenyan companies?

1.5 Significance of the Study

1.5.1 Academicians and researchers

Academics and researchers working in the fields of international trade, strategy, and bilateral trade block ties can benefit from this study since they will find it a useful tool for gathering information that can greatly enhance literature evaluations. This is because the study will undoubtedly add to the body of strategic information regarding the impact of globalization on financial performance. And maybe more significantly, in comparison to the COMESA Trade Block, for Kenyan businesses.

1.5.2 Other Companies

This study will likewise help organizations in Kenya as well as outside Kenya in going with informed choices on whether to enhance their activities to different nations and conventional exchange blocks. Through the assurance of the degree to which organizations get worldwide and the related monetary result, organizations will have close by dependable data on the benefits and faults of globalization.

1.5.3 COMESA Trade Block administration

The COMESA Trade Block organization and assessment team(s) will likewise find this examination valuable as it will give them knowledge on participatory measurements of Kenya firms. In such manner, they can have the option to propose enhancements for block liberations and guidelines with center around improved outcome conveyance enough.

1.5.4 Management of Bidco Africa

The review will help the administration of Bidco Africa to plan systems that will prompt powerful stock of food items which will empower the association to accomplish its targets and further develop in item capacity and transportation. The representatives will be spurred in playing out their obligations uninhibitedly with negligible management of any sort. In the event that proposals of the review was carried out, the Bidco Africa will have new approaches which will empower it perform proficiently and actually. The administration will execute preparing projects to outfit the staff with additional compelling abilities.

1.6 Scope of the Study

The study will focus on factors affecting globalization strategies on financial performance of Bidco Africa. A case study of Bidco Africa head office located at Thika, Kenya. The target population was 111 employees with managerial hierarchy of top middle and support staff. The study was conducted from January 2022 to June 2022.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter discusses the theoretical review, the empirical literature review, the summary and research gaps to be filled by the study and the conceptual framework.

2.1 Theoretical Literature Review

Various significant examinations and exploration has been managed to make sense of the idea of globalization procedures with regards to organization monetary framework hypothetically. These incorporate asset based hypothesis and guideline advancement hypothesis as audited:

2.1.1 Resource Based View Theory

According to Barney (1991), Penrose founded resource based view theory (RBV) in 1959 with the goal of mapping an organization's competitiveness to a single source. RBV is a hypothesis that has dominated the business for a long time (Acedo, Barroso, & Galan, 2016). It guarantees that an organization's prosperity is constantly impacted by its remarkable capacities and assets (Peteraf, 1993; Ondieki, 2016). Wong (2011), who features that the hypothesis sums up business heterogeneity as a reason for its shifted exhibition, has likewise contended for this way of thinking. As per Peteraf and Barney (2013), firm assets are disseminated unevenly all through the business with regards to RBV. Furthermore, the most effective way to effectively utilize them is to take advantage of inward gifts that interface the association to the super climate, which is most frequently achieved through essential accentuation (Jambekar, 2018).

Paneru (2011) accepts that RBV hypothesis gives a serious level of ceaseless execution in associations with a constant exhibition supporting society, process-based administrative changes, and mastery in performing improvement procedures while thinking about consistent organization improvement. Upper hand creating assets, as per Lavie (2016), may cross business borders and implant themselves in between topographical spots. Besides, as indicated by Arya and Lin (2017), upper hand comes from locally held assets, yet in addition from those that spread to outer judicious organizations because of globalization.

Gulati, Nohria, and Zaheer (2020) show how globalization and RBV are connected by means of consistent organizations, which might assist individuals with entering the

abundance heading. That is, notwithstanding an advantage from size and extension reserve funds. As per Wong (2011), this empowers companies to spread gambles over a more drawn out store network and even reevaluate specific tasks and works. Monetary outcome of a partnership is likewise respected to be one of the advantages achieved by objective organizations, which, then again, are reliant upon the association's capacity to design and globalize its tasks.

2.1.2 Regulation Innovation Theory

The administrative advancement speculation was made by Scylla et al. (1982) fully intent on figuring out monetary advancement from the stance of financial development. As indicated by the postulation, an organization's monetary development is inseparably connected to social guideline (Nyathira, 2012). Mbogoh (2013) proceeds to say that the hypothesis is a guideline change with proportional causation and effect on monetary guideline. The thought was created with the understanding that monetary development would experience huge difficulties in an arranged economy with severe limitations and a thoroughly unrestricted economy (Kagira, 2015).

Because of the issues depicted by Nyathira (2012) and Mbogoh (2013), Kagira (2015) proposed that any administrative change changes ought to be treated as monetary development and regularly alluded to as omni-directional in nature. Such creative movement, then again, must be tracked down in the public authority's financially controlled market. As per Kagira (2015), in situations when the executives and the public authority have kept away from monetary unrests, developments arise that at last conquer the public authority's severe guidelines.

The viability of a globalization plan is chiefly dependent on government rules in regards to exchange levies, enterprise regulations, and exchange coalition enunciation being loose. Globalization strategies, as per Mbogoh (2013), are essential for the development that works on monetary capability by growing an organization's size to a bigger market (Mitrovic, 2013). As per a survey led by Farrell (2014), global organizations have an edge in acquiring new clients and developing into new regions. These extensions expand the objective possibilities, bringing about additional inflows while likewise working on the country's monetary execution.

2.1.3 Profit Maximization Theory

Marshall established the profit maximization hypothesis (1890). The thesis is based on the idea that the primary purpose of businesses is to maximize profits. According to the notion, every member of the organization operates in his or her own self-interest to ensure that the company's earnings are maximized. The principle is most often used in economics, where businesses guarantee that their profits are maximized by matching marginal income to marginal expenses. According to Day et al. (2013), a company meets its objectives when it makes a profit and, more importantly, when its resources are employed to develop items and services that can be sold to consumers in order to generate income. He goes on to say that a company's longevity is determined by the profits it generates from its sources of income. Today, this principle may be applied to a variety of companies, particularly in the banking industry. When it comes to delivering services, one of the basic assumptions is that banks want to maximize their revenues.

Bank shareholders anticipate profits, thus banks have little alternative but to conduct business in such a manner that earnings are maximized. This allows them to maximize their investment and income while lowering their costs (Wong, 2012). A bank's market strength in the output and input markets enables it to lower or raise input and output prices, accordingly. The corporation may pick the optimal mix of outputs and inputs to maximize earnings by using the correct management (Dasgupta, 2019).

In Kenya, players in the banking business have used a variety of tactics to enhance their performance. Foreign direct investment is one of these methods. Foreign investment is sought by both developing and developed countries, as they recognize the importance of such investment in their countries' economic growth. As a result, FDI improves management skills, technology, and knowledge in the host countries, while also benefiting the countries by creating job opportunities and positively affecting the balance of payment.

2.2 Empirical Literature Review

2.2.1 Franchising

A ton of study has been finished on the impacts of diversifying that could add to better execution among diversifying organizations (Aliouche and Schlenrich 2017). Asset shortage hypothesis (Oxenfeldt and Kelly 2018), organization hypothesis (Lafontaine 2018), risk sharing hypothesis (Martin 2018), and different speculations have been utilized to make sense of how diversifying could work on monetary execution (e.g., Bradach 1997). See Combs and Ketchen (2013), Combs, Michael, and Castrogiovanni (2014), and Gillis and Castrogiovanni (2015) for ongoing evaluations (2010). Notwithstanding, research has been dubious with regards to whether the monetary consequences of diversifying lead to preferable monetary accomplishment over non-diversifying organizations. With blended discoveries, Newby and Smith (2019) looked at the gamble and return of diversified and free land and business printing units in Australia.

Diversified land organizations had a lower level of productivity than non-diversified endeavors (p.05), while business printing firms had the specific inverse outcome. As indicated by Roh (2019), diversifying limits the unusualness of functional incomes since sovereignties gathered from a unit vary less over the long haul than the unit's deals and benefit. Besides, an organization possessed unit requires a proper capital use by the business, expanding its influence and thusly risk. Thus, Roh (2019) guaranteed that freely recorded eateries with a more prominent number of diversified areas would have diminished functional income change and, subsequently, a superior gamble bring tradeoff back.

Roundabout proof of a positive diversifying - execution influence was presented by Michael (2019). Early franchisees got piece of the pie quick, bringing about better monetary execution. Afterward, Michael (2013) featured that diversifying encourages quick extension by permitting undertakings to accomplish first mover benefits by allowing better asset access (cf. Shane 2016). Spinelli, Birley, and Leleux (2013) anticipated that an arrangement of 91 diversifying stocks will beat the S&P 500 Index all through the ten-year time frame somewhere in the range of 2020 and 2019, but their expectations were met with clashing outcomes. There was no genuinely tremendous distinction between the presentation of diversifying undertakings and the

record from January 2020 to January 1991. Establishments, then again, enjoyed the greatest similar benefit in absolute re-visitation of investors from January 1991 to July 1997.

The file then, at that point, beat the portions of diversifying organizations until the end of the exploration time frame. For the entire time (2020-2019), Spinelli et al. didn't distribute the mean contrast between two record returns. Brushes, Ketchen, and Hoover (2014), Combs, Michael, and Castrogiovanni (2014), and Ketchen, Combs, and Upson (2016) uncovered that the diversifying influence is nonlinear in two related investigations of diversifying eatery ventures. In their investigations of 65 diversifying organizations, Combs, Ketchen, and Hoover (2014) and Combs, Michael, and Castrogiovanni (2014) tracked down three key gatherings, while Ketchen, Combs, and Upson (2016) recognized four key groupings among 94 diversifying firms. The two investigations checked out at three execution pointers: return on resources, deals development, and market-to-book worth, and found that specific key groupings beat others.

Aliouche and Schlenrich (2017) utilized the Sharpe proportion and the Jensen Index to analyze the gamble and return execution of diversifying endeavors to key financial exchange files like the CRSP and S&P 500. All things considered, diversifying organizations outflanked benchmark records from 2020 to 2015. Notwithstanding, they found that the records beat diversifying organizations in five-year sub-periods from 2015 to 2020.

Aliouche and Schlenrich (2019) analyzed 24 diversifying and 17 non-diversifying café organizations on four execution aspects: market esteem added, financial worth added, return on value, and investor returns, utilizing t-tests. Their information uncovered that diversifying organizations had higher monetary execution at the spellbinding level, yet these mean distinctions were not generally critical at the.05 level. Be that as it may, this may be made sense of by the restricted example size and nonappearance of control factors.

Hsu and Jang (2019) took a gander at three execution markers - return on resources, return on value, and Tobin's Q - in 82 diversifying and nonfranchising café undertakings from 2016 to 2015. In t-test examinations, diversifying organizations

beat non-diversifying organizations across each of the three variables. The distinction in Tobin's Q among diversifying and non-diversifying undertakings was not huge subsequent to adapting to return on resources, organization size, obligation influence, and promoting spend.

As these investigations show, there has been next to no review into whether diversifying has a typically decent, unbiased, or adverse impact on business monetary execution, and the outcomes have been lopsided. On balance, the exploration appears to edge fairly toward a useful effect, as we would like to think. Besides, as per Combs, Michael, and Castrogiovanni (2019), diversifying organizations have would in general utilize diversifying increasingly more over the long run, suggesting that their experience suggests a net benefit of diversifying over firm possession.

2.2.2 Mergers & Acquisition

The research on the effects of mergers and acquisitions (M&A) on an entity's overall financial performance has shown mixed findings. This project intends to compile and analyze existing research on mergers and acquisitions and their impact on financial performance in order to identify characteristics that may affect postmergers and acquisitions performance. Previous studies have examined the influence of M&A on an entity's overall financial performance using a variety of indicators, including accounting measurements, market measures, mixed measures, and qualitative measures. To appropriately analyze proposed mergers and acquisitions and make smart judgments, managers should be aware of such aspects and their influence on postmerger/acquisition business performance. Feroz and his colleagues (2015).

Researchers had been unable to establish that merger-active corporations were more profitable or had higher stock values after the merger activity in a series of investigations conducted abroad since 1921. When calculating financial performance, Lucey (2020) said that the company's financial performance may be described in terms of income earned from its activities after subtracting costs. Bidder factors are operationalized by evaluating company financial performance, which has been shown to have a favorable impact on M&As. Large and prosperous companies sometimes have or have greater access to the financial resources required to buy other companies. Large corporations, in particular, are projected to participate in more diverse M&S since as there may be little possibilities for development in their own

sector, if at all. When these financial resources are employed to buy a financially limited target business, they may produce value, indicating a positive relationship between financial performance, firm size, and M&As. Gaughan is a character in the film Gaughan (2019)

M&A may be seen as a strategy of gaining access to growth in two ways: first, by building on the qualities that the company already has, and second, by purchasing the strong points or competitive advantage that another company has. Mergers and acquisitions (M&A) are a way of strengthening current capabilities and gaining access to a new set of valued skills that are difficult to copy, not generally accessible, and integrated in an indivisible portion of another organization, according to Salleo (2019). This perspective on M&As is similar to that of Kang and Johansson (2020), who define strategy as a process that allows a company to accomplish its objectives in a considerably shorter period by using the strengths of the business with whom it enters into a strategic relationship. There are a plethora of various mergers in this context of corporate structures. Horizontal mergers happen when two firms compete directly and have similar product lines and markets. Vertical mergers are those that bring together a client and a firm or a supplier and a company, such as a cone provider and an ice cream producer. Mergers between firms that offer the same goods in multiple markets are known as market-extension mergers. When two companies sell different but related products in the same market, they form a product-extension merger. Two firms with no common business sectors unite in a conglomeration merger.

The impact of business mergers and acquisitions on company performance has been the subject of a number of empirical studies. This is because the most typical technique of corporate strategy to increase business performance has been mergers and acquisitions. (Yeh and Hoshino, 2019) looked studied how mergers and acquisitions affected a company's operational performance in terms of efficiency, profitability, and growth. Total productivity was used as a proxy for the firm's efficiency, return on assets and return on equity were used as measures of profitability, and sales and employment growth were used to index the firm's growth rate. It was discovered that there was minor negative change in productivity, considerable loss in profitability, large detrimental influence on sales growth rate, and

merger induced labor reduction using a sample of 86 Japanese business mergers between 1970 and 1994.

Using the results of published studies on post-acquisition performance, (King et al. 2014) used a meta-analysis approach to examine the effect of mergers and acquisitions on organizations. According to their findings, mergers and acquisitions do not result in improved financial success. It also revealed that mergers and acquisitions have a somewhat negative impact on acquiring organizations' long-term financial performance and that there is no evidence to support and explain variances in performance as a consequence of mergers and acquisitions using the criteria suggested by the literature.

(Jin et al, 2014) looked at how mergers and acquisitions affected the operational characteristics of China's publicly listed companies. They utilized revenue, profit margin, return on assets, and total asset turnover ratio changes as proxies for business performance before and after mergers and acquisitions, and performed tests to see whether mergers and acquisitions resulted in substantial changes. Their research found that mergers and acquisitions resulted in large increases in total revenue, profit margin, and return on assets, but no indication of a major influence on asset turnover ratio. They also discovered indications of considerable market anticipation and overreaction to the M&A announcements.

It was shown that the operational performance of M&A-impacted companies in Greece was negatively affected by M&A (Pazarskis et al., 2016). Using financial, accounting, and confidential questionnaire answer data, the post acquisition performance of fifty Greek firms listed on the Athens Stock Exchange that executed at least one merger or acquisition between 1998 and 2019 is examined (a set of seven selected financial sectors). The merger/acquisition event has been determined to have a negative impact on a company's profitability, according to the study.

(Saboo and Gopi, 2017) investigated the impact of mergers on acquiring firms' operating performance. Financial ratios before and after acquisitions of these companies are examined to see if domestic purchases or international/cross-border acquisitions resulted in a greater return on investment. Results suggest that the impact of mergers on performance differs depending on the kind of acquisition—domestic or

cross-border. The major conclusion is that mergers have a little favorable influence on key financial ratios of domestic businesses acquiring cross-border enterprises while having a slightly negative impact on firms acquiring cross-border firms.

By looking at pre and post-merger financial ratios for various industries, (Mantravadi and Reddy, 2018) examined the impact of mergers on the operating performance of acquiring corporations. The sample of firms included all mergers involving public limited and traded corporations in India between 1991 and 2013. The findings reveal that there are slight differences in the influence of mergers on operational performance in India's various sectors. Mergers appear to have had a marginally positive impact on profitability and returns on investment in the banking and finance industry; however, mergers appear to have had a marginally negative impact on profitability and returns on investment in the pharmaceuticals, textiles, and electrical equipment industries. Mergers in the chemicals and agri-products industries have resulted in considerable losses in terms of profit margins, returns on investment, and assets.

The influence of mergers on the corporate performance of acquirer and target firms in India was investigated by (Selvam et al., 2019). A sampling of firms listed on the Bombay Stock Exchange that merged in the same sector during the years of 2019 and 2015. The research employed ratio analysis and a t-test to compare the liquidity performance of the thirteen sample acquirer and target firms before and after the merger phase. It was discovered that following the merger, the acquiring businesses' shareholders improved their liquidity performance.

(Ullah et al., 2010) looked at whether a merger adds value, using the Glaxo Smith/Cline merger as an example. They used the net present value technique to evaluate the firm's performance before and after the merger. According to the analysis, big pharmaceutical mergers have failed to provide value. Stock prices lag the index both in absolute and relative terms. Instead of creating a possible job refuge, the merger resulted in significant research and development cuts and layoffs. (Ismail et al., 2010) did research to look at how mergers and acquisitions might boost business performance. Using a sample of Egyptian businesses in the construction and technology sectors from 2016 to 2015, their findings reveal that mergers and acquisitions in the construction industry have helped to enhancing company

profitability, but no gains have been seen in the technology sector. M&A did not enhance efficiency, liquidity, solvency, or cash flow conditions in any industry.

(Mishra and Chandra, 2010) looked at how mergers and acquisitions affected the financial performance of Indian pharmaceutical businesses from 2020 to 2017. They discovered that a firm's profitability is directly proportional to its size, selling efforts, and export and import intensities, but inversely proportional to its market share and product demand, using panel data estimate approaches. Their empirical results imply that mergers and acquisitions have little long-term influence on business profitability, presumably owing to X-inefficiency and the introduction of new enterprises into the market.

2.2.3 FDI

In an exploration to decide the impacts of FDI in Malawi, Kazembe and Namizinga (2017) found that financial backers put a higher worth on the capacity to collaborate successfully with clients and work productively under stable utilities. Such angles, as per Kazembe and Namizinga, incorporate viable transportation, energy and correspondence foundation, and utilities. Worldwide financial backers find it hard to make and deliver actually because of questionable power and water supply, as well as high transportation costs, while further developed street networks permit financial backers to move and give merchandise at less expensive rates.

Cordero and Paus (2018) tracked down that the Costa Rican government's endeavors to address worries about better street access, broadcast communications, and continuous admittance to solid power and water at sensible costs had added to drawing in additional FDI to the country in a concentrate on unfamiliar venture and monetary improvement in Costa Rica. The consequences of Cordero and Pause were equivalent to those of Kazembe and Namizinga (2017).

Jordaan (2010) found that great quality and advanced framework helps the efficiency capability of interests in a country thus drives FDI streams towards the nation, while

exploring FDI and nearby effects. Jordaan guaranteed, in accordance with Asiedu (2019) and Ancharaz (2013), that the quantity of phones per 1,000 individuals is a helpful mark of infrastructural improvement. In any case, as per the exploration, this measurement misses the mark since it estimates the foundation's accessibility, as opposed to its trustworthiness. Other significant framework components, for example, streets and rail transportation, water and energy supply and sources, were eliminated from the examination, which just covered fixed-line foundation and not cell cellphones.

In his exploration of the effect of political security on FDI, Haksoon (2010) proposes two speculations. The first is that FDI inflows will generally stream towards nations that experience political unsteadiness, while FDI outpourings will quite often move from politically stable countries. The second speculation of Haksoon (2010) is that, in the wake of representing macroeconomic contemplations, the internal exhibition of FDI is high for countries encountering political precariousness. He had the option to affirm the two speculations, stressing that this is steady with Lucas' outcomes (2020). These information show that FDI is streaming in more noteworthy sums to countries with more elevated levels of political debasement and political precariousness (Haksoon 2010).

Wooldridge (2019) did a pooled normal least squares (OLS) with versatile standard blunders for the board information utilizing a powerful (group) covariance lattice, trailed by various extra quantitative method investigations to help the suspicions. Khan and Mashque (2013) track down a negative and significant connection between political gamble and FDI in 94 nations during a 24-year time frame from 1986 to 2019. They show up to the end that most political gamble pointers have a negative connection with FDI for the globe overall and for top level salary countries, however the relationship is most elevated for upper center pay nations.

For instance, Lucas (2020) claims that the sole component controlling capital streams is political gamble. Since many non-industrial countries' speculations are dependent upon critical political dangers, FDI inflows are high in politically shaky nations. FDI outpourings are large for politically stable countries to put resources into nations with high political dangers for a similar explanation (Haksoon 2010). From each of the sources we checked out, Almfraji and Almsafir (2014) gave the most over the top

total and precise writing examination on the effect of FDI on financial advancement from 1994 to 2012. Most of distributions infer a good relationship among FDI and monetary development, as per this survey study, while they bring up that there are events when papers reason that there is no, or even a negative, impact (Almfraji and Almsafir 2014). Comparative contrasts in the ongoing writing were found all through our own writing appraisal.

The clarification for this emerges from the "levy bouncing" idea, which expresses that unfamiliar organizations trying to support nearby business sectors might decide to lay out auxiliaries in the host country assuming it is cumbersome to import their products. Global organizations participated in send out situated speculations, then again, may decide to put resources into a more open economy since more prominent imperfections related with exchange security frequently show higher exchange costs while trading. In the United States, for instance, Wheeler and Mody (2018) find significant positive help for the hypothesis in the assembling area however an unassuming negative relationship in the electronic business.

A decrease in transparency was connected to higher flat FDI stream, since venture organizations would have the option to stay away from exchange limitations by laying out assembling offices different nations. Nonetheless, Resmini (2020), who concentrates on modern interest in Central and Eastern Europe, finds that expanded receptiveness helps these dominatingly vertical FDI streams, which is to be expected in an area where worldwide exchange streams halfway and capital items are vital. Singh and Jun (2015) comparatively observe that send out direction is basic for enlisting FDI, and they characteristic this to the rising harmonization of exchange and FDI streams.

As per Jordaan (2014), streamlined commerce zones will more often than not draw in FDI both among signatory countries and, in districts where they are firmly coordinated, even among outsider nations. These arrangements will generally grow the chance for procuring economies of scale by means of FDI focused on at entering nearby business sectors (alleged "level" FDI) for both signatory and non-signatory countries by expanding the absolute size of the market.

Besides, lower exchange costs will generally help FDI streams focused on at re-trading got done or middle of the road merchandise back to the nation of origin or other signatory countries. These positive impacts on FDI appear to surpass deregulation locales' penchant to diminish the overall expense of providing an unfamiliar market through exchange contrasted with homegrown creation, which would in principle diminish FDI.

Lipsey (2016) examined the effect of international alliances on reciprocal FDI exchanges and found that by fundamentally bringing down exchange costs between At some random consistent expense, even FDI streams are decreased by international alliances in countries where exchanging is more beneficial than nearby creation. FDI might profit from these arrangements since they increment the general market size in the deregulation region, which thusly expands the opportunities for firm-level economies of scale through flat FDI.

Moreover, lower exchange costs will quite often help vertical FDI streams focused on at re-sending out things back to the nation of origin or other signatory countries. Moreover, international alliances will generally build the degree of the market that non-signatory countries might access by assembling locally at some random degree of exchange costs, bringing about an ideal effect on level FDI streams. The effect of international alliances on FDI streams among signatory countries is obscure, as indicated by Lehman (2019), despite the fact that it is presumably great for FDI streams from non-signatory nations.

2.2.4 Brand Effects

Customers' perceptions of brand experience, brand satisfaction, and brand trust, as well as how they impact brand loyalty, were investigated by Ismail, Boye, and Muth (2012). This study used a logical and quantitative research technique, utilizing empirical data from 239 people who were asked to accept or reject the hypotheses. The assumptions were accepted, implying that brand satisfaction, brand trust, and brand experience account for 41.2 percent of brand loyalty. Brand satisfaction, on the other hand, is the primary emphasis of retail enterprises in the fashion sector in order to guarantee client loyalty.

In his study on the impacts of maintaining or dumping an acquired brand, Hsu (2014) discovered that consumers' attitudes regarding the merger had a favorable influence

on their attitudes toward the brand. Hsu (2014) attempted to look at the impact of a branding approach. The researcher used an experimental study to investigate the consequences of keeping or dumping the acquired brand, as well as the moderating and mediating effects. He investigated consumer behavior in relation to their perceptions of a merging entity's brand. 127 business undergraduate students from a prominent public institution in the United States were granted additional course credit for their participation. Data was gathered using online surveys. The students in this research acted as clients for IT goods. The data was analyzed using manipulation check, but regression analysis would have better described the behavior's spread. It didn't try to figure out what people thought or gather information on the merging companies.

Bahadir (2018) sought to discover factors of both the target and acquirer businesses that influence the value of a target firm's brand in mergers and acquisitions. The sample consisted of 133 mergers and acquisitions in which the target firm's brands were valued by the acquirers. From 2001 through 2015, the population under research included all mergers and acquisitions in which the targets and acquirers were publicly traded companies situated in the United States. According to Bahadir et al. (2018), the size of a target firm's brand value contributes for 7.3 percent of the transaction value on average. The findings back up the theory that acquirer and target attributes have a role in determining the value ascribed to a target firm's brands. The results show that the acquirer's and target's marketing skills, as well as brand portfolio variety, have a beneficial impact on the brand value of a target business.

The marketing competence and brand portfolio diversification of the acquirer business have beneficial impacts on the financial worth of the target firm's brand portfolio, according to Bahadir et al (2018). The marketing skills of a target business, as well as the variety of its brand portfolio, have a beneficial influence on the value of the target firm's brands. On a subset of hypothesized primary impacts, we additionally looked at the dependent influence of M&A strategy and goal sales growth. The study's weakness was that it only looked at public corporations, leaving out private enterprises, which have a significant impact on brand reputation.

Brand awareness and perceived brand value are essential sources of brand equity, and the impact of these two components on brand equity are much greater after mergers and acquisitions than before mergers and acquisitions (Awan, 2017). In his study, Awan (2017) employed questionnaires to gather data from a random sample of

university students. To better understand how brand affects mergers and acquisitions, random sampling was performed on Korean university students considering IT goods from different corporations.

In his study, Awan (2017) discovered that mergers and acquisitions influenced brand perception, implying that there is a link between mergers and acquisitions and business brand. One of the study's shortcomings was that the personnel of the organizations was not contacted or examined in the research to see whether they had an impact on brand image. The study's shortcomings were that it only addressed one demographic and that the respondents were a convenience sample of university students. Another drawback was that it did not conduct interviews with employees at the companies under investigation to discover additional causes.

While acquisitions may be complicated in terms of industry sizes and brand reputation, Long and Ling (2011) discovered that when numerous firms or divisions of various organizations join into one entity, a company's brand identity frequently leads to brand difficulties. In their case study research, Long and Ling (2011) used email interviews to gather primary data from managers.

Long and Ling (2011) discovered that organizations may profit from gaining a strong brand by using the correct rebranding approach, and that product brands can impact other levels of the company's brand by using the right brand architecture. They also discovered that a company's ability to establish a viable brand throughout the integration process is critical. The study's weakness was data collection by email, which seems to have no impact on ensuring that the person answering is the intended targeted responder. The research also ignored the fact that these businesses operated in a wide range of sectors. Regression analysis and hypothesis testing would have been performed instead of data analysis. The respondent's inability to reach the businesses under consideration due to their geographic location proved to be a barrier.

2.3 Summary and Research gaps

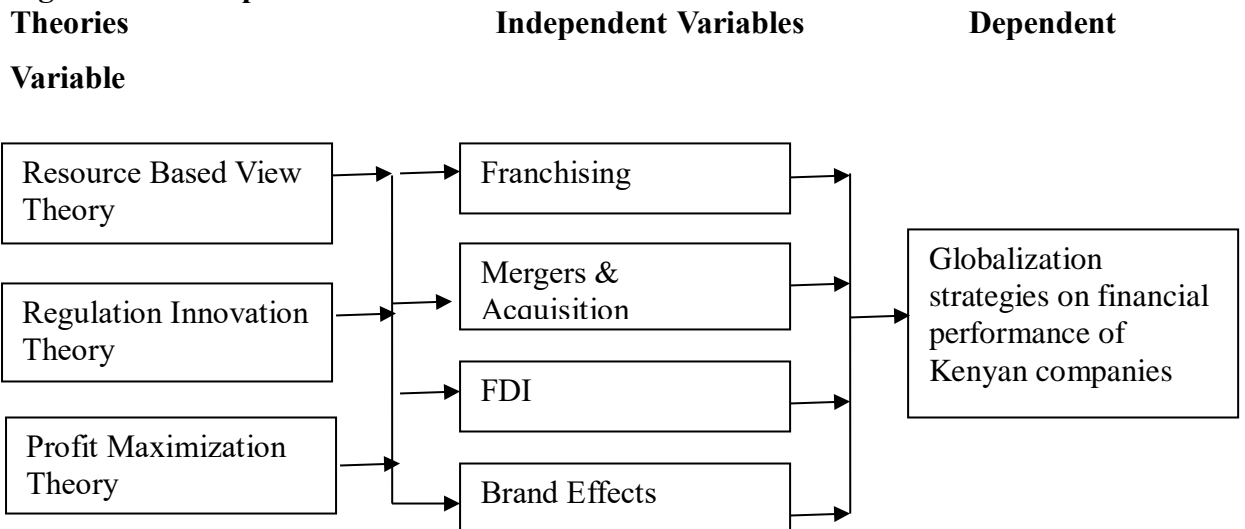
The studies conducted in both or either globalization strategies and financial performance, as shown in the preceding evaluations, clearly corroborate the presence of a research gap within this study's environment. An in-depth investigation shows that, despite extensive research into the topics and circumstances discussed here, whether conducted collaboratively or individually,

the threshold holding this study's objective(s) has not been met. According to the findings, a large number of empirical assessments dealt with the ideas of globalization strategies and financial performance, but none of them linked them together or to Kenyan businesses. As a result, there is currently a study deficit on the implications of globalization initiatives on Kenyan enterprises' financial performance.

2.4 Conceptual Framework

A conceptual framework is a diagrammatic presenting model of connected variables that the researcher uses to operationalize the established goals visually or diagrammatically (Mugenda & Mugenda, 2013). A variable, on the other hand, is a distinctive measure that may take on a variety of values. According to Kombo and Tromp (2016), independent variables are those that may be manipulated to impact influence on another, while independent variables presuppose a change in effect on the dependent. In this case, independent variable include globalizations strategic aspects while the dependent variables include aspects of company financial performance as illustrated in figure 2.1

Figure 2.1 Conceptual framework



2.5 Operationalization of Variables

2.5.1 Franchising

Franchising is a business structure in which a franchisor (one party) provides or licenses franchisees certain rights and powers (another party). Franchising is a well-

known company growth marketing approach. Between the Franchisor and the Franchisee, a contract is formed. Franchisees are given permission to sell the franchisor's products, goods, and services, as well as the ability to utilize the franchisor's trademark and brand name. And the franchisee operates as though he or she were a merchant.

2.5.2 Mergers & Acquisition

A wide range of financial operations that combine businesses or assets, such as mergers, acquisition, consolidations, tender offers, asset acquisitions, and management acquisitions, are referred to as M&A (Mergers and Acquisition).

2.5.3 FDI

A foreign direct investment (FDI) is the acquisition of a firm's stock by a corporation or investor based outside of the country. In general, the word refers to a commercial decision to purchase a significant share in or buy a foreign company completely in order to extend its activities to a new territory. It's not often used to refer to a stock purchase in a foreign firm.

2.5.4 Brand Effects

The power of reputations to affect people's future behavior is known as the brand impact. For businesses, this implies branded firms sell more at higher prices, but a strong brand may also influence people's willingness to contribute, share, engage, volunteer, pay taxes, and a variety of other desired acts. People are more inclined to associate with and assist companies with a good reputation, and names and logos make it easier to monitor such reputations. In economic terms, a company's brand is its impact on the demand curve; as demand rises up and to the right, buyers are more likely to purchase more and pay higher prices. The brand impact is intriguing since corporations should only be able to affect the supply curve, yet we see that companies with a strong brand may influence the demand curve as well.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter explains the research methods utilized to meet the study's goals. Data collecting methods, sample size, sample validity, sample reliability, and data processing techniques all fell under this category..

3.1 Research design

A descriptive study was used as the method of investigation in this case. Describe and understand the current circumstances or situations using descriptive research (Salaria, 2012), according to (Salaria, 2012). Rather than merely collecting and listing data, this research approach also does in-depth analyses, interpretations, comparisons, and analyses of patterns and connections. When Chege, (2012) conducted her research on how globalization initiatives affect Kenyan firms' financial performance, she employed the design. To draw conclusions on the impact of globalization initiatives on Kenyan enterprises' financial performance, this approach was judged acceptable.

3.2 Target Population

By "target population," we mean the group of people, events, or things that an investigator is trying to apply their research findings to in the broadest sense. This definition was provided by Lyon (2015). The majority of the study's participants were employees of Bidco Africa. A total of 111 people were included in the study as participants.

Table 3.1 Target Population

Category	Target Population	Percentage
Top Management	4	4
Middle Management	9	9
Support Staff	98	87
Total	111	100

3.3 Sample and Sampling Technique

sampling technique refers to the systematic process of picking people to represent the

wider group from which they were picked, as stated by Mugenda and Mugenda (2012). In order to cover the whole population, the researcher utilized a stratified sample method. In order to help researchers establish a sampling strategy that minimizes mistake, writers have undertaken study on the sample size. Using a sample size of 30 to 45 percent, Kothari, (2014) recommends. Thus, the research suggests that this study was conducted on a sample of 40% of the organization's workforce. A total of 45 people were chosen at random from the 111 people that were surveyed. Research results may be generalized if they are taken from a sample that is typical of the whole population from which they were obtained.

Table 3.2 Sample Population

Category	Target Population	Sample population	Percentage
Top Management	4	2	4
Middle Management	9	4	9
Support Staff	98	42	87
Total	111	49	100

3.4 Instruments

The research relied on information gathered via the use of a well-structured questionnaire. First-hand information was used to determine the impact of globalization tactics on the financial performance of Kenyan businesses. Respondents to the poll were either members of the Bidco Africa team or those with similar responsibilities. The questionnaire included an introduction that explained the study's subject and goal. The questionnaire was administered using the drop and pick approach, which allowed the respondent to complete the questionnaire at a time that was suitable for them.

3.5 Reliability and Validity

In order for a questionnaire to be helpful, Harper (2012) claims that it must be both valid and reliable. In the case of a questionnaire, validity relates to whether or not it

can test what it is supposed to, while reliability assesses whether or not it is relevant. A pre-test was conducted to examine the questionnaire's reliability and validity. Six people who weren't part of the sample were given the questionnaire to see whether it really did measure what it claimed to assess.

3.6 Data Collection Procedure

In the words of Chandran (2012), questionnaires enable the standardization of data and the acceptance of generic information in any community. " They may be used in a non-threatening method to gather information fast and readily in a descriptive research. When it comes to employee relations in the private security business, the primary data was acquired using surveys that featured both closed and open ended questions, as well as liker-scale type questions.

3.7 Data Analysis and Presentation

The Statistical Package for the Social Sciences (SPSS) was used to code and analyze primary data (SPSS). Mean scores and standard deviations were utilized to describe the data in the study. Correlation and regression analysis were used to determine the impact of procurement procedures on county government performance. Tables, graphs, and charts were used to make the findings easier to comprehend.

3.8 Ethical Considerations

3.8.1 Informed Consent

Pre-research visits to the company were carried out by the researcher, who sought information from the organization's leadership and was engaged in discussions with management on how much and what information they wanted to get.

3.8.2 Voluntary Participation

Respondents were not required to participate in the study, which was conducted on a voluntary basis, but researchers took time to explain to them how important this research was for them and for the study.

3.8.3 Confidentiality

In the organization, all data were gathered only for educational purposes, and no data were replicated without first obtaining permission from both the organization and study subject concerned.

3.8.4 Privacy

Respondents were told that the information they provided would be kept private and that no one would be able to access their personal data.

3.8.5 Anonymity

It is difficult to link data or information from a "strictly anonymous" study to a specific research subject. To put it another way, the data can't be linked to any specific study participant, even by the researcher. Research needed the construction of a code connecting the subject's real name to an anonymous pseudonym since the data included the subject's real name. A signed permission form was obtained and this consent form must be kept separate from any personal information that the subject supplies.

3.9 Chapter Summary

This chapter was devoted to the study's research design and methods. Here, the researcher explains the methodology, data sources and types, sample design, and data gathering methods and tools, as well as the actual data collection and analysis, And the study's ethical considerations.

CHAPTER FOUR DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

4.0 Introduction

In this chapter the researcher carries out an analysis of data using both quantitative and qualitative methods. The analysis process is done on the basis of the variables of the research objectives. The analysis and interpretation of data is done by the help of analyzed tools such as graphs, pie charts and through judgment due to observations made.

4.1 Presentations of Findings

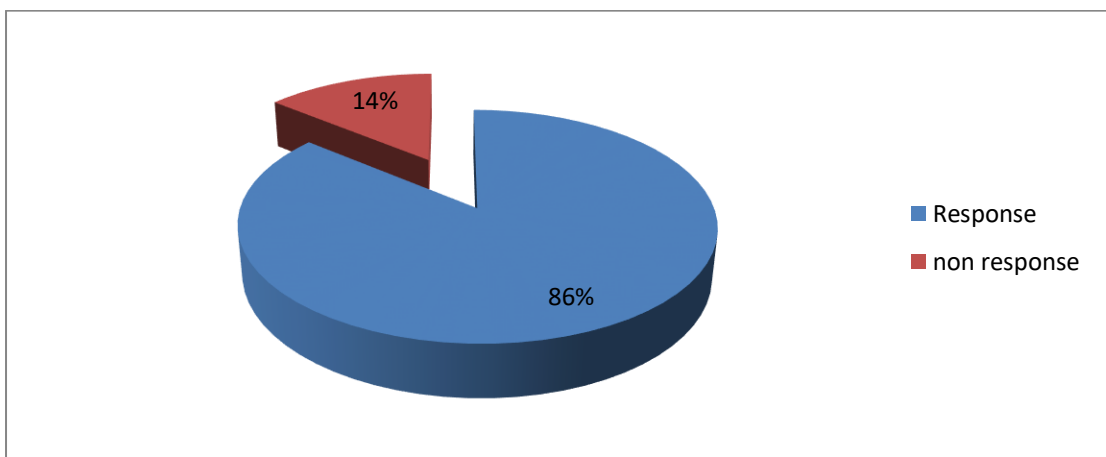
4.1.1 Response Rate

Table 4.1 Response Rate

Category	Frequency	Percentage
Response	42	86
Non Response	7	14
Total	49	100

Source: Author (2022)

Figure 4.1 Response Rate



Source: Author (2022)

From the analysis in table 4.1 and figure 4.1 shows the response rate for a representative sample of the whole population. That's 86 percent of the overall population; just seven of the 49 questionnaires were not returned, which is 14 percent.

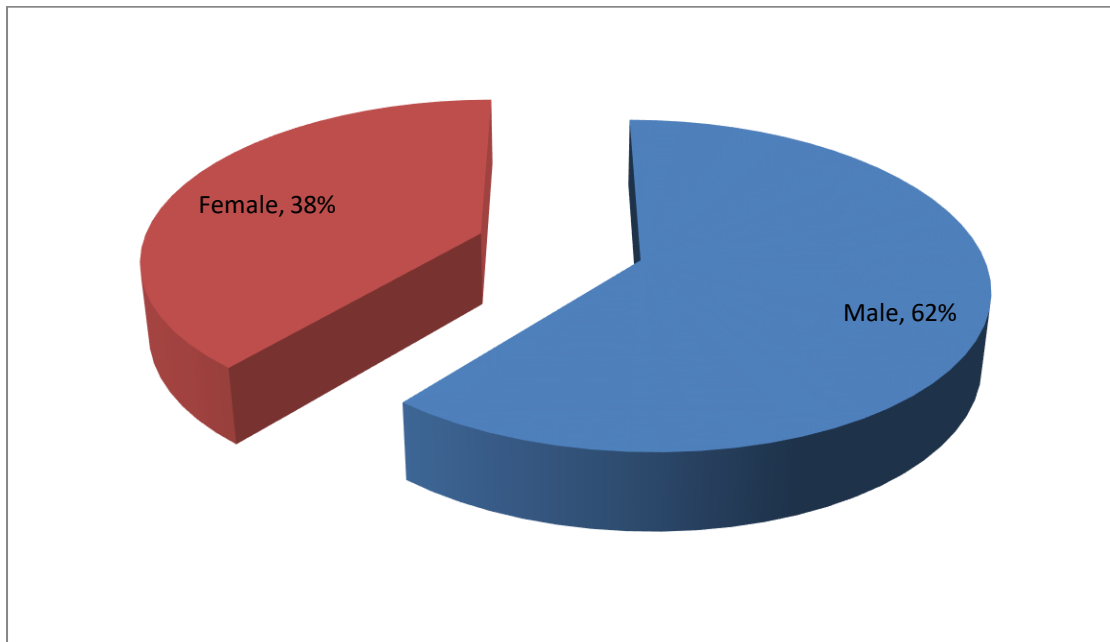
4.1.2 Gender Analysis

Table 4.1 Gender

Category	Frequency	Percentage
Male	26	62
Female	16	38
Total	42	100

Source: Author (2022)

Figure 4.1 Gender Analysis



Source: Author (2022)

Analysis from the table 4.1 and figure 4.1 The results suggest that 62% of the respondents were male, whereas 38% were female. According to this data, the vast majority of responders were men.

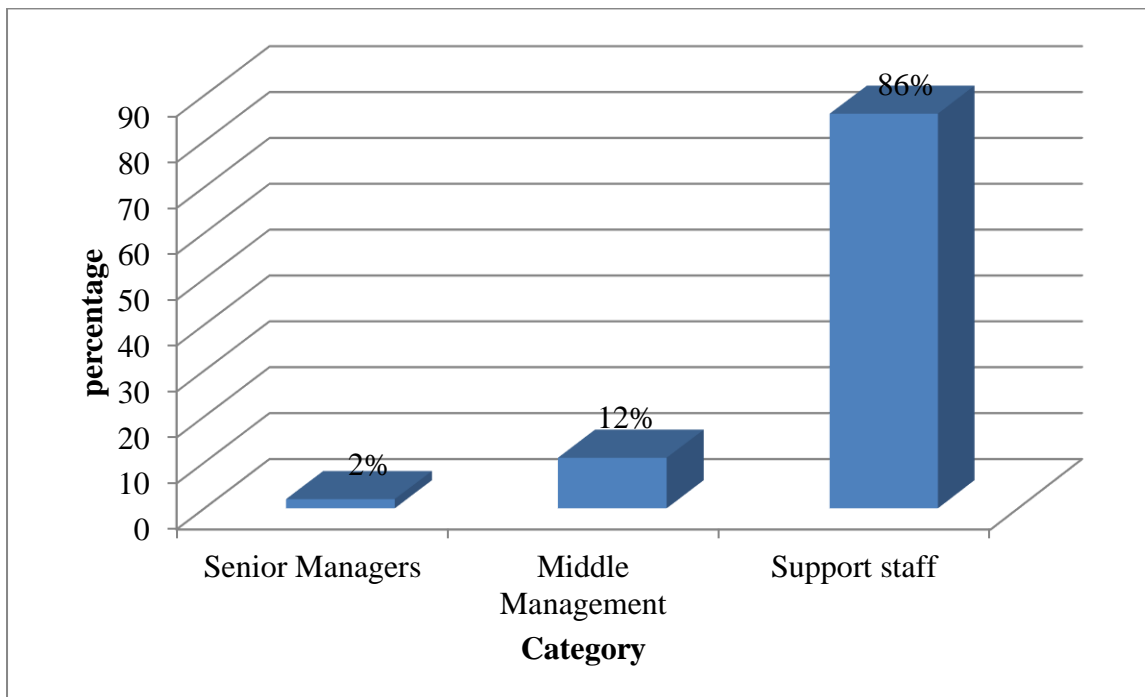
4.1.3 Management Levels

Table 4.3 Management Levels

Category	Frequency	Percentage
Senior Managers	1	2
Middle Management	5	12
Support staff	36	86
Total	42	100

Source: Author (2022)

Figure 4.3 Management Levels



Source: Author (2022)

Table 4.3 and figure 4.3 indicate managerial level responses from those who filled out the survey forms. Senior management provided 2% of the responses, middle management provided 13%, and support employees provided 86% of the responses, indicating that the vast majority of those who took part in this survey were in fact members of the support staff.

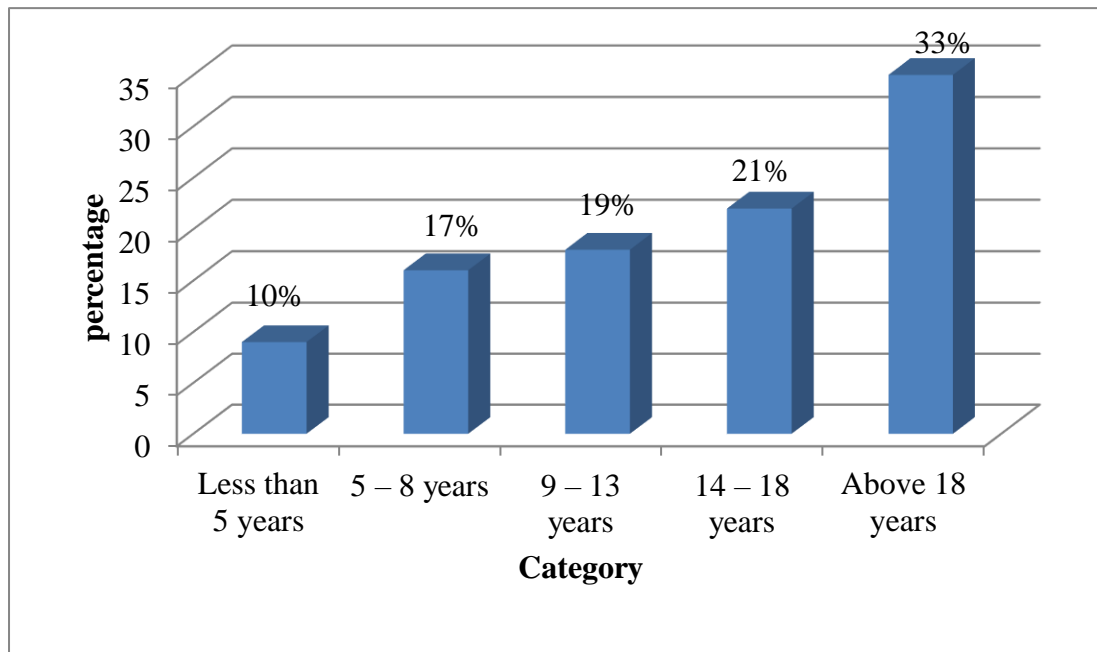
4.1.4 Number of years of service

Table 4.4 Number of years of service

Category	Frequency	Percentage
Less than 5 years	4	10
5 – 8 years	7	17
9 – 13 years	8	19
14 – 18 years	9	21
Above 18 years	14	33
Total	42	100

Source: Author (2022)

Figure 4.4 Number of years of service



Source: Author (2022)

Table 4.4 and figure 4.4 indicates the analysis of work experience. 10% had less than 5 years, 17% had 5-8 years' experience, 19% 9 – 13 years, 21% represented those within 14 – 18 years and 33% had above 18 years of experience. Based on the analysis of the findings it can be concluded that majority of the respondents had worked in the organization for a long period of time therefore they best understand the specific challenges faced by the organization in the provision of service and most specifically globalization strategies on financial performance.

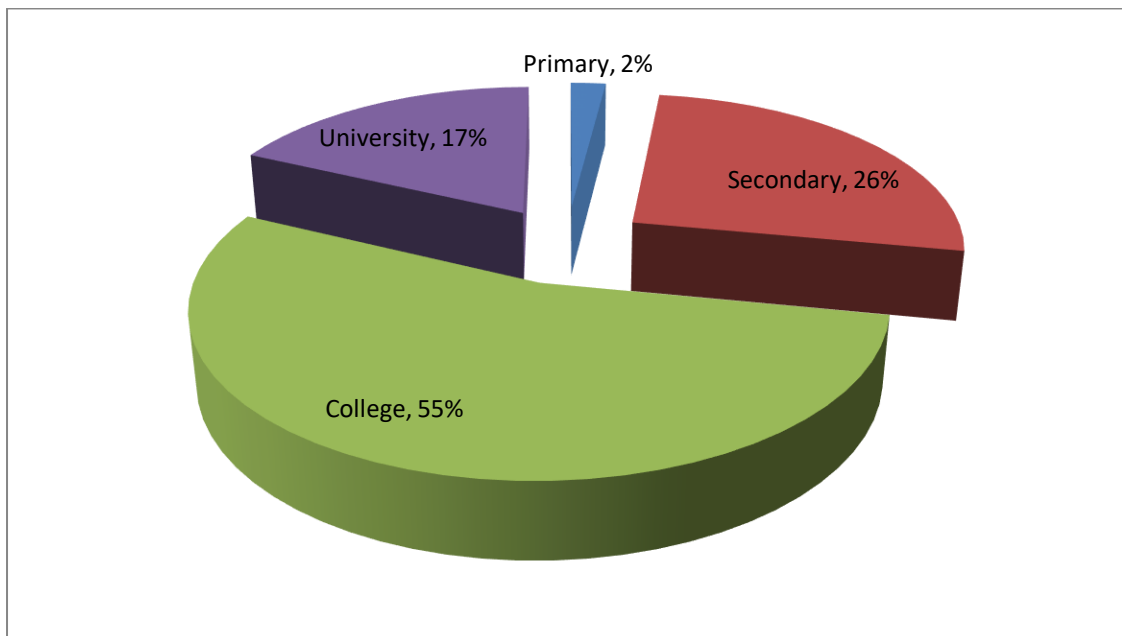
4.1.5 Highest level of Education

Table 4.5 Highest level of Education

Category	Frequency	Percentage
Primary	1	2
Secondary	11	26
College	23	55
University	7	17
Total	42	100

Source: Author (2022)

Figure 4.5 Highest level of Education



Source: Author (2022)

Table 4.5 and figure 4.5 indicated that There was a 55 percent majority of responders with college education as their highest level. There were 26% with some college education and 17% with a bachelor's degree or above. Only 2% of those polled had had an elementary education. As a result, it can be concluded that the majority of respondents were well-informed about their rights as both internal and external consumers of both the organization and the activities of the Kenya Revenue Authority.

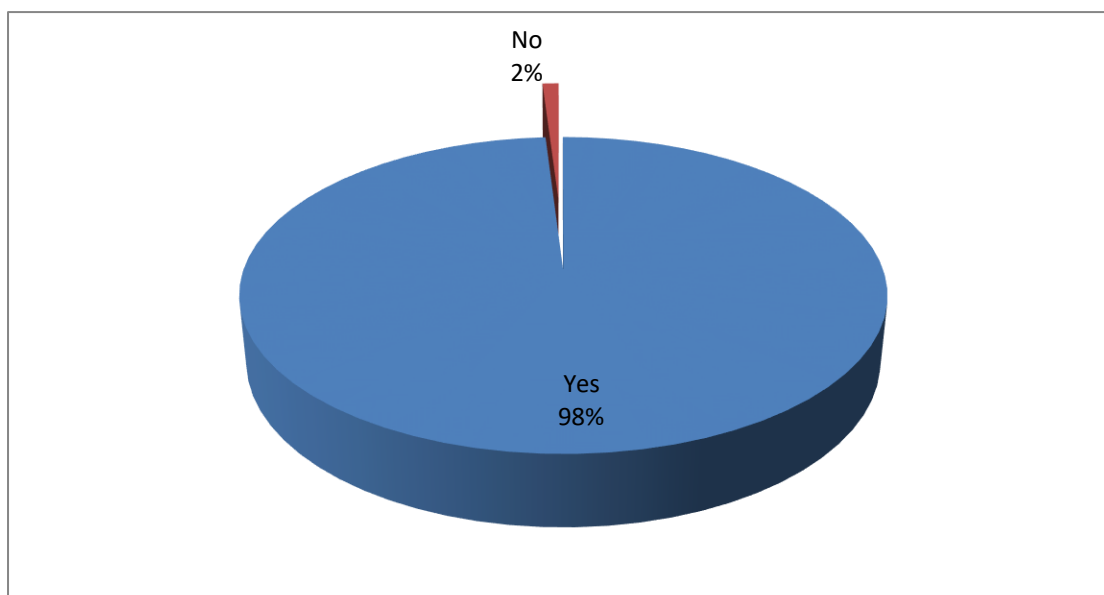
4.1.6 Franchising as a Globalization strategy

Table 4.6 Effects of Franchising as a Globalization strategy on financial performance of Kenyan companies

Response	Frequency	Percentage
Yes	41	98
No	1	2
Total	42	100

Source: Author (2022)

Figure 4.6 Effects of Franchising as a Globalization strategy on financial performance of Kenyan companies



Source: Author (2022)

Table 4.6 and bar 4.6 tried to establish whether Franchising as a Globalization strategy Financial performance of Kenyan companies from the analysis 98% of the respondents were for the opinion that Franchising as a Globalization strategy affect financial performance of Kenyan companies. While 2% of the respondents stated that Franchising as a Globalization strategy does not affect financial performance of Kenyan companies. The interpretation derived from above findings shows that Franchising as a Globalization strategy does highly affect financial performance of Kenyan companies.

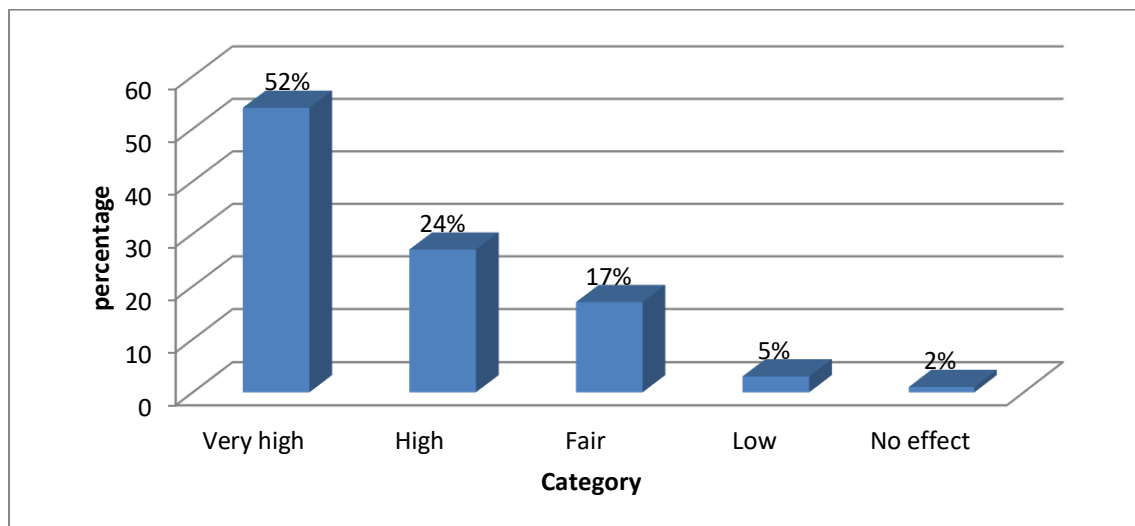
4.1.7 Franchising as a Globalization strategy

Table 4.7 Rating Franchising as a Globalization strategy on Influencing the Financial performance of Kenyan companies

Category	Frequency	Percentage %
Very high	22	52
High	10	24
Fair	7	17
Low	2	5
No effect	1	2
Total	42	100

Source: Author (2022)

Figure 4.7 Rating Franchising as a Globalization strategy on Influencing the Financial performance of Kenyan companies



Source: Author (2022)

From table 4.7 and figure 4.7 qualitatively 52% of the respondents said that Franchising as a Globalization strategy does affect financial performance of Kenyan companies at a very high extent. 24% of the respondents rated in high, 17% rated Franchising as a Globalization strategy affect financial performance of Kenyan companies at a fair extent while 5% of the respondents rate Franchising as a Globalization strategy as low and the minority of the respondents at 2% stated that Franchising as a Globalization strategy does not affect financial performance of Kenyan companies.

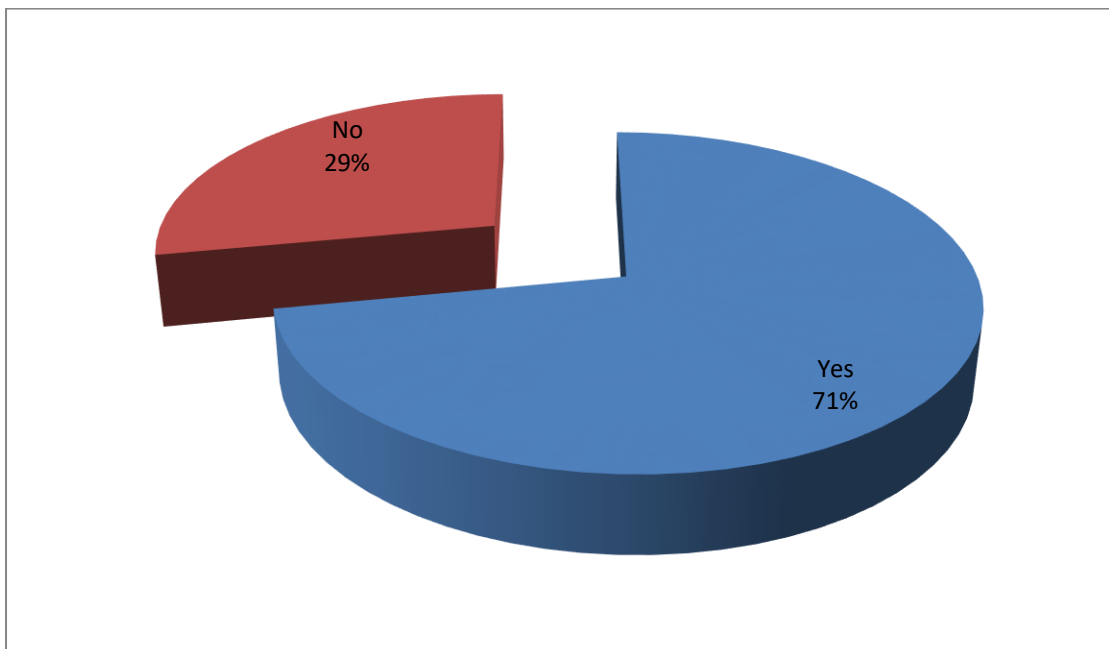
4.1.8 Mergers & acquisition as a Globalization strategy

Table 4.8 Mergers & acquisition as a Globalization strategy on financial performance of Kenyan companies

Category	Frequency	Percentage
Yes	30	71
No	12	29
Total	42	100

Source: Author (2022)

Figure 4.8 Organization Policies on Financial performance of Kenyan companies



Source: Author (2022)

From the above table 4.8 and figure 4.8 indicates that 71% of respondent indicated that Mergers & acquisition as a Globalization strategy Financial performance of Kenyan companies while 29% indicated that mergers & acquisition as a Globalization strategy does not financial performance of Kenyan companies. This implies that majority of the respondents agreed that Mergers & acquisition as a Globalization strategy on financial performance of Kenyan companies.

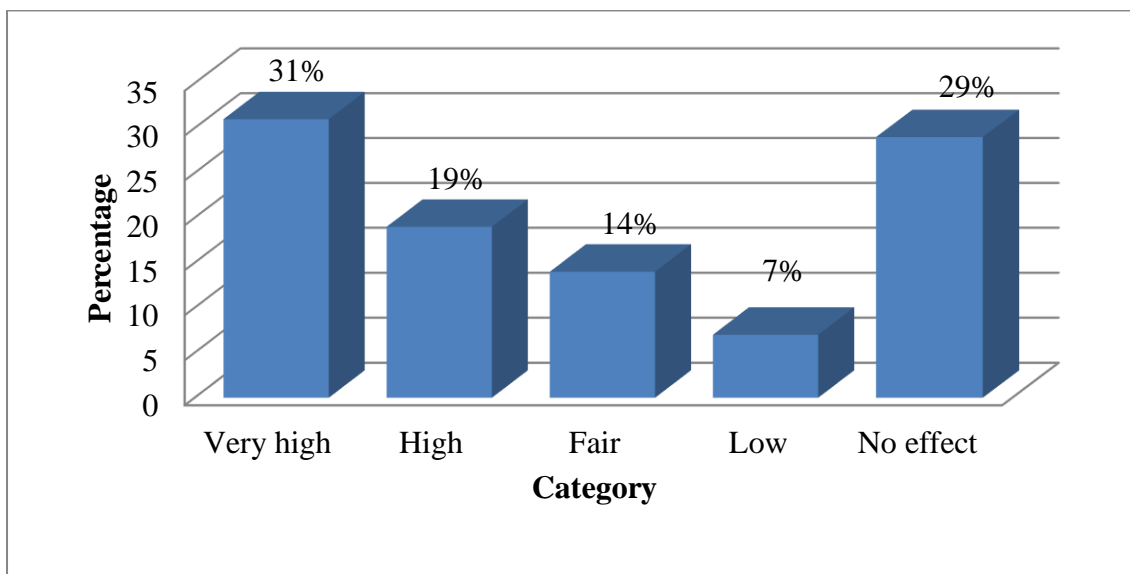
4.1.9 Mergers & acquisition as a Globalization strategy

Table 4.9 Extent to which Mergers & acquisition as a Globalization strategy financial performance of Kenyan companies

Category	Frequency	Percentage
Very high	13	31
High	8	19
Fair	6	14
Low	3	7
No effect	12	29
Total	42	100

Source: Author (2022)

Figure 4.9 Extent to which Mergers & acquisition as a Globalization strategy financial performance of Kenyan companies



Source: Author (2022)

from the findings in table 4.9 and figure 4.9 the response of 31% indicated very high extent, 19% high, 14% fair, and lastly low a response of low indicate 7% and 29% of the respondents stated that mergers & acquisition as a Globalization strategy does not influence supply of food products in food processing industries in Kenya. from the study it can be concluded that majority of the respondents indicated that mergers & acquisition as a Globalization strategy does affect mergers & acquisition as a Globalization strategy financial performance of Kenyan companies this implies that

mergers & acquisition as a Globalization strategy is key issue when it comes to financial performance of Kenyan companies.

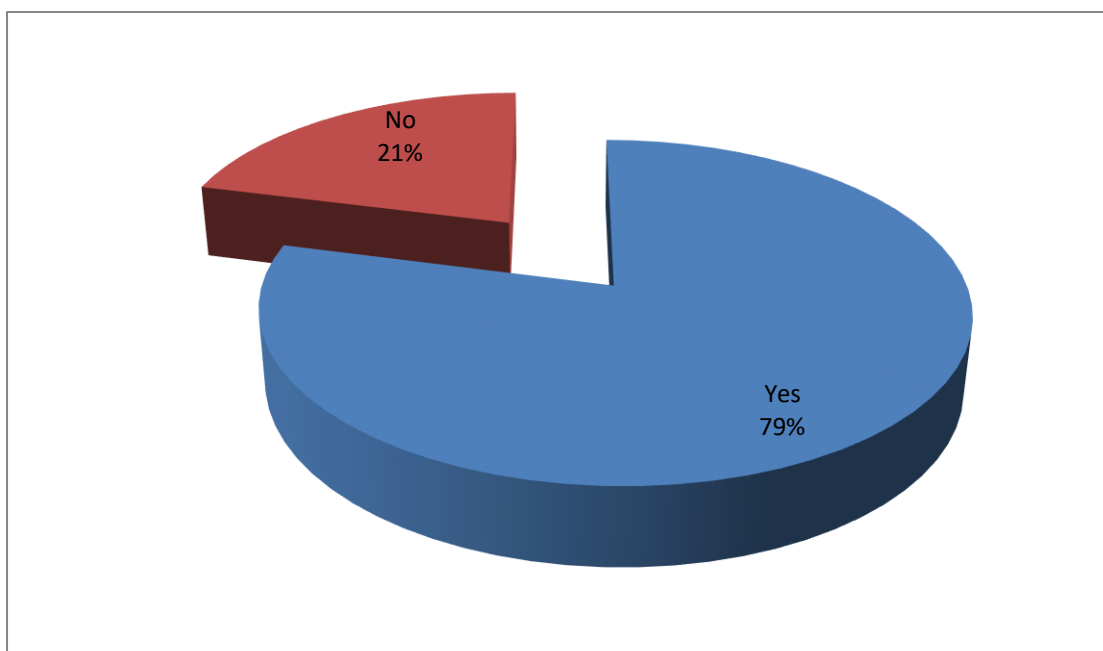
4.1.10 FDI as a Globalization strategy

Table 4.10 Effect of FDI as a Globalization strategy on Influencing Financial performance of Kenyan companies

Category	Frequency	Percentage
Yes	33	79
No	9	21
Total	42	100

Source: Author (2022)

Figure 4.10 Effect of FDI as a Globalization strategy on Influencing Financial performance of Kenyan companies



Source: Author (2022)

Table 4.10 and figure 4.10 indicates the effects of FDI as a Globalization strategy on influencing financial performance of Kenyan companies. From the analysis 79% accepted that FDI as a Globalization strategy financial performance of Kenyan companies while the remaining being the minority of 21% stated that FDI as a Globalization strategy does not affect financial performance of Kenyan companies. A large majority of those polled said that foreign direct investment (FDI) is an important consideration in determining the financial success of Kenyan businesses.

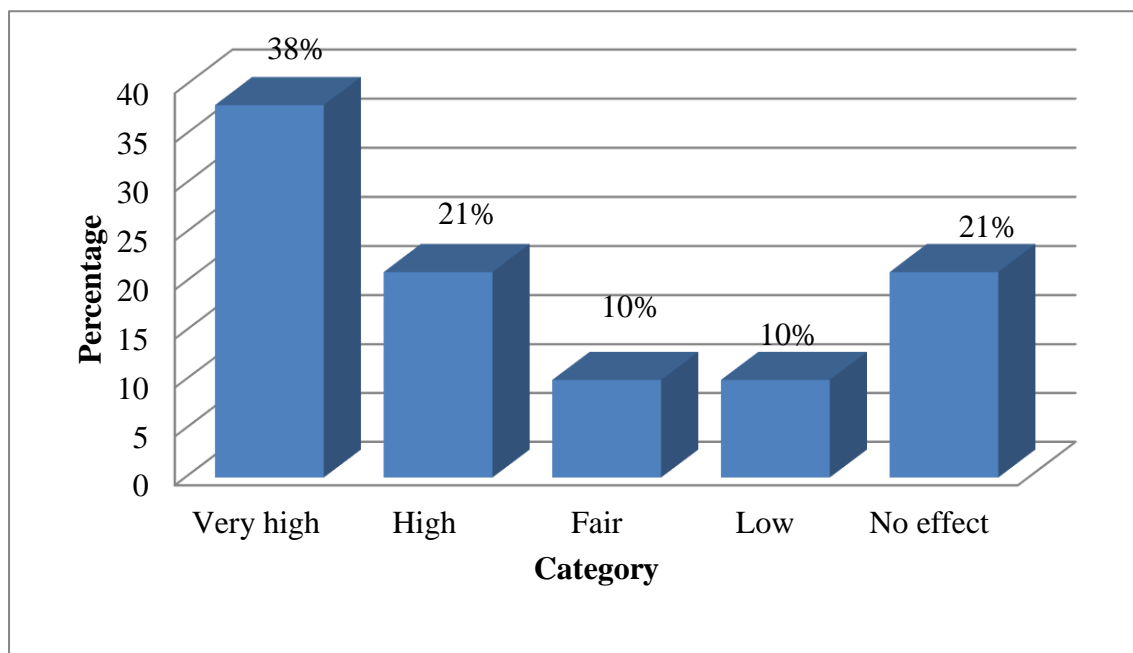
4.1.11 FDI as a Globalization strategy

Table 4.11 Rating Effects of FDI as a Globalization strategy financial performance of Kenyan companies

Category	Frequency	Percentage
Very high	17	38
High	9	21
Fair	4	10
Low	4	10
No effect	9	21
Total	42	100

Source: Author (2022)

Figure 4.11 Rating Effects of FDI as a Globalization strategy financial performance of Kenyan companies



Source: Author (2022)

Table 4.11 and figure 4.11 indicates the rating of effects of FDI as a Globalization strategy financial performance of Kenyan companies. From the analysis 38% rated very high, 21% 10%, 10% and 21% rated high, fair, low and No effect respectively. After doing an in-depth investigation, it can be determined that Kenyan enterprises' financial performance has increased significantly as 41 percent of respondents said.

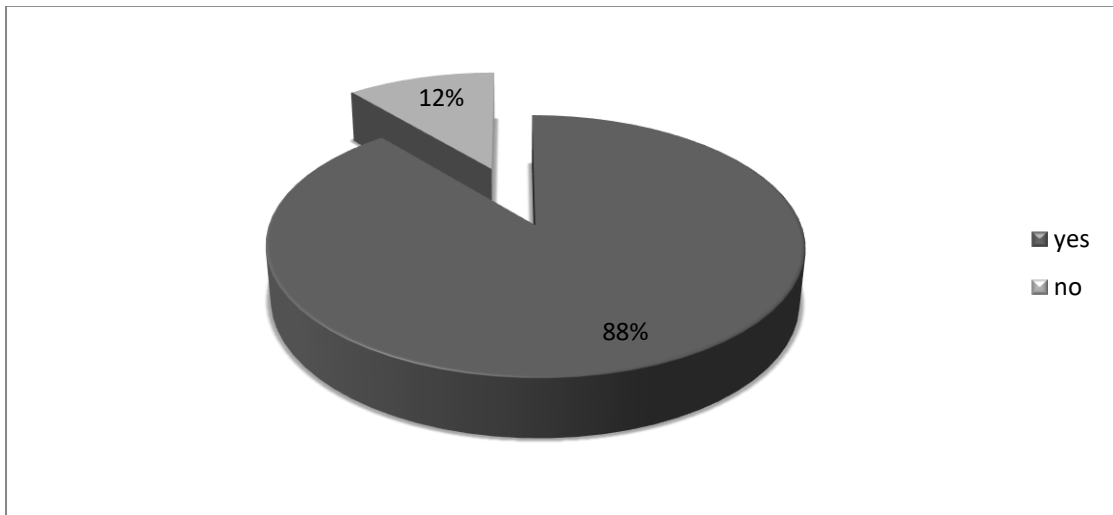
4.1.12 Brand Effects as a Globalization strategy

Table 4.12 Effect of Brand Effects as a Globalization strategy on financial performance of Kenyan companies

Category	Frequency	Percentage
Yes	37	88
No	5	12
Total	42	100

Source: Author (2022)

Figure 4.12 Effect of Brand Effects as a Globalization strategy on financial performance of Kenyan companies



Source: Author (2022)

Analysis from the table 4.12 and figure 4.12 indicates that 88% of the respondents agreed that brand effects as a globalization strategy financial performance of Kenyan companies whereas 12% of the respondents disagreed. This shows that brand effects as a globalization strategy do affect financial performance of Kenyan companies.

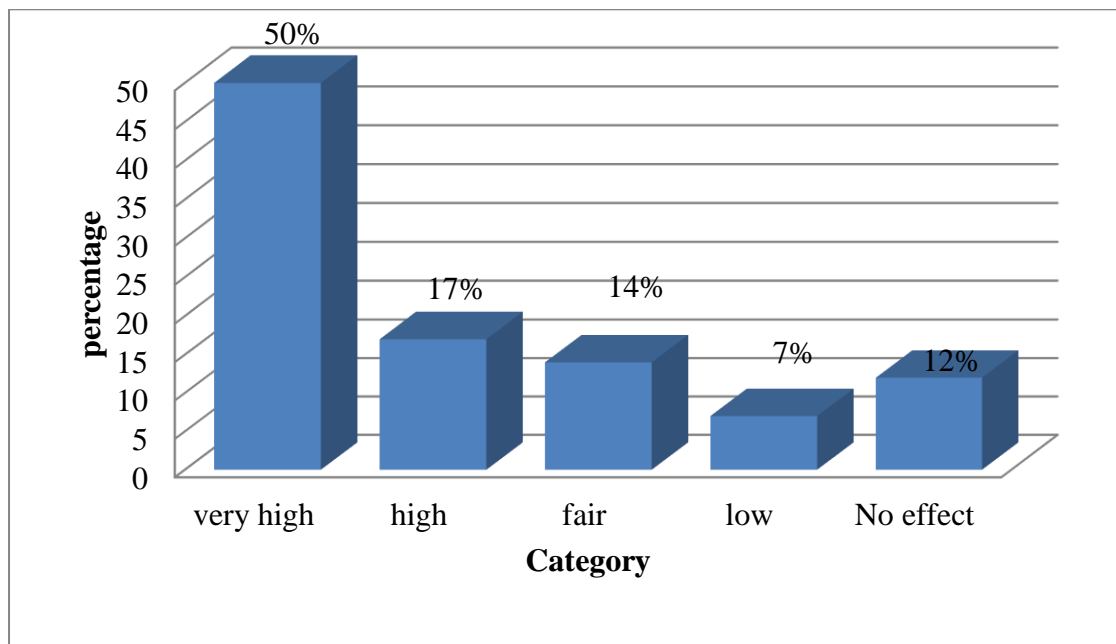
4.1.13 Brand Effects as a Globalization strategy

Table 4.13 Extent that Brand Effects as a Globalization strategy financial performance of Kenyan companies

Category	Frequency	Percentage
Very high	21	50
High	7	17
Fair	6	14
Low	3	7
No effect	5	12
Total	42	100

Source: Author (2022)

Figure 4.13 Extent that Brand Effects as a Globalization strategy financial performance of Kenyan companies



Source: Author (2022)

Analysis from the above table 4.13 and figure 4.13 indicates that 50% of the respondents agreed that Brand Effects as a Globalization strategy financial performance of Kenyan companies at very high, 17% high, 14% fair and 7% low and 12% stated it does not affect. From the analysis it can be concluded that Brand Effects as a Globalization strategy does affect financial performance of Kenyan companies.

4.2 Limitations of the Study

4.2.1 Bureaucracy

Organizations have a set of rules and regulations that control the movement of employees into and out of the company. The visitors/researchers often detest some processes since they are excessively long and boring. There were certain rules and processes that had to be followed in order to get the job done. Despite these obstacles, the researcher was well-prepared to follow all rules and regulations in order to conduct a successful research project.

4.2.2 Inaccessibility to the Company

Restrictive restrictions against outsider researchers, in particular private research projects, had first denied the researcher access. Many organizations' inefficiencies have been investigated and exposed during the course of documented history. In order to acquire access, the researcher used an introduction letter from Management University of Africa, which explained the goal of this study.

4.2.3 Lack of Cooperation

The researcher was still confronted with difficulties because of the unwillingness of others to cooperate. For a variety of phony reasons, a few members of this organization's employees refused to participate in this study. It is possible that many respondents would have been unwilling to offer the information because of this. But to counter this, the researcher had to ensure the respondents that this survey was purely focused on academic purposes.

4.3 Chapter Summary

Analyzing data was the focus of this chapter. Gender of Respondents, Years of Work Experience of Respondents and Education Level of Respondents are among the facts presented in this chapter. Accordingly, the chapter was further subdivided into quantitative analysis, which focused on the study's aims and the study's limits.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter summarizes, discusses and makes conclusions on the findings of this study in relation to the objectives put forward in chapter one. It also discusses the recommendations for further research as well as recommendations for policy and practice.

5.1 Summary of Findings

In terms of qualitative responses, 52 percent of respondents indicated that franchising as a globalization strategy had a significant impact on the financial success of Kenyan businesses. Franchising as a Globalization strategy affects financial performance of Kenyan companies to a fair extent, according to 24% of respondents. Franchising as a Globalization strategy affects financial performance of Kenyan companies to a low extent, according to 5% of respondents, and Franchising as a Globalization strategy does not affect financial performance of Kenyan companies, according to 2% of respondents.

31 percent indicated a very high degree, 19 percent indicated a high extent, 14 percent indicated a fair amount, and finally, a low answer suggested a low extent. Mergers and acquisitions as a globalization strategy had little impact on the supply of food items in Kenya's food processing sectors, according to 7 percent and 29 percent of respondents, respectively. According to the findings of the survey, the majority of respondents believe that mergers and acquisitions as a globalization strategy affects mergers and acquisitions as a globalization strategy. Kenyan firms' financial performance This means that mergers and acquisitions as a globalization strategy are a critical concern for Kenyan firms' financial success.

The impact of foreign direct investment (FDI) as a globalization strategy on Kenyan enterprises' financial performance According to the findings, 38% gave it a very high rating, 21% gave it a reasonable rating, 10% gave it a bad rating, and 21% gave it a no impact rating. Based on the findings, it can be stated that FDI as a globalization strategy has a very high impact on the financial performance of Kenyan enterprises, as indicated by 41% of the total respondents.

According to the data, 50 percent of respondents agreed that Brand Effects as a Globalization strategy influence supply of food items in Kenya's food processing sectors at Very high, 17 percent high, 14 percent fair, and 7% low, while 12 percent said it has no effect. Based on the findings, it can be stated that Brand Effects as a Globalization strategy has an impact on Kenyan enterprises' financial success..

5.2 Recommendations

Bidco Africa should support innovation, according to the report, since it will increase their profitability. The report also suggests that Bidco Africa release new items on a regular basis to increase the variety of their product offering, which would help the company generate more money. Bidco Africa should also develop their creative marketing strategies, according to the report, since this would increase value creation and hence increase profitability.

To assist boost the firm's performance, the report suggests that senior management teams assess existing succession planning plans and staff retention initiatives. Bidco Africa should develop a clear incentives system, bonus systems, and other fringe perks, according to the report, in order to enhance productivity.

Bidco Africa should reassess its recruiting and selection methods, according to the report, to guarantee that the organization's operating demands are addressed. This will aid in the financial success of the bank. To guarantee a favorable influence on their profitability, the bank should nurture its training programmes throughout all parts of their personnel, according to the report.

The analysis also suggests that the bank examine the operational expenses of market segmentation and product delivery to ensure that the bank bears the least amount of risk. This was crucial in ensuring the bank's financial success. The research also suggests that the bank reassess its price skimming procedures on a regular basis, since this was crucial to Bidco Africa's better financial performance.

5.3 Conclusion

The aforementioned statistics indicate that franchising as a globalization strategy has a significant impact on the financial performance of Kenyan businesses. The majority

of respondents felt that franchising as a globalization strategy had a significant impact on the financial performance of Kenyan businesses.

This indicates that the majority of respondents felt that mergers and acquisitions are a good way to improve the financial performance of Kenyan firms as a globalization strategy. According to the results of the survey, the majority of respondents believe that mergers and acquisitions as a globalization strategy affects mergers and acquisitions as a globalization strategy. Kenyan firms' financial performance This means that mergers and acquisitions as a globalization strategy are a critical concern for Kenyan firms' financial success.

According to the data, the majority of respondents believe that FDI as a globalization strategy is a component to consider when it comes to Kenyan firms' financial success. Based on the findings, it can be stated that FDI as a globalization strategy has a very high impact on the financial performance of Kenyan enterprises, as indicated by 41% of the total respondents.

This demonstrates that Brand Effects as a Globalization strategy has an impact on Kenyan enterprises' financial success. Based on the findings, it can be stated that Brand Effects as a Globalization strategy has an impact on Kenyan enterprises' financial success.

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APPENDIX I: Introduction Letter



Date: 31st March 2022

TO WHOM IT MAY CONCERN

RUKIA HASSAN ADAN- DIR/10/0055/1/21

This letter serves to introduce the above named who is a (Diploma in International Relations and Diplomacy) student and is interested in carrying out research on Effect of Globalization Strategies on Company Financial Performance in Kenya. A Case Study of Shell Bidco Limited

Any assistance accorded to her in pursuit of this study will be greatly appreciated.

Yours Sincerely,



Juster Nyaga
Dean, School of Management and Leadership



**APPENDIX II:
QUESTIONNAIRES**

Please fill in the questionnaire as diligently as you can. Tick in the appropriate box where the question requires you to do so, where the space is provided. Please fill in your answer.

SECTION A: GENERAL INFORMATION

1. Gender of respondent

Male

Female

2. Age of respondent

18-29

30-39

40-39

50 and above

3. Period of service

Less than 5 years

5-10years

11-15years

More than 15years

4. Educational Background

Primary

Secondary

College

University

5. What is your position in the organization?

Senior management

Middle management

Support staff

SECTION B: FRANCHISING

6. Do Franchising as a Globalization strategy influence financial performance of Kenyan companies?

Yes

No

Give reasons to your answer above.

.....
.....
.....
.....

7. To what extent do Franchising as a Globalization strategy influence financial performance of Kenyan companies?

Very high extent

High extent

Low extent

Very low extent

None at all

Give reasons to your answer above.

.....
.....
.....
.....

SECTION C: MERGERS & ACQUISITION

8. Does mergers & acquisition as a Globalization strategy influence financial performance of Kenyan companies?

Yes

No

Explain

.....
.....
.....
.....

9. In what ways does mergers & acquisition as a Globalization strategy influence financial performance of Kenyan companies?

Very high extent

High extent

Low extent

Very low extent

None at all

Give reasons to your answer above.

.....
.....
.....

SECTION D: FDI

10. Does FDI affect as a Globalization strategy on financial performance of Kenyan companies?

Yes

No

Explain

.....
.....

11. How does FDI as a globalization strategy influence financial performance of Kenyan companies?

- Very high extent
- High extent
- Low extent
- Very low extent
- None at all

Give reasons to your answer above.

.....

SECTION E: BRAND EFFECTS

12. Does Brand Effects as a Globalization strategy influence financial performance of Kenyan companies?

- Yes
- No

Explain

.....

13. In what ways does Brand Effects as a Globalization strategy influence financial performance of Kenyan companies?

- Very high extent
- High extent
- Low extent
- Very low extent
- None at all

Give reasons to your answer above.

.....

THANK YOU FOR YOUR COOPERATION. GOD BLESS YOU

APPENDIX III: Time Schedule

	FEBRUARY				MARCH				APRIL			
ACTIVITIES	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4
Project writing	■	■										
Questionnaire pre-testing			■	■								
Getting authorization					■							
Data collection						■						
Data Analysis							■					
Report writing								■	■	■		
Defense and submission of project.											■	■

Source: Author (2022)

APPENDIX IV: Budget

NO	ACTIVITY	BUDGET (IN KSH)
1	Purchase of Stationery	490.00
2	Travelling Expenses	1900.00
3	Communication Expenses	500.00
4	Analysis of Report	500.00
5	Miscellaneous	800.00
6	Printing of The Three copies of The Report	900.00
7	Printing & of the two copies and CD	1500.00
8	Hardcover bidding and CD	2020
	TOTALS	8590.00

Source: Author (2022)

APPENDIX IV: Plagiarism Report



User name:
Francis M. Macharia

Check ID:
70482545

Check date:
18.07.2022 11:25:15 EAT

Check type:
Doc vs Internet

Report date:
18.07.2022 11:31:48 EAT

User ID:
109540

File name: **rukia july 18 test**

Page count: **57** Word count: **12818** Character count: **98400** File size: **265.47 KB** File ID: **81523160**

11.5% Matches

Highest match: **2.3%** with Internet source (<https://core.ac.uk/download/pdf/220096759.pdf>)

11.5% Internet sources

1000

Page 59

No Library search was conducted