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## Influence of Social Organization and Material Culture on the Strategic Business Growth of Huawei Technologies Company Limited

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### **Abstract**

International trade has increased over time with a number of environmental and cultural factors forcing the changes in ways of trade. The vast majority of these elements stem down from the impact of globalization. Chinese firms' presence in Kenya aim at venturing into the expansive East African ever growing market with demand of goods and services with diverse cultural difference. The rate at which these firms grow is low as compared to their expectation. The dimension of social cultural aspects remains the most enduring characteristic that requires incorporation in the growth strategies as well as their implementation, particularly when they emphasize on international markets. The specific objectives of the study was to determine the influence of Social Organization, Material Culture on strategic business growth of Huawei Technologies Company Limited. Social Identity theories was used to inform the study. The study adopted a descriptive and causal study design. The target population was 1,500 Business Development Officers and Sales Managers who are working in Huawei Technologies Company Limited of which the sample size of 150 of were based in Kenya, where strategic business growth was the business focus. The research project focused on Huawei Technologies Company Limited in Kenya Primary data was collected using the questionnaire. Descriptive statistics such as, mean and frequencies and inferential statistics (regression and correlation analysis) was used to perform data analysis. A multiple linear regression analysis model was used to link the variables with a model fitness of 96%. Social Organization, Material Culture explain 96% of the variance in strategic business growth. Based on the findings above, the study concluded that Social Organization, Material Culture influence the strategic business growth at Huawei Technologies Company limited in Kenya. The study recommends for an effective shared company culture to create higher degree of



strategic flexibility. Clear and measurable input was emphasized for a positive material culture influence where there is understanding of behaviors and roles.

**Keywords:** Social Organization, Material Culture, Strategic Business Growth & Huawei Technologies.

#### 1.0 Introduction

#### 1.1 Background of the Study

The rise of the emerging of the emerging marketplace multinational business enterprise (EMNC) is a current development. Companies from China, India, Brazil, Malaysia and South Africa are rapidly establishing themselves as influential company players, especially in emerging marketplace economies. In step with Fortune magazine, a company will become a multinational when its worldwide income exceed 20 percent of its overall. It can be argued that the business techniques and company behaviours of EMNCs vary from that of companies observed in traditional market economies in critical approaches. For China, these differences are related to the historical conditions of improvement from a command to a market-orientated economic system, the political continuity that has accompanied unbroken single birthday party rule, and the commensurate adjustments to its courting with the worldwide community. Those elements exercising varying and unique have an impact on of the strategy and operations of the Chinese multinational organization in abroad (Peng, 2012).

China has certainly built very large organizations — usually within the strength, mining and construction sectors. However, protected from competition, both internally in addition to externally, these corporations lacked competitiveness. China is now getting into a new section in its monetary records — the delivery of the Chinese multinational agency (Ramamurti, 2012). In a similar manner to how China has created its personal developmental version, enterprise techniques specific to Chinese multinationals are being designed, differentiating Chinese corporations from their Western competition in the international market. Chinese groups are seeking for to fast tune their global market entry. Their strategies consist of obtaining mounted brands, having access to retail channels as well as technology. At the country state level, investment in global business exercises enables nations to exploit national skill in the trade to convey products and enterprises into the worldwide commercial centre. It additionally expands the assortment of products and enterprises accessible in national markets and opens shoppers to new ways of life and thoughts. After some time, these exposures impact national social orders including their political and monetary foundations and influence an open's practices, perspectives, and lifestyles (Nguku, 2015).

The cultural environment alludes to variables and patterns identified with how individuals live and carry on. Social components, including the qualities, thoughts, states of mind, convictions, and exercises of particular populace subgroups, incredibly influence consumers'-acquiring conduct. In this way, advertisers must comprehend vital social attributes and patterns in various markets. Social contrasts are critical in both worldwide and local markets. A social group's attributes influence the sorts of items it cravings and how it buys and utilizes those items. Distinctive parties in overall markets as often as possible oblige promoters to make frameworks particularly for them (Rugimbana, 2003). A company pursuing international markets must consider social contrasts prior to entering new markets. These distinctions could be of dialect, administrative states, culture, and faith and even request sorts. It is less demanding to enter another market if the organization can make associations in the new nation. By doing this, various obstructions are reduced and the



entry can be significantly more productive (Johnson, Lenartowicz & Apud, 2006). Organizations appear to have most achievement in the event that they are growing to a nation that has comparable culture. Regardless of the possibility that a nation appears to offer once-in-an existence time open doors for business, it is a requisite to contemplate the dangers and troubles that an entering to an obscure nation and culture implies. In the event that the organization offers an item that needs particular adjustments, the firm is compelled to take in more about the nation' culture. This learning can incite preferences, yet these points of interest can be exceeded by the cost that this learning incorporates (Neelankavil, Mathur& Zhang, 2000).

Social values may influence the conduct of different directors and juniors as they cooperate with others. This impacts even the way workers see a CEOs, i.e. the substance of the discernment as the lead, mentor, and coach and furthermore the structure, attributes, conduct, and desires. Additionally, estimated that practices are likely would be related to social values (Sirmon & Lane, 2004). A few societies are good and others are unpredictable as far as the quantity of formal parts that CEOs and representatives rely upon to perform. Because of substantial organizations, they may tend to contract comparable sorts of individuals around the world, along these lines decreasing national contrasts. Likewise, an association with such a strong definitive culture would influence agent's values that would furthermore diminish national effects (Kirkman, Lowe, and Gibson, 2006).

#### 1.2 Statement of the problem

The global market has experienced a rapid growth of multinational companies. China has undoubtedly built large companies and business strategies unique from their Western competitors in the global marketplace. Chinese companies are seeking to fast track their international market entry. Their strategies include acquiring established brands, gaining access to retail channels as well as technology (Li, Lin, & Liu, 2011).

Chinese firms' presence in Kenya aims at venturing into the expansive East African ever-growing market with a demand for goods and services with the diverse cultural difference (Gichuki, 2012). Huawei technologies has demonstrated willingness to take risks in its operations in African countries compared to many other Chinese companies that have sought to build strong international brands. It has seized "the opportunity to grab market share early for future competitive advantage, as well as the chance to build corporate reputations" (Rukato, 2016). The measurement of social-cultural perspectives remains the most persisting trademark that requires joining in the development systems and their execution, especially when they stress on worldwide markets. From the past studies presented, there are inadequate studies on the social-cultural aspects influencing the strategic business growth of Chinese multinationals in Kenya.

Some of the studies conducted in this area include (Ntonjira, 2010) on entry strategies used by Chinese firms in Kenya. Mulongo (2008) completed an examination on the difference in remote strategies for overall firms in Ericsson Kenya. Mutambah (2012) coordinated an examination on entry systems grasped by MNCs in Kenya. Kieti (2016) on his examination perceived determinants of outside advancement techniques among Kenyan firms wandering into Southern Sudan. Granovetter, (2010) investigated the impact of social structure on money related outcomes. Kim and Mattila, (2011) examined the impact of dialectic hindrance and social contrasts on eatery encounters. These studies constituted a contextual gap and methodological gap as our study focused on social-cultural factors influencing the strategic business growth of Chinese multinationals in Kenya.



These mixed studies done across different exchanges, located in diverse geographical places, characterized by diverse global economic factors formed the research gap and basis of undertaking this study. Therefore, this study was conducted to bridge the gap on how Huawei Technologies conducts its business growth strategies to appeal to consumers across diverse social organization and material culture in Kenya from the nation of its origin and how the organization integrates global business strategies alongside business development based on the homegrown social culture.

#### 1.3 Objectives of the Study

- i. To determine the influence of social organization on the strategic business growth of Huawei Technologies Company Limited.
- ii. To examine the influence of material culture on the strategic business growth of Huawei Technologies Company Limited.

#### 1.4 Research Questions

- i. To what extent does social organization influence the strategic business growth of Huawei Technologies Company Limited?
- ii. How does material culture influence the strategic business growth of Huawei Technologies Company Limited?

#### 2.0 Literature Review

#### 2.1 Theoretical Review: The Integration Box (TIB) Theory

Miller and Ewest (2013) developed the theory of Integration Box (TIB). The theory is intended to fit signs of all confidence, customs and perspectives at work, not only one social convention, as is average with a couple of another surviving working environment deep sense of being speculations or scales. Besides, the TIB is outlined particularly for a multi-confidence working environment, which is remarkable inside confidence/most profound sense of being speculations and scales. Mille and Ewest (2013) explored related questions in social cultural behaviours, resulting in the development of a validated assessment tool called The Integration Box to measure the individual and institutional manifestations of faith, religion, and spirituality at work.

The objective of the TIB and multidimensional speculations is to enable people to comprehend and quantify how they incorporate confidence and function, and for associations who wish to comprehend, measure, and react usefully to the marvels of working environment otherworldly existence and religiously established esteems and practices in the work environment. Without such an evaluation instrument, supervisors and representatives can't comprehend or recognize the helpful individual and business advantages of confidence at work, which regularly give individual establishments and inspirations to morals, engagement, dedication, perfection, respectability, and importance and reason in work (all parts of the Four E's).

Similarly, without such a tool as the TIB, the administration is ill equipped to create strategies and practices to teach and forestall mishandle and abuse of work environment most profound sense of being (e.g. provocation, compensation). Additionally, without a multidimensional evaluation apparatus, the administration is badly prepared to give suitable insurance to minority social communities, and other otherworldly practices, practices, and lodging, as ensured by law; especially when they are new to or misjudged by the administration and the greater part religious populace.



The theory informs the study on social integration as a control that can enhance growth of business in an organization through established esteems and practices. It enables people to comprehend and quantify how they incorporate confidence and function, and for associations who wish to comprehend, measure, and react usefully to the marvels of working environment in the work environment.

#### 2.2 Empirical Review

#### 2.2.1 Social Organization and Strategic Business

Greif and Iyigun 2013) completed an examination on social associations, brutality, present day development proposed why social foundations may matter, and chronicled and observational Analyses uncover that they did make a difference. Besides, institutional structures made a difference, inferring that, notwithstanding compelling the plan of formal organizations, social and social factors likewise specifically affected the effect of these foundations on monetary results. China's family relationship structure impacted the institutional type of its poor alleviation framework yet in addition affected this present framework's development suggestions. At last, the effect of social organizations on monetary out-comes was very logical. Both the group based framework in China and the Old Poor Law in England cultivated developments and development for a drawn out stretch of time. After some time, in any case, their negative effect on, for instance, chance taking and populace development turned out to be more essential. Social organizations need to alter as society advances. In this manner, albeit great political and monetary organizations were vital for economies to develop rich, they were not adequate. Great social establishments were essential too.

Cao (2017) led an investigation on the impacts of social associations on business development. This investigation analyzed the viability of social associations on common business execution in China by utilizing board information for 31 areas from 2002 to 2013. A few econometrics systems have been used in this examination including First Difference Method and Fixed Effect Panel Model. The outcomes from the board show uncovered the constructive outcome of social gathering on common monetary execution in China. Moreover, the viability of social gathering is diverse four gatherings of areas as indicated by their level of improvement. By and by, this examination has affirmed the contentions in Social Capital theory that the viability of social association is relevant.

Wanjiru (2015) conducted a study on external environmental factors influencing China-Kenya trade. Results of the study revealed that external environmental factors like; political environment, legal environment, economic factors, social-cultural factors and technological environment influenced the growth of Sino-Kenya trade. Policies developed by two nations have seen the increase in the flow of foreign direct investments although the balance between the two trading partners has not been achieved. This partnership is of great importance to Kenya in terms of job creation, economic development, and promotion of social relations between the two nations. The study recommends that appropriate measures need to be taken into consideration to ensure that the country (Kenya) exploits the China market, the national agencies on counterfeit products need to improve their strategies to ensure that substandard products are not dumped into the country. The Kenyan government needs to embrace policies aimed at expanding the future financing of economic growth.

Deborah (2014) conducted a study on socio cultural influences on promotional strategies across cultures. She stated that the trend of economic process has wedged international business activities



in additional important ways in which than ever before. The challenge of serving many cultures and meeting their native preferences even whereas in operation on an international scale so needs some nice tactfulness. Firms seeking growth and international recognition are visage with the task of adjusting their promotional ways to adequately meet the wants of native markets. Despite the increasing pace of economic process, cultural problems have unwittingly established the grounds that verify to a massive extent, the success story of companies targeting to satisfy multiple countries at constant time. International firm's square measure needed to critically value and perceive parts of differing native cultures, thereby characteristic apparent similarities and variations inside and across the clusters; then positioning promotional ways to charm every target group. This does not in any manner undermine standardization. Rather, it emphasizes the connation of geocentrism as an important philosophy for achievement in international promotions. It is thus evident that even in a very firm's search international growth; there is still need not to relegate socio-cultural factors to the background.

Granovetter (2010) carried out a study on business groups and social organization. He stated that the ideas social organization have been used to explain different economic and non-economic outcomes like choice of alliance partners decisions to acquire other firms and strategies used to do so the diffusion of corporate governance techniques. The social networks also explain the persistence of large family and ethnically oriented business groups in advanced economies, extent and source of innovation and its diffusion, position in a social group and its central influence on productivity, role of social networks in real labor markets. Based on these examples it is clear that social networks are crucial for the flow of ideas and practices.

Lee and Vivarelli (2006) conducted a study on the social impact of globalization in the developing countries. The study researched on an ex-post quantifiable meaning of globalization has been utilized, to be specific expanding exchange receptiveness and FDI. A general outcome is that the idealistic Heckscher-Ohlin forecasts don't have any significant bearing, that is neither work creation nor the decline in inside nation imbalance are consequently guaranteed by expanding exchange and FDI. The other principle discoveries of the paper are that: the business impact can be exceptionally various in various regions of the world, offering raise to focus and underestimation marvels; expanding exchange and FDI do not develop as the primary culprit parties of expanding inside nation salary imbalance in DCs. While some evidence emerges that import of capital goods may imply an increase in inequality via skill-biased technological change.

#### 2.2.2 Material Culture and Strategic Business Growth

Anderson and Jack (2012) stated that the reasonable decision points of view, the social installed viewpoint underscores that implanted settings, entrepreneurial office, capacity to gather entrepreneurial thoughts and the assets to create them, is formed by understood standards and social mores. Along these lines, social capital is conceptualized as an arrangement of assets within an individual. This thought brings up fascinating issues rotating around the entrepreneurial uses of social capital, specifically, in connection with some less alluring results. For example, the abuse of social capital by any one individual or business visionary, even inside relevant guidelines, assuming any, suggests both victors and failures.

Bruno (2010) sought to investigate the impact of the organizational culture, personal values profile micro-culture of the worried executives and organizations' subculture (mezzo-culture) of the analysed organizations, on the management of innovation. A sample of four hundred executives



of forty-eight corporations used to be selected, involving giant and medium size ones of several segments having product and service development activities. Four closed devices had been applied, being two of them Likert scale (opinion) – personal values and business enterprise cultural characteristics inventories, and the other two of diagnosis type – innovation integral interior conditions (enablers) and customer-oriented processes. In the case of the remaining two units, the Delphi technique was used for data gathering, main to the value innovation index of every researched organizations.

The consequences have shown an unbalance on the private values profile of the involved executives, displaying a regular managers' profile, instead then a leaders' one, as nicely as an insufficient average business enterprise cultural index, each outcomes bad as some distance as innovation things to do are concerned. On the other hand the find out about showed a reasonable to excessive tremendous relation between personal values stability and the organization cultural adequacy index, being these two variables positively related with the cost innovation index of the involved companies as depicted by means of the findings.

Shaw and Williams (2014) explained that global conception of culture has led to the designation of World Heritage sites that attracts business yearly. Whereas, at the national and/or local level, culture is seen as playing an important role in establishing and reinforcing people's unique identities and a sense of belonging to a particular locale (Sindiga, 2009). The recognition of the role of culture in creating and reinforcing people's identity has, in recent years, played a significant role in the growing interest in diverse aspects of heritage tourism, especially in the developed world.

Culture grows over time and is evolved for good and slowly. For instance, negative tendencies to material culture in some societies might disrupt industrial activities. Gandhi believed in negative effects of material culture and declared that western technology and industrialization removed human values and regenerate human into machine. If his thought continued in Asian country, it would stop this country from industrialization. Therefore, familiarity with culture of foreign countries is of special importance for international commerce, no matter we tend to move toward international markets from native surroundings, and markets, role and sensitivity of cultural factors can increase (Kania, 2010).

Onkvisit and Shaw (2014) pointed out that a global business success needs a respect for native customs. International marketers would like to acknowledge and appreciate variable cultures. Culture plays a big role in influencing client perception that successively influences preference and get. A smart promoting set up will simply get away once it clashes with tradition. A promoting combine will be effective as long as it is relevant to a given culture. One ought to expect that a product could have to be changed, that a new distribution could have to be found, or that a new promotional strategy could have to be thought of. The reality that these variations exists which they influence to an oversized extent the promotional ways of companies is what has given rise to this study. The study centered on describing however socio-cultural factors influence the promotional ways of transnational companies as they aim teams of individuals across various cultures.

Onkvisit and Shaw (2014) further explained this by stating that when a marketing campaign is exported, careful translation is needed. It is crucial to keep in mind that the thought, not the words, must be translated. Because differences in languages go beyond differences in words, it is ineffective to have a word-for-word translation. As a result, advertising copy may have to be



interpreted rather than translated. In addition, because of the universality of basic desires, some products can be marketed overseas with little modification. Shared values do not necessarily mean shared or identical behaviour; rather, the manner of expressing culturally universal traits still varies across countries. As was earlier noted, music as a cultural universal does not mean that the same kind of music is acceptable everywhere. Therefore, because musical tastes are not internationally uniform, the type of music must be varied to appeal to a particular country.

Kalhor, et al. (2014). Conducted a study on the effect of culture on international trade. They stated that international commerce includes all transactions that are performed between two or more countries. To operate a transaction, businesses think about international sensible structures to execute them in goal market. Besides international strategies management knowledge, it is additionally necessary to analyse financial consequences of each one of these strategies. Difference between a nearby commerce and foreign commerce usually consists of economic activities, aim of managerial decisions, kind of criminal device and limitations of distinctive international locations and cultural difference of international locations is one of the subsets of monetary activities. Therefore, ideal appreciation of tradition is a crucial phase of improvement of nice advertising techniques and performance of worldwide transactions. Goal of this paper is to learn about lifestyle and its impact on global commerce. To attain this goal, this paper first research role of tradition as one of the profitable advertising factors in development of international commerce and then research saffron product as an exported sample of the country in terms of effective cultural factors.

Girard and Nijkamp (2009) conducted a study on material cultural on tourism and sustainable local development. They stated that one of the first components of the selling combine is that the development of product. The initial assumption is that a product should be to the best doable degree adjusted to the requirements and preferences of customers. Product of culture satisfy socially positive wants, that is, sure aesthetic, ideological, moral, moral and similar socially outlined criteria. It is difficult to make your mind up among the prevailing product, the prevailing old school product, the prevailing changed product or utterly new cultural product. To achieve a choice, a scientific market survey ought to be conducted. The survey ought to outline that cultural product are in demand on the market, what product are offered by the competition, and on this basis, a product is created to satisfy aesthetic and inventive criteria. From the purpose of read of the supply of cultural product, it is nearly ne'er concerning just one cultural product, however concerning additional product, that along create a fancy "production and sales programme". From the purpose of read of the cultural and historical heritage, a cultural product is also divided into the subsequent groups: stationary touristy spiritual touristy and rubbernecking touristy.

According to Bethlem (2014), individual's square measure culturally completely different, as they need received completely different influences through education and therefore they need a various set of motives and goals. Among the best challenges facing managers square measure (1) adapting the corporate to the external surroundings and (2) internal integration for structure performance. The matter targeted on this study is that the inexistence of knowledge that refers to aspects of culture in organizations which will contribute to strategic coming up with, in the main throughout the stage of strategic analysis. Strategic coming up with has been a useful thing and it helps company managers considerably. As this coming up with goes through a stage of internal analysis, we tend to will use this analysis to arrange a strategy to live the weather that structure culture, as they're important for the company's internal integration. In many cases, cultural barriers are established and these will constitute a true bottleneck to organizational performance.



Madgerova (2015) noted that attention to cultural factors in international commerce is very important because language, lifestyle and values change from a society to another society Cultures include two parts: local culture or manufacturer and foreign culture or target market. Some cases such as product packaging, label, quality, services, place and time of purchase, price and advertisement all are affected by culture of societies and people and relate to culture of target culture. Study and research in this regard lead to conformity of product or service in that market and success in the related commerce in international level. But necessity of adaptation to environmental culture of target market is one of the local cultural factors which require avoidance of cultural prejudices and attention to culture of the foreign countries from different viewpoints so that adaptation of product to taste and culture of customer is the priority of production. Then, a series of cultural factors affecting international commerce and brief description of each one of them are given (Madgerova, 2015).

Hayton et al. (2002), in their collected works, relate culture and free enterprise to three expansive parts of research. The principal concentrates on the effect of domestic culture on total methods of enterprise, for example, nationwide inventive yield or new organizations made. The other stream gives the relationship between state culture and the attributes of individual business people. Lastly, it investigates the effect of nationwide ethos on the corporate business enterprise. As needs are, the point at which a person makes a business in a particular social condition, this business mirrors that social condition, for instance, qualities, for example, key introduction and development desires for the business. A great part of the exploration in the business enterprise that considers social factors has taken after Hofstede's (1980, 2001) original work demonstrating how culture is showed in different structures, and how socially esteems at the personal or social ranks are affected by nationwide culture.

As indicated by this view, social contrasts crosswise over social orders can be reduced to four quantifiable measurements: instability shirking, independence, manliness, and power removed. The measurement of vulnerability shirking speaks to an inclination for sureness and uneasiness with unstructured or equivocal circumstances. Independence remains for an inclination for acting in light of a legitimate concern for one's personality and close household, as unmistakable from the measurement of community, which remains for acting in light of a legitimate concern for a bigger gathering in return for their dependability and sustenance. Authority remove speaks to the acknowledgment of disparity in place an expert between individuals. Manliness remains for a confidence in realism and definitiveness instead of administration and instinct. Utilizing Hofstede's (1980) idea of culture, analysts have when all is said and done, theorized that enterprise is encouraged by societies that are high in independence, low in instability shirking, low in control separation in addition great in manliness (Hayton et al. 2002).

#### 2.3 Conceptual Framework

Tromp and Kombo (2009) defined a concept as a theoretical or universal thought construed or acquired after certain occurrences. A conceptual basis is an arrangement of wide thoughts and standards derived from significant areas of examination and used to build a resulting introduction. Conceptual framework is a sensibly created system of interrelationships among factors considered the essential piece of the progression of the circumstance being examined. Mugenda and Mugenda (2003) describe a conceptual framework as an estimated show recognizing the model under examination and the association among the needy and autonomous variables as shown in figure 1.



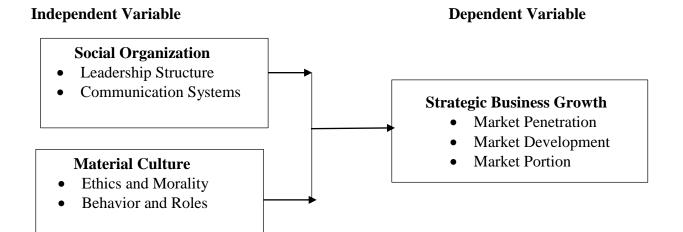


Figure 1: Conceptual Framework

#### 3.0 Research Methodology

The study used a descriptive design. Descriptive studies are those to describe phenomena associated with a subject population or to estimate proportions of the population that have certain characteristics. Target population represents the collection of cases the researcher is interested and which they intend to generalize. The target people for this study were all the employees in Huawei Technologies Kenya Company Limited. Huawei Technologies Kenya has 1,500 as indicated on its company website. Therefore, the target population was 1,500 employees. Fisher method was used to derive a population sample of 150 employees.

This study used main data that was collected through a structured questionnaire. Primary data was gathered through the organization of the questionnaires. A questionnaire with Likert scale type of questions were used. Structured questions were used to capture the opinion of the respondent. Likert scale were coded as follows, 1=strongly disagree, 2=Disagree, 3=Neutral, 4=Disagree and 5=strongly agree. This study used the Cronbach's Alpha for the five-point Likert scale items. This helps the researcher to assess the internal consistency reliability achieved. After quantitative data was gotten through questionnaires, it was organized for analysis by editing, handling blank responses, coding, sorting and entered into a statistical package for social sciences (SPSS) computer software for analysis.

The regression model helped to explain the scale and direction of the association between the variables of the study with coefficients like the correlation, coefficient of determination and the level of significance.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \mu$$

Where:

Y= Strategic Business Growth

 $X_1$  = Social Organization

 $X_2 = Material Culture$ 



 $\beta_0 = Constant$ 

 $\{\beta i; i=1 \& 2\}$  = The coefficients for the various independent variables

 $\mu$ = the error term which is assumed to be normally distributed with mean zero and constant variance.

#### 4.0 Results and Findings

#### 4.1 Descriptive Statistics for Social Organization

The first objective of the study was to establish if social organizations affects strategic business growth at Huawei Technologies Company limited in Kenya. The results are presented in table 1 and show 61% (40.4%+20.6%) of the respondents agreed that the relation between different groups of staff does not interfere with business operations. More results found that the interactions between teams promote business and idea generation as indicated by 66% of the respondents. Results also showed that 68.8% of the respondents agreed that both formal and informal groupings are encouraged in the organization in the strategic business growth. In addition, results show that 70.2% of the respondents agreed that the interactions has promoted staff social units such as family, enterprises and clubs.

Further, 62.4% of the respondents agreed that being closer to one another has aided the staff in building a sense of community where everyone is valued. 61.7% agreed that the existing social units help new staff and the deployed staff from the parent company to cope easily to the organization. The results herein imply that social organizations affect strategic business growth at Huawei Technologies Company limited in Kenya.



**Table 1: Social Organizations** 

| -                          | Strongly |          |         |        | Strongly |      | Std. |
|----------------------------|----------|----------|---------|--------|----------|------|------|
| Statement                  | disagree | Disagree | Neutral | Agree  | agree    | Mean | Dev. |
| The relation between       |          |          |         |        |          |      |      |
| different groups of staff  |          |          |         |        |          |      |      |
| does not interfere with    |          |          |         |        |          |      |      |
| business operations        | 14.20%   | 14.20%   | 10.60%  | 40.40% | 20.60%   | 3.39 | 1.34 |
| The interactions between   |          |          |         |        |          |      |      |
| teams promote business     |          |          |         |        |          |      |      |
| and idea generation        | 6.40%    | 9.20%    | 18.40%  | 43.30% | 22.70%   | 3.67 | 1.12 |
| Both formal and informal   |          |          |         |        |          |      |      |
| groupings are              |          |          |         |        |          |      |      |
| encouraged in the          |          |          |         |        |          |      |      |
| organization               | 9.20%    | 12.10%   | 9.90%   | 47.50% | 21.30%   | 3.60 | 1.21 |
| The interactions has       |          |          |         |        |          |      |      |
| promoted staff social      |          |          |         |        |          |      |      |
| units such as family,      |          |          |         |        |          |      |      |
| enterprises and clubs      | 5.70%    | 14.90%   | 9.20%   | 47.50% | 22.70%   | 3.67 | 1.15 |
| Being closer to one        |          |          |         |        |          |      |      |
| another has aided the      |          |          |         |        |          |      |      |
| staff in building a sense  |          |          |         |        |          |      |      |
| of community where         |          |          |         |        |          |      |      |
| everyone is valued         | 10.60%   | 12.80%   | 14.20%  | 41.10% | 21.30%   | 3.50 | 1.26 |
| The existing social units  |          |          |         |        |          |      |      |
| helps new staff and the    |          |          |         |        |          |      |      |
| deployed staff from the    |          |          |         |        |          |      |      |
| parent company to cope     |          |          |         |        |          |      |      |
| easily to the organization | 7.10%    | 16.30%   | 14.90%  | 40.40% | 21.30%   | 3.52 | 1.20 |
| Average                    |          |          |         |        |          | 3.56 | 1.21 |

The average Likert scale of the responses is 3.56 which indicates that majority of the respondents agreed to the statements. The standard deviation was 1.21, which indicates that the responses were varied.

#### **4.2 Descriptive Statistics for Material Culture**

The second objective of the study was to establish if material culture affects strategic business growth at Huawei Technologies Company limited in Kenya. The respondents were asked to respond on statements on material culture. The responses were rated on a five Likert scale as presented in Table 2. Majority of 79.5 %( 58.2%+21.3%) of the respondents agreed with the statement that there is a great difference in food consumption habits that does not influence organization normal functions.

Majority of 80.1% agreed with the statement that the firm has promoted similar company norms and rituals where everyone is ascribed to, 89.4% of the respondents agreed that shared company culture has created a higher degree of strategic flexibility. Majority of 87.3% of the respondents agreed that there is a clear and measurable input as a result of material culture influence, while 83% of the respondents agreed that material culture helps the organization promote its sales from learning how employees and market behave and conduct their roles.



On a five-point scale, the average mean of the responses was 3.92 which mean that majority of the respondents were agreeing with most of the statements; however, the answers were varied as shown by a standard deviation of 0.88.

**Table 2: Material culture** 

|                            | Strongly |          |         |                | Strongly |      | Std. |
|----------------------------|----------|----------|---------|----------------|----------|------|------|
| Statement                  | disagree | Disagree | Neutral | Agree          | agree    | Mean | Dev. |
| There is a great           |          |          |         |                |          |      |      |
| difference in food         |          |          |         |                |          |      |      |
| consumption habits that    |          |          |         |                |          |      |      |
| does not influence         |          |          |         |                |          |      |      |
| organization normal        |          |          |         |                |          |      |      |
| functions                  | 5.70%    | 6.40%    | 8.50%   | 58.20%         | 21.30%   | 3.83 | 1.02 |
| The firm has promoted      |          |          |         |                |          |      |      |
| similar company norms      |          |          |         |                |          |      |      |
| and rituals that everyone  |          |          |         |                |          |      |      |
| ascribe to.                | 5.00%    | 7.10%    | 7.80%   | 61.00%         | 19.10%   | 3.82 | 0.99 |
| Shared company culture     |          |          |         |                |          |      |      |
| has created a higher       |          |          |         |                |          |      |      |
| degree of strategic        | 1 400/   | 2.500/   | 5.700/  | <b>60</b> 400/ | 27 000/  | 4.10 | 0.77 |
| flexibility                | 1.40%    | 3.50%    | 5.70%   | 62.40%         | 27.00%   | 4.10 | 0.77 |
| There is a clear and       |          |          |         |                |          |      |      |
| measurable input as a      |          |          |         |                |          |      |      |
| result of material culture | 1 400/   | 7 100/   | 4.200/  | 66 700/        | 20.600/  | 2.00 | 0.02 |
| influence                  | 1.40%    | 7.10%    | 4.30%   | 66.70%         | 20.60%   | 3.98 | 0.82 |
| Material culture helps the |          |          |         |                |          |      |      |
| organization promote its   |          |          |         |                |          |      |      |
| sales from learning how    | 1.40%    | 7.10%    | 8.50%   | 66.70%         | 16.30%   | 3.89 | 0.81 |
| employees behave           | 1.40%    | 7.10%    | 8.30%   | 00.70%         | 10.30%   |      |      |
| Average                    |          |          |         |                |          | 3.92 | 0.88 |

On a five-point scale, the average mean of the responses was 3.92 which mean that majority of the respondents were agreeing with most of the statements; however, the answers were varied as shown by a standard deviation of 0.88.

#### **4.3 Correlations Analysis**

Table 3 below presents the results of the correlation analysis. The results revealed that social organization and business growth were positively and significantly related (r=0.308, p=0.000). Similarly, results showed that material culture and business growth were positively but not significantly related (r=0.012, p=0.892). This implies that a decrease in an increase in social organization and material culture led to an improvement in business growth.



**Table 3: Correlation Matrix** 

|  |                                     | Business<br>Growth  | Social<br>Organization | Material<br>Culture |  |  |
|--|-------------------------------------|---------------------|------------------------|---------------------|--|--|
| Business Growth  | Pearson Correlation Sig (2 tailed)  | 1.000               |                        |                     |  |  |
| Social<br>Organization                                     | Sig. (2-tailed) Pearson Correlation | .308**              | 1.000                  |                     |  |  |
| Material Culture   | Pearson<br>Correlation              | 0.012               | 0.140                  | 1.000               |  |  |
|  | Sig. (2-tailed)                     | 0.892               | 0.097                  |                     |  |  |
| * Correlation is significant at the 0.05 level (2-tailed). |                                     |                     |                        |                     |  |  |
| ** Correlation is s  | ignificant at the 0.03              | l level (2-tailed). |                        |                     |  |  |

#### 4.4 Regression Analysis

The results presented in table 4 present the fitness of model used of the regression model in explaining the study phenomena. Social organization and material culture were found to be satisfactory variables in explaining strategic business growth. This is supported by coefficient of determination also known as the R square of 96.3%. This means that Social organization and Material culture explain 96.3% of the variations in the dependent variable, which is business growth in Huawei Technologies Company Limited in Kenya.

This results further means that the model applied to link the relationship of the variables was satisfactory.

**Table 4: Model Fitness** 

| Model      | R                 | R Square       | Adjusted R Square    | Std. Error of the Estimate |
|------------|-------------------|----------------|----------------------|----------------------------|
| 1          | .981 <sup>a</sup> | 0.963          | 0.962                | 0.61023                    |
| a Predicto | ors: Social       | organization a | and Material culture |                            |

In statistics, significance testing the p-value indicates the level of relation of the independent variable to the dependent variable. If the significance number found is less than the critical value also known as the probability value (p) which is statistically set at 0.05, then the conclusion would be that the model is significant in explaining the relationship; else the model would be regarded as non-significant.

Table 5 provides the results on the analysis of the variance (ANOVA). The results indicate that the overall model was statistically significant. Further, the results imply that the independent variables are good predictors of implementation of credit scoring. This was supported by an F statistic of 6.618 and the reported p value (0.000) which was less than the conventional probability of 0.05 significance level.



**Table 5: Analysis of Variance** 

|            | Sum of Squares | df  | Mean Square | F     | Sig. |
|------------|----------------|-----|-------------|-------|------|
| Regression | 7.956          | 4   | 1.989       | 6.618 | .000 |
| Residual   | 40.87          | 136 | 0.301       |       |      |
| Total      | 48.826         | 140 |             |       |      |

Regression of coefficients results in Table 6 shows that social organization and business growth were positively and significantly related (r=0.413, p=0.000). Similarly, results showed that material culture and business growth were positively and significantly related (r=0.208, p=0.005). This implies that an increase in social organization(r=0.413, p=0.000) and material culture(r=0.208, p=0.005) led to an improvement in business growth.

**Table 6: Regression of Coefficients** 

| Variable            | В     | Std. Error | Beta  | t     | Sig.  |
|---------------------|-------|------------|-------|-------|-------|
| Social organization | 0.413 | 0.062      | 0.424 | 6.686 | 0.000 |
| Material culture    | 0.208 | 0.073      | 0.19  | 2.871 | 0.005 |

The optimal model was therefore;

The multiple regression model was laid as below.

 $Y = 0.413X_1 + 0.2.08X_3$ 

Where:

Y = Business growth

 $X_1$  = Social organization

 $X_2 = Material culture$ 

#### **5.0 Conclusions**

Regression results revealed that social organization had a positive and significant effect strategic business growth at Huawei Technologies Company limited in Kenya. This means that an improvement in social organization led to an improvement in strategic business growth. Interpersonal organizations influence the stream and the nature of data. Many data are unpretentious, nuanced and hard to check, so performing artists do not accept generic sources and rather depend on individuals they know. Secondly, informal communities are an essential wellspring of reward and discipline, since these are frequently amplified in their effect when originating from others.

Regression results revealed that material culture had a positive and significant effect on strategic business growth at Huawei Technologies Company limited in Kenya. This means that an improvement in material culture led to an improvement in strategic business growth. As need be, the point at which a person makes a business in a particular social condition, this business mirrors



that social condition, for instance qualities, for example, key introduction and development desires for the business.

#### 6.0 Recommendations

The study recommends for an effective social organizational culture since it is instrumental in guiding the strategic business growth. The organization of the leadership structure and the communications systems are essential in the promotion of social organization. The design and implementation of strategic business growth involves careful planning among and coordination of various functional areas of the company, so each functional area should be represented in the committee from the outset, or strategy formulation phase.

The study recommended for an effective shared company culture to create higher degree of strategic flexibility. Clear and measurable input was emphasized for a positive material culture influence where there is understanding of behaviours and roles. This promotes its sales from learning how employees and market behave with others and assume their respective roles. Ethics and morality were observed as being essential in business growth.

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