EFFECT OF BUSINESS CONTINUITY PLANNING PRACTICES ON PERFORMANCE OF SUPERMARKETS: CASE OF SUPERMARKETS IN KISUMU CITY, KENYA

BY

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SCHOOL OF BUSINESS AND ECONOMICS

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DECLARATION

This research projects is my original work and has never been presented to any other institution or university for the award of any degree, diploma or certificate.

Signature …… Date…….....

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This research project is submitted for examination with my approval as the university supervisor.

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God bless you all.

DEDICATION

This project work is dedicated to my Dad Peter Sewe Onyango and mother Pamela Adhiambo Sewe for instilling the value of education in me.

ABSTRACT

The rise of data processing technologies, globalization of trade, and high-speed communication and travel provided businesses having an unprecedented set of opportunities for growth. With this new paradigm of business operations, however, also came a different and expanded set of vulnerabilities to risks and disasters. The increasing interconnectedness of commercial enterprise with all facets of town made business continuity planning a cornerstone of community resilience. Business preparedness reduced the disruption to employees, productivity, profitability and enabled an organization to play a stabilizing role in industry. Business Continuity Planning was associated with identifying, acquiring, developing and documenting along with conducting and testing for resources and procedures to ensure the key or critical operations of an organization were secured in case of a disaster or any such event. But despite availability of such tools, supermarkets in Kenya continually faced survival challenges when faced with various disasters with some of them already having significant reductions in operations and productivity. Supermarkets in Kisumu County had continually faced productivity and operational challenges during political upheavals. No study had attempted to investigate how business continuity planning tool could be used to help address these challenges. Based on the contingency and resource-based theories, this study seeks to determine the effect of business continuity planning on the performance of supermarkets in Kisumu County. The specific objectives included determining the effect of BCP awareness, to establish the effect of BCP preparedness and to evaluate the effect of barriers to BCP implementation on performance of supermarkets. Data would be collected using a structured questionnaire. The study would adopt a correlation research design on a population of 847 supermarket employees and a sample of 174 selected using Yamane's formula. Data would be analyzed using linear regression methods and presented using descriptive statistics. The results would be useful to supermarket managers and investors in formulating business continuity strategies, scholars and future researchers in the area of business continuity planning practices. A pilot study on 16 employees was carried out and the instrument of reliability was ascertained using Cronbach's alpha where a threshold of 0.7508 which is more the Alpha of 0.7 was obtained indicating reliability. Mean and standard deviation were used to analyze objectives, whereas regression analysis was used to analyze the effect of business continuity planning practices on performance of supermarkets in Kisumu County. Using multiple regression, the study established that complexity in BCP awareness has an insignificant effect on supermarket performance (β=-0.267, $p<0.05$). This implies that an increase in BCP awareness will insignificantly affect the supermarket performance. BCP preparedness has a significant effect on the operational performance of the large-scale manufacturing firms (β=0.383) and leads to an increase in supermarket performance. Barriers to BCP implementation also has a significant effect on supermarket performance(β=0.555$p<0.05$). The study recommends that the supermarkets should have a continual focus on BCP awareness to improve on their performance. The study thus concludes that order structuring has an effect on the operational performance. Therefore, the study recommends that supermarkets should be advised to embrace the concept so that they can be able to reap the benefits of adopting these practices. It was expected that the study would be significant to the government, other organizations as well as other researchers.

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LIST OF ABBREVIATIONS AND ACCRONYMS

APT - Advanced Persistent Threats

BC - Business Continuity

BCM - Business Continuity Management

BCP - Business Continuity Planning

CAGR- Corporate Annual Growth Rate

CBK - Central Bank of Kenya

DR - Disaster Recovery

GDP - Gross Domestic Product

ISO - International Organisation for Standardization

IT - Information Technology

RBT - Resource Based Theory

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CHAPTER ONE
INTRODUCTION

This chapter introduced the study. It covered the background of the study, problem statement, and objectives of the study, scope of the study, justifications and finally, a conceptual framework expressing the relationship of the study variables.

1.1 Background of the Study

The rise of data processing technologies, globalization of trade, and high-speed communication and travel provided businesses today with an unprecedented set of opportunities for growth. With this new paradigm of business operations, however, also came a different and expanded set of vulnerabilities to risks and disasters. And the increasing interconnectedness of commercial enterprise with all facets of the community in what was called supply chains makes business continuity planning a cornerstone for the community to bank on. Business preparedness reduced the interruption of employees, disruption to productivity, and profitability; and it enabled an organization to play a stabilizing role in the community.

Business Continuity Planning was associated with identifying, acquiring, developing and documenting along with conducting a testing for resources and procedures so that it ensured the key or critical operations of an organization were secured in case of a disaster or any such event. Successful business continuity planning – creating plans that allowed an organization to perform its critical business processes during and after a disaster – relied more upon human nature and less upon technical knowledge and rigor than many people realized. Utilities tended to be highly technical environments given both the nature of the business and the nature of people who had come up through the ranks of those organizations (Butler, Meshkati and Pelling, 2001).

Business Continuity Planning (BCP) is a tool which primarily assesses existing operations, finds out the risks to these operations and the organizational preparedness incase these operations were disrupted. It developed a build in approach to ensure that critical operations and processes continued to work after interruption, as an example, as a result of an episode or disaster. The BCP served as an essential component of an organization's response planning (Lindstrom, 2010). Thus, an effective BCP detailed out the manner in which a business entity should operate in the event of an incident; including the different ways it expected to return to "normal business operations" in the most optimum and quickest period possible (Savage, 2002). Further, a BCP

did not require to have specific modalities like for terrorist incidences but rather ought to have made application of any potential major disruptions like incidences of fire, power fault or flooding (Botha, 2004). A BCP forged an agreed framework for ensuring disruptive events were kept under control; ensured critical and appropriate resources were reinstated to maintain and sustain critical business functions; and also facilitated the staffing process to ensure the right personnel required to coordinating activities were on board (Pitt, 2004). A BCP must be clear and well-presented so as to avoid vagueness and be in a way that all persons could understand its content and act in what was expected of them (Karakasidis, 2007). This study, however, did not illustrate how BCP awareness and preparedness would have specifically affected performance of the organization.

To really have a good framework for BCP a couple of considerations will need to have been fulfilled; key would be an evaluation of the roles and individuals which were fundamental in meeting the business enterprise needs and commitments. It had been absolutely also important to execute an evaluation of the equipment, IT, or logistics measures et cetera, that the staff needed seriously to sustain operations. It'd also have already been important to review the amount to which a business could function just before undertaking full restoration of disrupted operations. The evaluation of alternative resources was also important along with the consideration of the departments which were vital in fulfilling specific and critical orders or contractual obligations. The ultimate one will be the critical analysis of the suppliers including third parties which were considered integral to daily routines of the business.

The other inclusion criteria were the highlighting of necessary resources needed to boost business continuity even encompassing personnel, equipment, financial allocations, infrastructure, accommodations and protection (Karakasidis, 2007).Further to the difficulties above was that the BCP needs to have sequential steps which staff members may follow during-post a disruptive event in order to maintain essential operations as well as return to “business as usual” in the shortest time possible. It was so the case, that a BCP was critical to any business and may have varied widely depending on the kind of operations undertaken by an organization; the same may also have varied given the location. However, the following must be included (Lindstrom, Samuelsson, and Hagerfors, 2010): plans, arrangements and measures geared

towards ensuring the continuous delivery of major services or products; thus, enable Safaricom, for instance, to recover its facility, assets and even data.

BCP faced a lot of challenges. According to Lingeswara (2012), the key challenges in the implementation of BCP included lack of senior management commitment and involvement. In most organizations, BCP, left to middle and junior staffs that were not empowered to make decisions and did not even control budgets making the process fail. The other key challenge was the lack of understanding of data dynamics and dependencies that were required in data recovery by the BCP implementors. This especially manifested itself when BCP did not consider all necessary components or variables to bring it to life, leading to a failure of the BCP. A good example would be preparing a good BCP for a system and forgetting dependencies such as a transmission link.

BCP also faced challenges of having a technology only approach to BCP when planning for organizational resilience. In such cases, other resources such as people were forgotten introducing a serious risk to the BCP. BCP process did also face a challenge of incorrect and/or inappropriate assumptions in formulating BCP. The implications of these challenges pointed directly to weak BCP plans which were not able to safeguard organizations against failures. Organizations ended up losing opportunities as well as customers or having very dissatisfied customers.

The AT&T study established that 81% of companies indicated that their business continuity plans accommodated the chance of a network security event, such as for instance malware, phishing, bugs and malicious hackers. Additionally, it discovered that 63% of business leaders classified security breaches as their number one business concern in terms of overall security strategies. Although many companies (89%) indicated that they had a proactive approach to overall security, less than half those polled (49%) claimed they had a powerful execution strategy in place. The AT&T survey discovered that although business leaders had the right tools in place, the quantity of threats infiltrating the company now required stronger requirements on leading and back end to fend off ongoing attacks. 86% of companies surveyed were worried about the usage of mobile networks and devices. Over one-third (34%) had experienced a distributed denial-of-service (DDoS) attack before 24 months. However, only half organizations (50%) were currently taking proactive measures against protecting their company against DDoS

attacks. Similarly, one-fourth (26%) of companies had experienced an enhanced persistent threat (APT) attack before 24 months. However, only 44% of respondents were having a proactive approach to protecting their companies against advanced persistent threats. The above-mentioned studies failed to demonstrate specifically the effectation of business continuity thinking about the performance of the retail sector.

Business preparedness to disasters and risks discovered that as devices infiltrate the workforce and organizations expand globally, companies were looking beyond the impact of natural disasters when evaluating their business continuity strategies; this was a study by AT&T in 2016. They certainly were now evaluating the ongoing impact of security breaches and the tools needed not just to mitigate risks but also proactively anticipate potential internal and external threats with their organizations.

The most effective twenty-five listed retailers in Africa collectively earned retail revenue of US$44.3 billion in FY13, contributing approximately 5.4% to the total African retail market size of US$823.2 billion. Their combined retail revenue grew by 9% y-o-y in FY13, from US$40.6 billion in FY12 (Deloitte, 2015).

Africa's economic progress and its 350 million middle income (as per estimates of the African Development Bank) had made the region attractive for retailers (Deloitte, 2015). Particularly, Sub-Saharan Africa, by having an urbanization rate of 3.61% and 7 of the 10 fastest-growing economies on earth, had become a nice-looking investment destination for both domestic and international retailers. The Southern African retail market was relatively more mature and sophisticated than those in West and East Africa. However, due to its saturation, companies were looking beyond Southern Africa to expand into countries such as for example Rwanda, Tanzania, Kenya, Nigeria and Ghana. Kenya accounted for only 4% of the total African Retail Sector, being led by South Africa at 60% followed closely by Zimbabwe at 12% (Deloitte, 2015).

East Africa is really a relatively high-growing retail market on the continent, with three countries featuring in the very best five for the fastest year-on-year retail growth in 2013. Tanzania posted the greatest growth at 16.1%, alongside Zambia (10.8%) and Kenya (8.6%). Kenya was the biggest retail market in East Africa, with a US$23.7 billion retail market size in 2013 (Deloitte, 2015). Its retail market is dominated by local private and family owned entities such as Nakumatt Holdings, Naivas and Tuskys. Nakumatt Holdings, Uchumi Supermarkets and Tuskys were the

three largest Kenyan chains, which also had stores in neighboring Uganda and Rwanda. With Uchumi Supermarkets being the only listed retailer located in Kenya to create it onto the very best 25 retailer list. Tanzania was also a nice-looking market in part because of its location on the Indian Ocean coast.

Local competition in East Africa had impacted a number of the major South African and foreign players from setting up their base in the region. Shoprite Holdings decided to exit Tanzania in 2014, selling its stores to Nakumatt Holdings. Massmart Holdings 'bid to get a majority stake in a Kenyan supermarket chain, Naivas, also fell through in 2013. However, East Africa, particularly Kenya, was still being identified as the next market for major South African players. Aside from Kenya's attractive GDP of US$56.1 billion, it has 25-30% formal retail compared to 60% in South Africa. The country also had an increasing middle income that was fueling a "mall" culture. Mr. Price Group and Truworths International (among the very best 10 by retail revenue) were able to enter the region in 2007 and 1999 respectively, via a franchise agreement with local retailer Deacons. Choppies Enterprises, the fastest-growing retailer in FY13, entered in to a conditional agreement in 2015 with a Kenyan tier-two retailer, Ukwala Supermarkets, to get 10 outlets in Kenya.

1.2 Problem Statement

Supermarkets were in competition with other retailers all the time. The stiff competition for scarce resources depended on the number of supermarkets in any given market arena, their size in terms of the variety of goods and services offered, population size and promotional activities by the various supermarkets such as aggressive advertising among other factors. Among the scarce resources were scarce goods and services, customers, suppliers, supplies and prime sites to locate the supermarkets. Supermarkets were seen as taking over market share in Kenya's food system. With the expanding middle class, improved infrastructure and high urban populations among many factors, supermarkets were on an upward growth path. Liberalization of the economy, ease of entry into markets, improved infrastructure and supportive policies, information technology and the media, change in consumer's lifestyle and improved income, growth in industrial and manufacturing sectors and urban migration were some of the other factors that had made the environment conducive to the retail sector growth in Kenya. Competition was therefore very high in a situation and context where the retail sector faced such

high rates of growth. Different firms and their competitors attempted to outperform each other to get the best and more and secure and indefinite lease in the sector through whatever means. In Kenya today, supermarkets among other firms were investing significantly to stay relevant in the market arena. Performance of the retail sector in Kenya in comparison to other African countries was, however, worrying. By 2015, the contributions of country retail sales to GDP was as follows: Malawi was leading with 76.9%, followed by Eritrea at 70.2%, then Comoros at 69.1%. Kenya was at a far distant position with 43%. In terms of Growth in e-Commerce sales, Kenya ranked fifth at US$84.1 million behind Egypt with US$2,542.6 million, Nigeria with US$527.6 million, South Africa at US$436.8 million and Angola at US$294.3%. This performance viewed in terms of Corporate Annual Growth Rate (CAGR) translated into 0.35% for Kenya, 2.16%, 0.43%, 0.38% and 0.24% for Egypt, Nigeria, South Africa and Angola, respectively. These trends indicated a less competitive performance in favor of Kenya in comparison to the African counterparts. Past studies had only concentrated on the performance of supermarkets in comparison to local competition. Furthermore, none of the studies had looked into how preparedness of the retail stores to various business risks may have been affecting the overall performance. This study would seek to determine the effects of business continuity planning practices on the performance of supermarket retail stores in Kenya.

1.3 Objectives of the Study

The main objective of the study was to determine the effect of business continuity planning (BCP) practices on the performance of supermarkets in Kenya.

The specific objectives of the study were as follows:

(i) To determine the effect of BCP awareness on performance of supermarkets in Kenya.

(ii) To establish the effect of BCP preparedness on performance of supermarkets in Kenya.

(iii) To evaluate the effect of barriers to BCP implementation on performance of supermarkets in Kenya.

1.4 Research Hypothesis

The study will be guided by the following hypotheses:

$\mathbf{H_{o1}}$: There is no significant effect of BCP awareness on performance of supermarkets in Kenya.

H_{o2}: There is no significant effect of BCP preparedness on performance of supermarkets in Kenya.

H_{o3}: There is no significant effect of barriers to BCP implementation on performance of supermarkets in Kenya.

1.5 Scope of the Study

This study has focused on the effects of business continuity planning on the performance of supermarkets in Kenya. Further, this study has reviewed literature in the area of business continuity management and narrowed down only on planning aspects for business continuity. Performance of supermarkets was measured by size in terms of number of branches and spread, number of employees and turnover.

1.6 Justification of the Study

Retail outlets faced a number of challenges ranging from political conflicts, terrorist attacks, stiff competition and those emanating from globalization and ever-changing technological innovations. In such an environment, the retailers must have protected themselves from the potential vulnerabilities. This study would play a big role in providing critical knowledge and information to managers of retail entities on ways to manage potential risks. Besides, the research community would find interesting leads for future research as risk management and supply chain students would find a rich knowledge base for learning.

1.7 Conceptual Framework

A conceptual framework is basically the representation of particular study or survey topic that drives the investigation being reported based on the problem statement (Kamau, 2016). Organizations that are successful use a conceptual method of implementing a consistent and unremitting focus on identifying, adjusting and adopting performance measurement (Gazo, 2007)

BCP PRACTICES

Independent Variable: BCP **Dependent Variable**

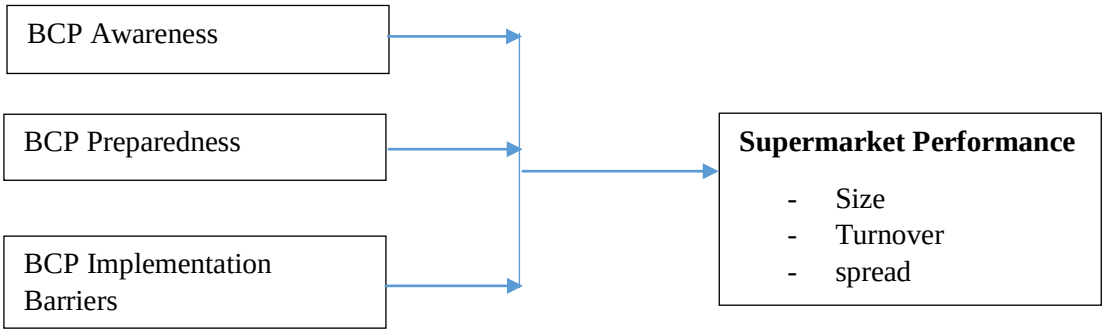

Figure 1.1: Conceptual Framework

Source: Researcher, 2019

This study was anchored on a conceptual framework of two variables, business continuity planning being the independent variable and supermarket performance as the dependent variable, which is what the researcher is trying to measure. The independent variable would be studied in terms of three components: BCP awareness, BCP preparedness and BCP barriers while supermarket performance would be studied in terms of size, spread and turnover.

CHAPTER TWO
LITERATURE REVIEW

This chapter presented the review of literature on the subject of study. First, it started with theoretical review, in which two theories were used to support the study, followed by a review of the key concepts in this study. Secondly, an empirical review was carried out on each of the study objectives with the objective of exposing some of the gaps in literature. Finally, the last sub-section summarized the various gaps identified in literature.

2.1 Theoretical Review

2.1.1 Contingency Theory

This theory was concerned with organizational structure including both the formal and the informal organization of hierarchical and information as well as decision making structures within an organization. (Otieno, 2009). This approach to management had its roots in general systems theory and the open systems perspective. The open systems perspective viewed the complex organization as a set of interdependent parts that, together, constituted a whole which, in turn, was interdependent with the larger environment.

The interactive nature of the elements within the organization and between the organization and the environment resulted in at least two open system characteristics that was central to the contingency approach. The principle of adaptation asserted that the elements within the system adapted to one another to preserve the basic character of the system. In addition, the principle of equifinality held that a system could reach the same final state from differing initial conditions and by a variety of paths (Hahn, 2007). The theory also held that there are different levels of fit such as technological, human capital quality management and decision-making structures each with different performance levels. This then held that an organization could move from one level of fit to the other gradually by laying out a strategic map which gave guidelines for the gradual change until it got its optimum level of fit which was the equal performance of all the fit points of the organization. This was the format used by ISO to measure organizational performance and efficiency. This was the aspect adapted in public procurement to determine the level of fit attained by integrating various players in the procurement process, (Demeester & Grahovac, 2005). Snow et al (2006) argued that as much as an organization may not attain full fit, it could attain a quasi-fit, that is, a structure that only partially fit the contingencies. The assertion was

that this quasi-fit status may still increase performance sufficient to produce some expansion in the contingencies. Thus, an organization that was in misfit by being below the fit line could follow a growth path of increasing its organizational size and structure by moving into quasi-fit, rather than full fit. For such an organization in misfit, it may increase its structure sufficiently to move up onto the quasi-fit line. This level of fit produced an increase in the performance of the organization, though less than would be produced if the organization had moved into fill fit. Nevertheless, this quasi-fit produced a sufficient increase in performance that the organization had new surplus resources that allowed it to grow. This increment of growth propelled the organization forward into a new state of misfit, which again could be resolved by the organization increasing its structural level sufficient to attain move back onto the quasi-fit line. Hahn (2007) suggested that contingency theory made it possible to draw from other management theories.

The above suggestion conceptualized a scenario where an organization was faced with declining profits and for solving the problem, the management was faced with three possible solutions from three different theoretical foundations such as use of time studies derived from the classical management theory to increase productivity of the workers, or the involvement of workers in improving work methods as given by the behavioral management theory, as well as the establishment of a team of sales and production personnel to coordinate sales and production as proposed for in the systems theory. He then asserted that, rather than doing all three, contingency theory stressed the need to first determine the true cause of the problem and select the action that would offer the best solution. In other words, the solution must fit the problem.

2.1.2 Resource Based Theory

The approach referred to as Resource-Based Theory (RBT), that was thought to originate from Penrose's idea (1959) of the firm as a coordinated ‘bundle’ of resources, tackled the question of a firm's goals and strategic behavior (Barney, Della Corte, Sciarelli, 2008; Della Corte, Sciarelli, 1999). If the strategy was ‘a firm's theory about how exactly to compete successfully'(Barney, 2002), the origin of the sustainable competitive advantage was the ability to exploit a bunch of resources that the business had at its disposal or had use of, which were valuable, rare and inimitable (Wernerfelt, 1984; Barney, 1991). The organization, in the widest sense of the term, must favour the coordination and complete exploitation of the potential of those resources.

Mechanisms that prevented or limited imitative processes played a decisive role. Unique, unrepeatable historical conditions or the accessibility to systems to safeguard innovation (patents), coupled with conditions of ‘causal ambiguity’ and ‘social complexity '. Sometimes, tacit understanding, complexity and specificity of resources could make the causal connection between resources and competitive advantages indecipherable. A company culture, a reputation, and interpersonal relations between managers will be the consequence of socially complex phenomena and therefore difficult to replicate.

The focus of the resources of competitive advantage was concentrated inside the company, definitely not the structuralist vision of Industrial Organization studies (Porter). However, from the RBT viewpoint, the evaluation of resources could not overlook an analysis of the external environment (Wernerfelt, 1984; Barney, 1991; Peteraf, 1993) or of the results that this could have on the competitiveness of the company's portfolio of resources, consequently of both sector dynamics and the procedure of technical and economic obsolescence. The analysis models elaborated by RBT scholars for the external environment (Wernerfelt, 1984; Amit and Schoemaker, 1993; Barney, 2007) explicitly referred to sector analysis models like Porter's models (1980, 1985), but we were holding also re-interpreted so they did not address the role/positioning of products/activities but those of resources and the related effects.

The dynamism of the surroundings and the necessity to take into consideration the obsolescence it generated, forced a business to constantly update its portfolio of resources. This took devote three main ways: acquisition of resources externally; internal generation of resources; sharing of resources with other companies.

In the first case, the company acquired the resource directly from outside, addressing ideal Strategic Factor Markets (Barney, 1986), i.e. markets on which the specific resource requested by the company was traded. The efficiency with which the market expressed the worthiness of a source through the purchase price obtained by free negotiation between demand and supply, could hinder a company from using the resources acquired in this way. Unless there have been imperfections available in the market mechanisms, the purchase price allows the vendor to keep the larger value that the resource has for the company, limiting the contribution it made to a superior performance for the company (Porter, 1980), unless the purchasing company's

information about the possible value of the resource was better compared to the seller's (Barney, 1986).

Dierickx and Cool (1989) remarked that there might be resources which is why it wasn't possible to create a market because they may not be assigned a benefit, because of the specific nature. In these cases, the firm may only procure the necessary resource by producing it internally with a process of accumulation that must definitely be managed carefully in time.

The growing instability of the markets limited the chance of developing resources internally; in this instance the company could begin a relationship, certainly not commercial (alliance), with a number of firms with the necessary resource, creating a strategic alliance (Ireland, Hitt and Vaidyanath, 2002), to undertake, or at least facilitate, learning processes and boost internal resources (Nonaka and Takeuchi, 1994). On another hand, this caused it to be hard for company management to monitor the evolution of the strategy whilst it required the company to produce dedicated resources and capabilities to control the cooperation and prospect of conflict that coexisted in just about any agreement (Das and Teng, 2000).

The resource-based theory applied in BCP, in that BCP was exactly about having the data by what resources an organization had and utilizing them in efficient manner to operationalize business processes in case of the invocation of a BCP.

2.1.3 Business Continuity Management and Business Continuity Planning

Business survival depended on the assured continuity of core business activities and supporting services: business continuity (BC). Critical business operations were the company functions, resources and infrastructure that may, if disrupted, had a product impact on the regulated institution's business functions, reputation, profitability, depositors and/or policyholders. Business Continuity Planning (BCP) is an application which primarily assesses existing operations, risks to these operations and the organizational preparedness incase these operations are disrupted. It developed a built-in approach to make sure that critical operations and processes continued to operate after interruption e.g. as a result of an episode or disaster (Katunge, 2015).Plans were therefore developed to supply this assurance. Business Continuity Management (BCM) had been defined as a whole-of-business approach that included policies, standards and procedures for ensuring that critical business operations might be maintained or recovered in a

reasonable fashion, in case of a disruption. Its purpose was to minimize the financial, legal, regulatory, reputational and other material consequences arising from the disruption.

The Business Continuity Plan (BCP) served as an essential component of an organization's response planning (Lindstrom, 2010). Thus, an effective BCP detailed out the manner in which a business entity should operate in the event of an incident; including the different ways it expected to return to "normal business operations" in the most optimum and quickest period possible (Savage, 2002). Further, a BCP did not require to have specific modalities like for terrorist's incidences but rather ought to make application of any potential major disruptions like incidences of fire, power fault or flooding (Botha, 2004). A BCP plan by and of itself forged an agreed framework for ensuring disruptive events are kept under control; ensured critical and appropriate resources were reinstated to maintain and sustain critical business functions; and also facilitated the staffing process to ensure their right personnel required to coordinating activities are on board (Pitt, 2004).

A BCP must be clear and well-presented so as to avoid vagueness and be in a way that all persons could understand its content and act in that which was expected of them (Karakasidis, 2007). To have a good framework for BCP several considerations must be fulfilled; key could be an evaluation of the roles and individuals which were fundamental in meeting the business needs and commitments. It had been also important to do an analysis of the gear, IT, or logistics measures et cetera, that your staff needed to sustain operations. It'd also be important to review the degree to which a small business could function prior to undertaking full restoration of disrupted operations. The evaluation of alternative resources was also important in addition to the consideration of the departments which were vital in fulfilling specific and critical orders or contractual obligations. The last one would be the critical analysis of the suppliers including third parties which were considered integral to daily routines of the business.

Further to the issues above was that a BCP should have sequential steps which staff members may follow during-post a disruptive event so as to maintain essential operations as well as return to "business as usual" in the shortest time possible. It was so the case that a BCP was critical to any business and may vary widely depending on the kind of operations undertaken by an organization; the same may also vary given the location. However, the following must be included (Lindstrom, Samuelsson, and Hagerfors, 2010): plans, arrangements and measures

geared towards ensuring the continuous delivery of major services or products; thus, enabled Nakumatt, for instance, to recover its facility, assets and even data. The other inclusion criteria were the highlighting of necessary resources needed to boost business continuity even encompassing personnel, equipment, financial allocations, infrastructure, accommodations and protection (Karakasidis, 2007).

2.1.4 BCP Awareness

According to Morwood (1998), the most important reason organizations developed business continuity (BC) plans was to ensure they had a plan in place prior to a disaster occurring, thereby facilitating the speedy and cost-effective recovery of core business activities following a disaster. But a plan was only as good as your ability to implement it – and your ability to implement it would be highly dependent upon how well your staff members knew the BC plan and could execute its tasks. Even the simplest of BC plans would require a series of complex and interdependent tasks to be executed in a coordinated manner under adverse conditions. During the stressful hours that a BC plan would be executed, you could not expect your staff members to be reading and apprising themselves of the plan for the first time. Nor could one expect that having documented your BC plan, your staff members would diligently read and absorb every word of it. Quite frankly, you would be lucky if many staff members even skimmed through the BC plan once.

The question of whether to do business continuity training first or go straight into testing did not have a dark or white answer (Morwood, 1998). The consequence of this is that the training regime may also incorporate testing. Once staff had had a chance to be trained and become practiced in their necessary business continuity skills, the same training format could be used to test these skills to confirm that they were commensurate to the required performance criteria. People needed to be trained before they were tested in any particular skill. If you run a test of a highly complex skill before a person had had a chance to practice it, you were highly likely to find that the person failed the test. The result would not only be a waste of testing resources, but would also be a disaffected person who was less eager to perform again because of the fear of repeating his failure. For humans, training is an absolute must!

There were two types of training best suited to BC Training: Awareness training, and Scenario training. Awareness training was designed to give all employees an appropriate level of

understanding of the BC plan. Typically, awareness training could be achieved through a two-tiered series of presentations to staff, covering: Introductory awareness training. This training was pitched at general staff members who would have only an indirect role in the execution of the BC plan. A session of not more than one hour should cover the framework, strategies and important procedures under the plan. This would include organizational responsibilities, key groupings and tasks, emergency evacuation procedures, passage of information procedures, media and emergency services liaison procedures and major administrative support procedures. A slight variant of this session, focusing on business issues, could also be developed for senior management not directly involved in the BC plan (Morwood, 1998).

Detailed awareness training was pitched at staff members who would have a direct role in the execution of the BC plan. A half-day session should be sufficient to detail all aspects of the BC plan. These sessions should cover much the same information as is provided in the introductory sessions, but in more detail. Attention should also be focused on the precise roles and responsibilities that the session attendees would have under the BC plan, while also outlining how other groups would support these activities. Awareness training should be conducted for all employees upon the establishment of the initial BC plan or following significant changes to it. It should also be conducted for all newly recruited employees during induction training and for staff who had moved into positions with new responsibilities under the plan.

Scenario training

Following on from the awareness training sessions, a series of regular scenario training activities should be conducted (Morwood, 1998). These should be pitched at a level appropriate to the probable involvement various staff members would have in crisis or disaster situations. Normally, only staff members likely to be directly involved in the execution of the BC plan would participate in scenario training, although training on evacuation procedures and moves to alternative operating sites may involve all staff. Scenario training involved practical exercises designed to confirm staff members' understanding of the BC plan, to raise their skill levels in the execution of the tasks and to identify issues relating to the further development of the BC plan. Scenarios were set that would elicit a response from participants through which BC training objectives could be achieved.

2.1.5 BCP Preparedness

From a pragmatic viewpoint, a disaster was anything that could cause a disruption in the normal operation of an organization (Wallace & Webber, 2004). Business preparedness, often intended as business continuity, which covered a variety of factors such Strategic management, Business risk analysis, BCP resources, BCP documentation and Information Life Cycle Management. This research explored and evaluated the need for any business to be ready for any future threats by attracting the attention to business continuity planning to rescue lives and assets and to present a clear strategy for effective business continuity plans.

Based on AT&T (2016), all companies and government agencies, irrespective of size, needed to spot their mission-critical business processes and effectively manage the risks around them, whether from the pandemic, hurricane, earthquake or any other sort of crisis. Mission-critical business processes are those that enabled an organization to supply vital services, exercise civil authority, maintain the safety of everyone, or sustain its industrial or economic base. Furthermore, the complexities of maintaining mobility and wireless capabilities during a tragedy or security threat had become increasingly very important to businesses as they considered business continuity planning. Going for a proactive approach to business continuity was essential if you are willing to respond when disaster strikes. Plans should specify redundant systems, back-up sites, employee communications, and alternative work sites. In addition they will include a procedure for maintaining customer service, and customer communications immediately following the crisis and proceeding until things returned to normal. Business Continuity Management, involved business sustainability through a period of significant interruption the effect of a disaster or any other disruptive event. An unplanned interruption could have a direct effect on national security, citizen services and economic well-being.

Business Continuity Management is good business practice because it enabled organizations to keep their essential functions across a wide spectrum of hazards and emergencies. It was required for all types of scenarios including system or component failure the effect of a software upgrade to a manmade or natural disaster that broadly impacted an organization's physical assets, buildings and/or people. Following was a set of key planning principles that applied to business continuity scenarios in people or private sector.

The more accurate an organization could take its planning, the more prepared it would be in the long run. The next outlined six key steps in get yourself ready for any kind of business continuity process (AT&T, 2016).

First, identified key business processes and impacts: The first step was to know what processes were critical to the business and how different disaster scenarios could impact continuity of operations. Like, how could demand for products and services be affected – would it not grow or decline? The thing that was the impact to the organization with regards to leadership, capabilities, security and communications, and what did which means that for the operation of mission critical functions? The answers to these kinds of questions could determine the sort of response required. This task was vital to ensure that, with delegation of authority or orders of succession established, attention and resources could effectively focus on a rapid a reaction to the situation.

Second, performed risk assessment, risk treatment and management: To continue with key business processes in a crisis, it was required for an organization to accomplish an operating risk assessment to simply help address the primary functions first and make the right investments, over time and money. The chance assessment would identify the processes, resources and suppliers which will have the best affect a company's ability to serve its customers or an agency's ability to attain its mission objectives. Additionally, it involved the identification and assessment of the potential threats, the prevailing vulnerabilities and the probability a threat would exploit the identified vulnerabilities. This aided in the identification of risk contact with different the different parts of the organization, in order that fact-based decision making on mitigation plans could occur (AT&T, 2016).

Third, determined recovery strategies: The next step was to define the organization's business continuity strategies. For instance, how did the organization want its business to execute and what options were available? Did the organization keep the exact same service level agreements or made it happen prioritize work? Furthermore, alternate facilities and their desirable characteristics must be considered. The outcome of the danger assessment and the identification of recovery strategies were instrumental in the development of continuity plans to address specific threats.

It was also critical that these activities be accomplished in a methodical and consistent way across the organization so that most elements of the business enterprise were get yourself ready for the exact same scenarios, utilizing the same information to certify that the end-to-end plans were effective.

Fourth, developed business continuity/disaster recovery (BC/DR) plans and provision of DR capabilities: Continuity plans ought to be developed to offer interoperable communication and continuity of key business operations with essential suppliers, and other agencies, until normal operation could possibly be resumed. Delegation of Authority and Orders of Succession supported that businesses planned for the increased loss of leadership in order that essential business operations could continue if key executives were incapacitated. Continuity plans should identify not just incremental strategic or procedural changes, but in addition any gaps in capabilities that would have to be addressed. It was important to implement any new capabilities prior to the event occurring, to permit a small business to successfully recover at time of disaster (AT&T, 2016).

Fifth, trained, tested and exercised: Emergency response team members would have to be provided opportunities to acquire the skills to execute their assigned business continuity roles. Business continuity plans must be capable of implementation with or without warning. They have to have been be tested on a typical basis and in as real a means as you are able to validate their effectiveness when a disaster occurred. This required the development of a test plan, detailing how a business would test capabilities, along with an emergency response guidebook. As well as conducting simulation exercises, recovery strategy implementations were essential to validate operational effectiveness.

Finally, sixth, monitored and improved performance: Situations evolved with time and were not static. An organization must have considered how changes to a situation and the business enterprise environment could affect preparedness. To validate a plan worked during the time of a catastrophe, business continuity plans should have been considered an organizational priority and reviewed regularly. Furthermore, changes on track operations must have been reflected in operation continuity plans and the emergency response guidebook, whether these were system upgrades, process changes or resource restructuring (AT&T, 2016).

2.1.6 BCP Implementation Barriers

In the current retail business world, BCP was imperative to the sustainability of the business. Without proper BCP plans being in place, a supermarket would have been unable to recover from huge service affecting failures (Techadvisor, 2015). There were several challenges that affect the BCP process. The first was prohibitive costs, and this was because many BCP resources required a substantial amount of investment on installation and the maintenance of additional hardware, software and human resource. Firms were advised to counter this by avoiding physical hardware and instead invest in cloud solutions.

The other challenge faced on BCP processes was that most BCP processes were complex to implement, manage and also to execute. This was because they encompassed complex plans and time-consuming procedures which had to be undertaken on top of the normal operations, many firms were thus unable to focus their attention on BCP initiation. This could be addressed by outsourcing the complex work to experts so as not to interfere with the normal operations. They should however be closely supervised and ensured that proper knowledge transfer was done to the organization's workforce. The lack of staff involvement was also another key challenge to BCP processes. To create a long-lasting BCP program, it would have been key to get the entire organization on the same page (Techadvisor, 2015). This was because business continuity planning was a very important aspect of a business and deserves the involvement of all staff. The risk to not involving all staff would have resulted in the implementation being left to only a handful of people with no support thus resulting to a failed BCP process.

2.2 Empirical Review

According to Oxford Business Group, Kenya's formal retail penetration is 35.0% making it the second highest in Africa, after South Africa's 60.0%, which had served as an incentive for foreign retailers. Foreign retailers such as Carrefour, Botswana's Choppies and Game had been able to penetrate the market with considerable success further supported by a widening middle class.

In a bid to tap into the booming e-retailing industry, Naivas Supermarket which opened its 35th store as anchor tenant in Ciata City Mall, announced its new venture into a Ksh.180.0 million ecommerce platform that would see goods get delivered countrywide using their system, Naivas Pay, while also contesting against Carrefour for space previously occupied by Nakumatt in Thika

Road Mall. This was due to an increase in demand and awareness for convenience by the Kenyan shopper.

Nakumatt previously the leading retail store in Eastern Africa had recently undergone severe cash crunch leading to closures of at least three retail outlets in Uganda and shutting down four of its flagship branches in Kenya by October 2017, due to accrued supplier debts that accumulated to Ksh 30 billion by 2017. Uchumi suffered the same fate in 2016 owing to supplier debts that had accrued to Ksh 2.8 billion. The challenges facing the retailers had been as a result of the following reasons: Reduced credit advancement to private sector following the CBK Interest rate legislation; High inflation rates which hit an annual high in May 2017, at 11.7%; Poor governance in the family-led business, lack of wise expansion strategies and internal losses; Entrance of international retailers who got the advantage of tax holidays; and Poor supply chain management which. As per The Ministry of Industry and Trade, Uchumi and Nakumatt accounted for 73.0% of the total debt owed by Kenyan retailers to suppliers.

According to Akram (2011), business preparedness, through implementing Business Continuity Planning (BCP), decreased or eliminated the disruption to employees and profitability and allowed businesses to execute balanced tasks in community. This study presented a conceptual design for measuring the factors of BCP on business disaster preparedness through the usage of statistical indicators. Such research was necessary to develop systematic knowledge how important it absolutely was for businesses to persist with BCP to recover from disasters. The paper figured there was a substantial effect of Strategic Management, Business Risk Analysis, Training and Awareness, and Information Life Cycle Managements when creating BCP a cornerstone for the successful preparedness to any disaster.

Morwood (1998) of KPMG Consulting argued that business survival depends on the assured continuity of core business activities and supporting services, that is, business continuity (BC). Plans were therefore developed to provide this assurance. He added that by including client personnel in the BCP project they championed the BC process and the BC plan. They took the initiative for its continued tuning and testing, and if a problem that escalated to a crisis or if a disaster were to suddenly occur, they would provide the leadership necessary for business survival.

Katunge (2015) studied business continuity planning, implementation and performance in Safaricom Limited using a descriptive case study of the biggest telecommunications company in Kenya. The study used both qualitative and quantitative data collection methods which targeted a total of 37 employees in the company. Primary data was collected using self-administered questionnaires and one-on-one in-depth interviews. The study found that BCP had been successfully implemented at Safaricom for all key services which included M-PESA and M-Shwari. The company had benefited much from the implementation of BCP. The study concluded that the steps for BCP process were followed at Safaricom. BCP process was found to be a critical function that involves many different personnel and departments over multiple phases. The study recommended that for entire BCP process to succeed the organization should include participation from all levels of an organization, including an organization's board of directors, senior management, business and technology managers, and staff. Further research was also recommended in the implementation of BCP for the other products especially on Voice and data services. There was also need for further research extended to the other mobile service providers. This study, however, did not specifically address the pertinent issues of BCP awareness, preparedness and barriers in relation to the performance of the organization.

According to Cytonn Group (2017) Nairobi, Mombasa, and Kisumu counties had the largest mall space supply with market shares of 59.4%, 10.0% and 7.4%, respectively. Nairobi's supply was expected to grow with a 3-year CAGR of 7.3% CAGR to 6.90mn Sq. ft. in 2020 from 5.6mn Sq. ft. in 2017.

Nakumatt announced a proposed merger that would see the retailer sign a multibillion deal with Tuskys. If successful, the retailer would be able to access Tuskys suppliers and would help end their financial distress and restore the retailer to full operations and inventory levels. The retail sector thus in Kenya was likely to experience a paradigm shift with international retailers such as Carrefour making inroads to the Kenyan market taking advantage of the gap caused by the crisis and malls replacing supermarkets as anchors by other retailers such as fast-food stores which had high footfall.

According to the Cytonn Group (2017) report, Retail in Kenya offered attractive returns of about 8.3% as compared to other sectors like residential which offers returns of up 5% - 7%. Despite a drop down in performance, Nairobi was the best performing region, with average yields of 9.6%.

This was attributable to increasing vacancy rates which averaged at 80.2%, 2.7% points decline from 2016's 82.9% as a result higher rents charged by malls in the City due to higher quality of retail spaces. Kisumu had average yields of 9.1%, a decrease of 0.3% points from last year's 9.4% yield. This could be attributed to increased supply in the market following the completion of Lake Basin Mall in 2016. Eldoret had the lowest yield of 6.6%, which was due to the low rental rates charged within that market of on average Ksh 96 per sq. ft., 44.2% lower than the market average of Ksh 172 per sq. ft.

2.3 Gaps in Literature

The above section demonstrated a number of studies which had been carried out in the area of business continuity management and performance of supermarkets in Kenya. While business continuity management had been demonstrated to be of benefit to organizations, no specific mention had been made regarding the preparedness of the organization, awareness and implementation barriers and how each of these impacted on the ultimate performance of the organization. This therefore provided justification for this current study on the effect of business continuity management on the performance of supermarkets in Kisumu county, Kenya.

CHAPTER THREE
RESEARCH METHODOLOGY

This chapter has summarized the methodology that was adopted in this study. First, it has covered the research design to be used, population and sampling techniques, type of data and data collection methods, data analysis techniques and model specification.

3.1 Research Design

This study has adopted a correlation research design. This design was suitable because it would be possible to help determine relationship between variables of interest.

3.2 Study Area

This study was carried out in all the supermarkets in Kisumu County which lies between longitudes 34.767956 and latitudes -0.091702 on the western side of Kenya. It is located on the shores of Lake Victoria, a fresh water lake in East Africa, and is the major Kenyan City on the major East African Highway connecting Kenya and Uganda. This area had seen an upsurge of supermarkets in the recent past despite threats by other retailers to relocate due to perceived hostilities during heated political events.

3.3 Target Population

According to Ngechu (2004), target population in statistics is the specific population from which information is desired. The study covered the operational processes at the supermarkets. Employees at administration, procurement and supply chain management, finance, operations and customer care would be the respondents for the study. The study targeted 847 employees of supermarkets in Kisumu County as at December 2017(See Table 3.1 Below).

Table 3.1 Target Population

Supermarket	Finance	Operations	Procurement and Supply Chain	No. of Staff	Others
Tuskys	36	98	26	328	168
Khetias	8	19	7	46	12
Naivas	12	48	8	124	56
Choppies	18	82	16	212	96
Tumaini	13	26	9	85	37
Kibuyematt	4	7	3	26	12
Pramuhk	2	6	2	12	2
Minoki	2	7	2	14	3
Total	**95**	**293**	**73**	**847**	**386**

Source: Researcher, 2017

3.4 Sampling Design and Sample Size

The researcher would employ Yamane (1967) formula to determine the sample size to be selected from the population. Hence, the sample size would be computed as follows:

$n = N / [1 + Ne^2]$

where:

n = the sample size

N = the population of the study

Ne^2 = level of significance

Thus

n = $847/ [1 + 1.96^2]$ at 95% level of significance

= 174

A total number of 174 respondents would be examined in this study using saturated sampling method of the supermarkets.

Table 3.2 Sample Size

Supermarket	Finance	Operations	Procurement and Supply Chain	Others	No. of Staff
Total	95	293	73	386	847
Sample size (n)	19	60	15	80	174

3.5 Data Collection Instruments and Procedures

The study would use a structured questionnaire to collect data. Primary data would be used in the study. The qualitative data (non-numerical data) would be collected from the open-ended questions. The quantitative data would be collected using the closed questions where the responses would be scored on a numerical scale.

3.6 Validity and Reliability of Research Instrument

3.6.1 Validity of Research Instrument

Validity is the accuracy or meaningfulness and technical soundness of the research instrument. It is the degree to which the research instrument measures what it is intended to measure. The validity of data collected would be made by piloting the study to 12 respondents in the study who would be exempted from the actual study. The pilot sample would be guided by Julious (2006) which suggested a rule of thumb of 12 respondents per group could be used in piloting a trial.

3.6.2 Reliability of Research Instruments

Reliability refers to the consistency overtime. In this case, reliability could be achieved if the instruments attracted the same response or carried the same meaning to an individual or group of people over time. Reliability of an instrument is the measure of the degree to which a research instrument yields consistent results of data after repeated trials. The reliability of the instruments would be established by being presented to experienced experts, and the supervisor before approval of the instrument for data collection. The reliability of the questionnaire was evaluated through Cronbach's Alpha which measured the internal consistency. The Alpha measures internal consistency by establishing if certain item measures the same construct. Cronbach's alpha was established for every objective if each scale (objective) provided consistent results.

Table 3.3 Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha based on standardized Items	No. of Items
0.7508	0.7488	16

Apilot study on 16 employees from two supermarkets in the neighboring Homabay County was conducted for pre-testing the research instrument. The size was selected in reference to Connelly (2008) who asserts that a pilot study sample size of 10% or more of the population is sufficient. The 16 participants comprised of 5 Operations, 4 procurement and supply chain, 4 finance and 3 others. All the issued questionnaires were filled and returned giving a response rate of 100%.

Therefore, the Alpha coefficient values above 0.7was used as a rule of thumb to reject or accept the instrument (Kumar, 2011).

3.7 Data Analysis, Presentation and Model Specification

3.7.1 Data Analysis and Presentation

All questionnaires from the respondents would be scrutinized to check for any inadequate or out rightly irrelevant responses. The collected data would be presented using mean percentages and presented using tables, charts, graphs, frequencies and percentages and analyzed using simple linear regression analysis.

3.7.2 Model Specification

The study would be guided by the following Linear Regression Model

$Y_0 = \beta_0 + \beta_1 (X_1) + \beta_2 (X_2) + \beta_3 (X_3) + e;$

Where:

Y_0 = dependent variable for performance of supermarkets

β_0 = constant

β_1 = rate of change of level of staff awareness with unit change in supermarket performance

X_1 = independent variable for staff BCP awareness

β_2 = rate of change of staff preparedness with unit change in supermarket performance

X_2 = independent variable for staff preparedness

β_3 = rate of change in conflicts of interest with unit change in procurement performance

X_3 = independent variable for conflict of interest

e = the error term

3.8 Ethical Considerations

Relevant approvals, permissions and clearances would be sought. All materials used in the conduct of research would be appreciated by means of references.

CHAPTER FOUR
RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the research findings to the effect of business continuity planning practices on performance of supermarkets in Kisumu City, Kenya. The results are given according to the objectives of the study, which include; to determine the effect of BCP awareness on performance of supermarkets in Kisumu city, to establish the effect of BCP preparedness on performance of supermarkets in Kisumu city and to evaluate the effect of barriers to BCP implementation on performance of supermarkets in Kisumu city.

The first section shows various descriptive statistics of demographic characteristic and work-related factors. The second section presents the results from inferential analysis to determine the relationship between dependent variable and independent variables. This Chapter therefore provides descriptions of the results and the subsequent discussions.

4.2 Response Rate

From a sample size of 174 respondents, 163 questionnaires were received, the majority of which were received after subsequent visits; representing 93% response rate. These were successfully reached during data collection stage of the research. This response rate sufficiently surpassed the minimum threshold sample size of 10 % as suggested by Gay (2005) and the 30% as considered acceptable. The respondents were distributed equally across the supermarkets, where each respondent had an equal and independent chance and each respondent had only one chance.

Table 4.1: Response rate

Category	Sample size	Response received	Proportionate Percentage (%)
Finance	19	17	9.8%
Operations	60	57	32.3%
Procurement and supply chain	15	12	6.9%
Others	80	77	44%
Total	**174**	**163**	**93%**

Source: Survey data, 2019

4.3 Socio demographic features

The demographic information of the study group in regards to gender, age, and level of education, professional qualification and duration in the organization was follows.

Table 4.2: Gender of the respondents

Gender:		
	Frequency	**Percent (%)**
Male	77	47.2
Female	86	52.8
Total	163	100.0

The table represents gender, majority of respondents 52.8% (n=86) were females and males were the minority respondents representing 47.2 % (n=77).

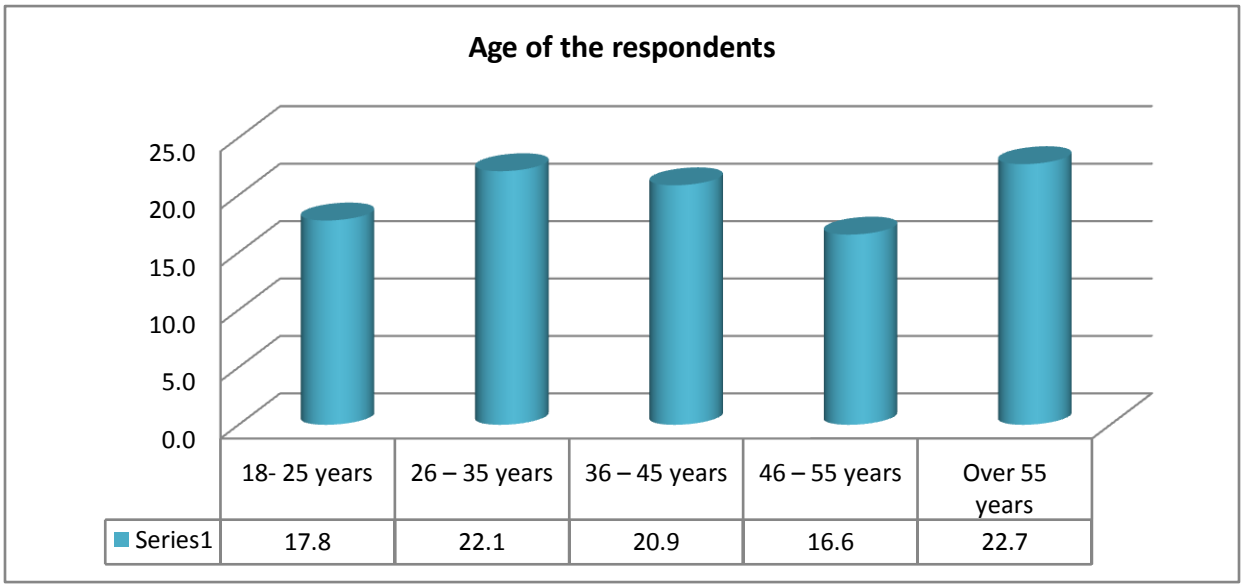

Figure 4.1: Age of the respondents

Figure 4.1 represents ages of respondents in years, majority of respondents 22.7% were in the age group of Over 55Years followed by 26 to 35years age group at 22.1% then age group 36 to 45 years at 20.9% then again age group 18 to 25 years at 17.8% and those between 46-55 years of age were minority respondents representing 16.6%.

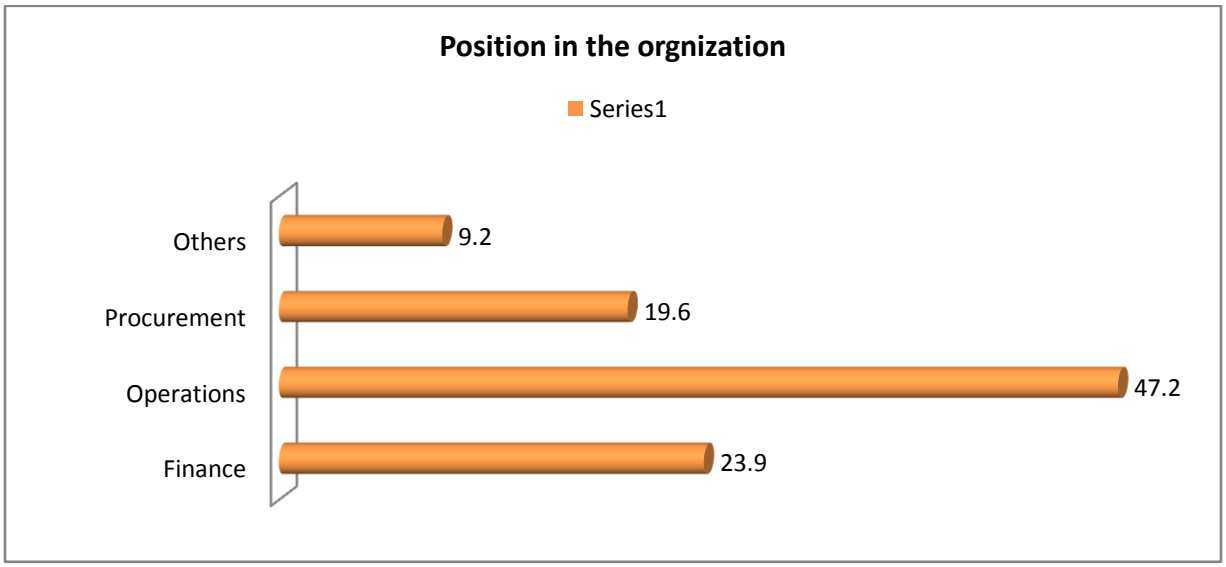

Figure 4.2: Position in the organization

The figure 4.2 represents the positions of the respondents within the organization. It was revealed that majority of the respondents are in the operations department at 47.2% followed by their colleagues at the finance department at 23.9% then those from procurement at 19.6%. Those from the other departments formed the minority of the respondents at 9.2%.

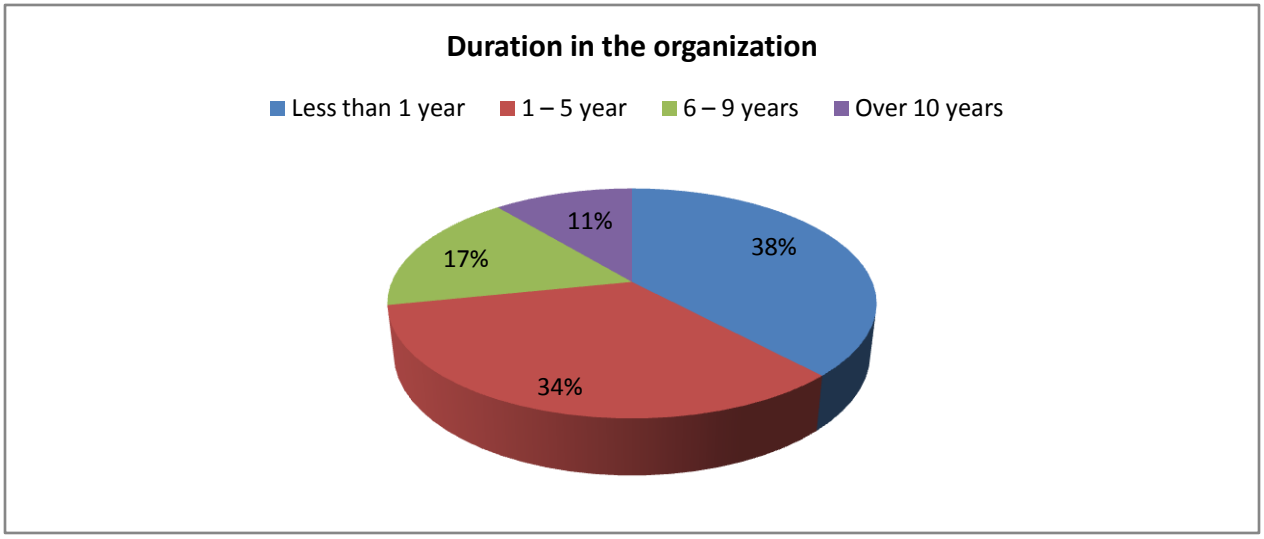

Figure 4.3: Duration in the organization

The figure 4.3 shows the duration of the respondents within the organization. It is shown that majority of the respondents (38%) have been in the organizations for less than 1 year followed by those between 1 to 5 years at 34% then those between 6 to 9 years at 17%.

Minority of the respondents was comprised by those who have been in the organizations for more than 10 years.

Table 4.3: Descriptive Statistics

Descriptive Statistics				
	N	**Mean**	**Std. Deviation**	**Skewness**
Awareness	163	3.664	.59246	-1.321
Preparedness	163	3.715	.58186	-1.140
Barriers to implementation	163	3.743	.60219	-.452

4.4 Regression Analysis

In this study, a multiple regression analysis was conducted to test the influence among predictor variables. The research used statistical package for social sciences (SPSS V 22) to code, enter and compute the measurements of the multiple regressions

Table 4.4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	Sig. F Change
1	.789	.623[a]	.616	.320	.623	87.679	.000[b]

Source: Research Findings

Adjusted R squared is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable, from the findings in table above the value of adjusted R squared was 0.616 an indication that there was variation of 61.6% on the performance of supermarkets due to changes in awareness, preparedness, and barriers to implementation at 95% confidence interval. This shows that 61.6% changes in performance of supermarkets could be accounted for by awareness, preparedness, and barriers to implementation. R is the correlation coefficient which shows the relationship between the study variables, from the findings shown in table above there was a strong positive relationship between the study variables as shown by0.789.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.082	3	9.027	87.679	.000[b]
	Residual	16.371	159	.103		
	Total	43.453	162			

a. Dependent Variable: Performance

b. Predictors: (Constant), Barriers to implementation, Awareness, Preparedness

From the ANOVA statistics, the processed data, which is the population parameters, had a significance level of 0.000 which shows that the data is ideal for making a conclusions on the population's parameter as the value of significance (p-value>0) is less than 5%. The significance value was less than 0.05, an indication that the model was statistically significant.

Table 4.5: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	Constant	1.612	.166		9.686	.000
	Awareness	-.267	.097	-.306	-2.769	.006
	Preparedness	.383	.115	-.430	3.339	.001
	Barriers to implementation	.555	.106	-.645	5.339	.000

Source : Survey 2019

From the data in shown in table above, the established regression equation was:

$Y= \beta 0+ \beta 1X1+\beta 2X2+ \beta 2X3+e$

$Y = 1.612- 0.267 X_1 + 0.383 X_2 + 0.555 X_3 + 0.166$

Model:

X_1= BCP Awareness

X_2= Staff preparedness

X_3= Barriers to BCP implementation

Y= Performance of supermarkets

The multiple regression models established a beta constant of 1.612. This

illustrated that a unit increase in BCP awareness other factors held constant,
would lead to a 0.267decrease in operational Performance of the
Supermarkets in Kisumu County at 95% confidence level.

From this regression equation it was revealed that holding awareness, preparedness, and barriers to implementation to a constant zero, performance of supermarkets would be at 1.612, a unit increase in awareness would lead to a decrease in performance of supermarkets by a factor of 0.267, unit increase in preparedness would lead to an increase in performance of supermarkets by a factor of 0.383, a unit increase in barriers to implementation would lead to an increase in performance supermarkets by a factor of 0.555.

At 5% level of significance and 95% confidence level, awareness had a 0.006 level of significance; preparedness showed a 0.001 level of significance, barriers to implementation showed a 0.000; hence the most significant factor is barriers to implementation. Overall barriers to implementation had the greatest effect on the performance of supermarkets. All the variables were significant ($p<0.05$).

4.5 Interpretation of the Findings

From the finding in the adjusted R squared the study found that 61.6% variation on performance of supermarkets could be accounted for by awareness, preparedness, and barriers to implementation. From the correlation coefficient, the study found that there was a strong positive relationship between the study variables. From the ANOVA finding, the study found that the model had a significance level of 0.000 which shows that the data is ideal for making conclusions on the population's parameter as the value of significance (p-value) is less than 5%. The study further revealed that awareness, preparedness and barriers to implementation significantly affected the performance of supermarkets.

The study established the following regression analysis to determine the effect of business continuity planning practices on performance of supermarkets in Kisumu City, Kenya:

$Y = 1.612- 0.267 X_1 + 0.383 X_2 + 0.555 X_3 + 0.166$

From this regression equation it was revealed that awareness had a negative relationship with

performance of supermarkets. The study also found that there was a positive relationship between preparedness, barriers to implementation and performance of supermarkets. The finding of this study concurs with the finding of Herbane et al., (2004) who explained that when an organization is well prepared, practices are incorporated into existing processes, staffs as well as senior management are highly committed, continuity practices are said to be embedded in the organization. This embeddedness will contribute to positive business impacts in which the organization will become more robust, capable to minimize the potential risk of incidents and recover more speedily as compared to its rivals.

The finding of the study is consistent with the finding of Lingeswara (2012) who echoed that BCP faces a lot of challenges and the implications of these challenges' points directly to weak BCP plans that are not able to safeguard organizations against failures.

CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The objective of the study was to determine the effect of business continuity planning practices on performance of supermarkets: case of supermarkets in Kisumu City, Kenya. From the finding in the adjusted R squared the study found that 61.6% variation on performance of supermarkets could be accounted for by awareness, preparedness, and barriers to implementation. From the correlation coefficient, the study found that there was a strong positive relationship between the study variables.

From the ANOVA finding, the study found that the model had a significance level of 0.000 which shows that the data is ideal for making conclusions on the population's parameter as the value of significance (p-value) is less than 5%. The study further revealed that awareness, preparedness and barriers to implementation significantly affected the performance of supermarkets.

The study established the following regression analysis to determine the effect of business continuity planning practices on performance of supermarkets in Kisumu City, Kenya.

From this regression equation it was awareness that had a negative relationship with performance of supermarkets. The study also found that there was a positive relationship between preparedness, barriers to implementation and performance of supermarkets.

5.2 Conclusion

From the findings the study concludes that business continuity planning practices positively influenced the performance of supermarkets in Kisumu, Kenya, as it was found that there was a strong positive relationship between business continuity planning practices and performance of supermarkets in Kisumu, Kenya.

The study also found that there was a negative relationship awareness and performance of supermarkets. Thus, the study concludes that awareness negatively affects the performance of supermarkets.

The study also revealed that there was a positive relationship between preparedness, barriers to implementation and performance of supermarkets. Thus, the study concludes

that preparedness, barriers to implementation positively influences the performance of supermarkets.

5.3 Recommendations for Policy

From the findings and conclusion, the study recommends that there is need for the supermarkets to effectively implement business continuity planning practices as it was found that business continuity planning practices positively influences performance of supermarkets.

The study further recommends that there is need for the management of supermarkets to constantly check their supermarkets' exposure to awareness, as it was revealed that awareness negatively affects the performance of supermarkets.

There is need for the supermarkets to enhance their preparedness and barriers to implementation as it was revealed that preparedness and barriers to implementation positively influence the performance of supermarkets.

5.4 Limitations of the Study

This study was not without limitations. In attaining its objectives, the study was limited to determining the effect of business continuity planning practices on performance of supermarkets in Kisumu City, Kenya.

Another limitation of this study was that some respondents refused to fill in the questionnaires and some respondents decided to withhold information which they considered sensitive and classified. This reduced the probability of reaching a more conclusive study.

5.5 Areas for Further Research

The study recommends a study to be done on the relationship between awareness and performance of supermarkets. There is need to conduct a study on the relationship preparedness and performance of supermarkets in Kenya The study recommends that a study should be done on the effects of barriers to implementation on performance of supermarkets in Kisumu, Kenya.

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APPENDICES

APPENDIX I: PARTICIPANT'S CONSENT FORM

Dear respondent,

My name is Sewe Mary Anita. I am a post graduate candidate at Maseno University, pursuing a Masters in Supply Chain Management course.

As a requirement of my course, I am conducting a study on, *"**Effect of Business Continuity Planning Practices on Performance of Supermarkets in Kisumu City, Kenya."*** By this letter, I am Kindly requesting you to voluntarily provide information which will facilitate the achievement of the study's objectives.

You are kindly asked to participate in filling the questionnaires or responding to the interviews as truly as possible. Your information, views and opinions will be treated with uttermost confidentiality and used only for the purpose of this study. Additionally, your identity will be anonymous and you may withdraw from participating in the study at your own volition.

APPENDIX II: QUESTIONNAIRE

Section A: General Information

1. Name of Respondent (Optional) _____

2. Supermarket Name _____

3. Age

18- 25 years [ ] 26 – 35 years [ ] 36 – 45 years [ ] 46 – 55 years [ ] Over 55 years [ ]

4. Gender Male [ ] Female [ ]

5. Position in the organization: ……..

6. Duration with the organization:

Less than 1 year [ ] 1 – 5 year [ ] 6 – 9 years [ ] Over 10 years [ ]

Section B: Evaluation of the BCP process

1. Are you aware of the organizations BCP process?

Yes [ ] No [ ]

2. If Yes in (2) above, are you involved in any of the BCP Process components?

Yes [ ] No [ ]

3. To what extent were the following BCP implementation steps followed to the best of your knowledge? (Kindly indicate by a Tick √ where appropriate)

[1]- Not applicable, [2]- to a less extent, [3]- to a moderate extent, [4]- to a great extent, [5]- to a very great extent)

	[5[	**[4]**	**[3]**	**[2]**	**[1]**
Identification of the organizations assets	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**
Identification of the risks and threats with respect to the organizational key assets					
	[ ]	**[ ]**	**[ ]**	**[ ]**	**[ ]**
Development and implementation of BCP	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**
Testing of the BCP process	**[ ]**	**[ ]**	**[ ]**	**[ ]**	**[ ]**

Monitoring of the BCP process **[ ] [ ] [ ] [ ] [ ]**

Review of the BCP process **[ ] [ ] [ ] [ ] [ ]**

Assess your own level of preparedness with the following questions (Tick as appropriate)

1. Mitigate risk, protect mission - critical resources

Has the organization assessed the impact of a potential disruption?

[ ] [ ] [ ] [ ] [ ]

Has the organization analyzed which business processes, applications, facilities, suppliers, workgroups, or vital records are most critical? **[ ] [ ] [ ] [ ] [ ]**

Has the organization created a strategy to recover from potential impacts?

[ ] [ ] [ ] [ ] [ ]

Are new scenarios, threats, and vulnerabilities addressed in your planning process?

[ ] [ ] [ ] [ ] [ ]

Has the organization developed and exercised a business continuity plan to mitigate business risk?

[ ] [ ] [ ] [ ] [ ]

Is this plan maintained and reviewed with the organization's response team on a regular basis?

Is the plan approved by organization leadership? **[ ] [ ] [ ] [ ] [ ]**

Are key locations hardened and facilities conditioned? **[ ] [ ] [ ] [ ] [ ]**

What physical and logical security measures are in place? **[ ] [ ] [ ] [ ] [ ]**

Do the security measures in place also address potential exposure from cloud and mobile technology? **[ ] [ ] [ ] [ ] [ ]**

2. Meet regulatory requirements and customer service level agreements

Does the organization or its business partners have regulatory mandated performance or availability service levels? **[ ] [ ] [ ] [ ] [ ]**

Has the organization complied with all current or regulatory requirements or public policy mandates? **[ ] [ ] [ ] [ ] [ ]**

Has the organization quantified the potential costs of downtime or total business failure?

[ ] [ ] [ ] [ ] [ ]

Has the organization developed sound business cases to optimally invest in risk mitigation?

[ ] [ ] [ ] [ ] [ ]

3. Barriers to implementation of Business Continuity Management and Planning

The business continuity program has not been fully endorsed by top management

[ ] [ ] [ ] [ ] [ ]

The business continuity program does not specify or articulate why the organization should engage in preparing for disruptive events **[ ] [ ] [ ] [ ] [ ]**

The business continuity program is being seen as cumbersome or complicated system

[ ] [ ] [ ] [ ] [ ]

The organization disengages as soon as business impact analysis is done or after response strategies are identified **[ ] [ ] [ ] [ ] [ ]**

Many employees are not even aware of the existence of the program

[ ] [ ] [ ] [ ] [ ]

Already identified response strategies have not been implemented effectively

[ ] [ ] [ ] [ ] [ ]

Employees have not been trained appropriately to be confident with program implementation.

[ ] [ ] [ ] [ ] [ ]

Thank you very much for your time.

APPENDIX III: RESEARCH BUDGET

ITEM DESCRIPTION	**AMOUNT PER ITEM (KSHS)**	**TOTAL COST**
4 Note Books	150 each	600.00
Diary	250 each	1,000.00
1 dozens blue pens	150 per dozen	150.00
3 rims of foolscaps	500 each	1500.00
6 folders	250 each	1,500.00
Flash disk 16gb	2500 each	2,500.00
Internet search cost	10000	10,000.00
Modem Internet Browsing	3000 each	3,000.00
Travel expenses (transport, food)	5,000 per week x 4 weeks	20,000.00
Report preparation (questionnaires, proposal and report typesetting and binding)		30,000.00
Miscellaneous expenses	10,000	10,000.00
		80,250.00

APPENDIX IV: STUDY WORK PLAN

ACTIVITY	**DURATION**
Proposal Development	January- March 2019
Proposal Submission and Approval	April 2019
Presentation and Approval	April 2019
Preparation for Data Collection	April- May 2019
Actual Data Collection and Data Analysis	June 2019
Thesis Presentation and Approval	July 2019

APPENDIX V: SAMPLING FRAME

Supermarket	No. of Staff
Tuskys	328
Khetias	46
Naivas	124
Choppies	212
Tumaini	85
Kibuyematt	26
Pramuhk	12
Minoki	14
Total	**847**