

# **INFLUENCE OF ENVIRONMENTAL PRACTICES TRAINING ON PERCEIVED SUSTAINABLE COMPETITIVENESS OF TEA FIRMS IN KENYA**

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## **Abstract**

*Training assumes a significant part in the usage of the organization's environmental practices. The objective of the study was to evaluate the influence of environmental practices training on sustainable competitiveness in tea firms. This research utilized the resource-based view theory. The study targeted 878 respondents from 107 registered tea firms in Kenya and multistage sampling method was used to get sample size of 484. Questionnaires were used to collect the primary data. Inferential and descriptive statistics was employed during data analysis. A positive relationship exist between training on environmental practices and sustainable competitiveness [ $r = .772$ ,  $n = 433$ ,  $p < .05$ ]. The training on environmental practices had positive significant effect on sustainable competitiveness. Training on environmental practices had positive and significant effect on sustainable competitiveness. This means firms developed strong training programs for all the stakeholders on environmental conservation leveraging on stakeholders' collaboration. These firms should create training programs that are realistic and practical, with the right content, depth and duration of the course and that guaranteed personal development and professional experiences. This could ensure easy communication and best basis for creating awareness on new global dynamics on environmental issues.*

**Keywords:** *Training, environmental, practices, sustainable, competitiveness, firms*

## INTRODUCTION

Sustainable competitiveness is important for a firm because it increases benefits. Competitiveness is picked up when associations perform superior to their rivals in a similar industry. With the goal for associations to outsmart rivalry and prevail in the market, they should have some sort of points of interest contrasted with their opponents. Willems (2012) points out that a firm attains a higher level of competitiveness when it acquires or develops a resource or a combination of resources that allows it to outclass its competitors. Smith *et al.*, (2008) pointed out that worries about sustainability concentrate on the need to embrace advancements and practices that don't significantly affect the environment, are effortlessly open to and successful for farmers, can prompt to enhancements in sustenance efficiency and have positive reactions on ecological products and enterprises. To be fruitful in the long term, organizations need to set up activities that have a quantifiable positive and durable effect on the environment (Ringbeck and Gross, 2008). Similarly, Epstein (2008) sketched out the significance of creating ecological methodologies, which would minimize environmental effects through reusing, life-cycle evaluations and waste reduction systems. Furthermore, for partnerships with contamination counteractive action situated corporate ecological techniques, the relationship amongst environmental and corporate performance was more positive (Wagner, 2005).

Ansanelli (2011) notes that interests in clean innovations mirror a responsive stance to ecological issues, whereby restricted assets are focused on tackling environmental issues: item and production process enhancements are made to adjust to legitimate prerequisites. Tea is the most well-known and least expensive drink beside water and is an essential product as far as occupations and export income for various tropical developing nations. Sande van der Wal (2008) point out that just a modest bunch; China, India, Kenya and Sri Lanka are in charge of very nearly seventy percent of generation.

At worldwide scale, Kariuki (2012) notes that tea is significantly produced in vast farms; however, smallholder production is critical in nations, for example, Kenya and Sri Lanka. The tea segment additionally offers work lasting through the year to around 639,521 farmers in the rural regions notwithstanding providing work in different parts of the tea value chain. Economical agribusiness adds to tending to this test. Most recent insights demonstrate that roughly 62% of the aggregate tea crop in Kenya is delivered by smallholder farmers who produce and offer their tea through publicly owned possessed Kenya Tea Development Agency, which is the biggest single tea organization in the globe with sixty-two tea firms (Kagira *et al.*, 2012).

Kagira *et al.*, (2012) further note that whatever is left of tea is produced by exclusive extensive scale tea organizations that operate and manage thirty tea firms. A couple of these substantial scale tea firms incorporate Unilever Tea, James Finlay, Kakuzi, George Williamson

and Kaisugu. It might be contended that sustainable competition is impacted by the level of joint effort on corporate environmental practices with every one of the partners. Most imperative in tea sector in Kenya, is that sustainable competitiveness might be derived from the joint effort with partners that's; government, clients, providers, and workers.

Training assumes a significant part in the usage of the organization's environmental practices. Sammalisto, and Brorson (2008) note that research has demonstrated that training on environmental practices serves as a key variable amid the usage of environmental management frameworks by adjusting disposition and conduct among supervisors and representatives. Lefebvre *et al.* (2003) posit that in smaller organizations, firms within various different industry areas, worker training on environmental practices. Administration's profound inclusion and its key integration, and in addition to worker inspiration and cooperation, positively affects the organization accomplishing a focused edge in light of environmental activity; training on environmental practices is intended to help in this activity (del Brio *et al.*, 2007). Therefore, this study attempted to fill this knowledge gap by establishing the influence of training on sustainable competitiveness in tea firms in Kenya.

## LITERATURE REVIEW

### Concept of Sustainable Competitiveness

Competitiveness can be defined as a capacity and its potential must be acknowledged in an association's ordinary operations. Porter (2004) notes that unless there is suitable change at the micro and macro-economic levels, the political, legitimate and social changes won't bear meaningful outcomes that can be appreciated by all that are involved. At the end of the day, macro-economic conditions impact the micro-economic environment and the other way around. In addition, there are numerous cases where firms practice different levels of competitiveness (both decidedly and contrarily) despite the fact that they exist in a similar large-scale business environment.

The generally accepted result markers in the literature are development, export, and profit. This study utilized these markers and developed them by including the effect of the organization on the client and the society. On the off chance that manageability of competition should be measured, it ought to surely incorporate partners into the measure of the firm's level of performance. The key assets for competitiveness can be gathered under three classifications, to be specific, human related, monetary and innovation related, advancement and configuration-based assets. This means that the innovation assets are kept wide to incorporate advancement and configuration since innovation assets does not really cover non-specialized developments and design capability that can add to competitiveness. The pointers in the administrative

procedures and capacity intend to assess how an organization creates and utilizes its assets through leadership, procedures and frameworks in an organization, and manageability of strategies.

### **Training in Corporate Environmental Practices and Sustainable Competitiveness**

Coates and McDermott (2002) note that training and access to information are essential to the improvement and use of assets and abilities in RBV hypothesis (and training on environmental practices programs that concentrate on instructing and expanding information for the firm's workers can overcome these hindrances. With this new learning, workers can then see how the environment can influence and be influenced by their obligations and choices. From an RBV viewpoint, Daily and Huang (2001) assert that the shortcoming of an organization's business culture and its weaknesses in human resource might be vital hindrances during the time spent on corporate environmental activity.

A standout amongst the most vital assets is information, the asset, which training on environmental practices helps to develop. On the other hand, Del Brio *et al.* (2007). Training on environmental practices may assume a particularly critical part since it serves as a technique to assemble the authoritative abilities and information of all workers who take an interest in these projects.

Balzarova, and Castka (2008) note that training for abilities and information advancement is imperative not just for the underlying execution and appropriation of environmental practices, for example, environmental administration frameworks, additionally for their support and proceeded with operation. Training fosters the 'experience, judgment, knowledge, connections and understanding of individual managers and workers in a firm' and expanding on the work (Youndt *et al.*, 2004), that advance individual workers' learning, aptitudes and capacities, in this manner reasonably isolating them from the "pathways" through which learning is distributed, more energy proficient production and product delivery processes. Schroeder *et al.* (2002) note that the information required by workers is probably going to wind up distinctly more perplexing, requiring new aptitudes from workers at all levels of the firm.

Training enables workers in total quality environmental administration methods have been placed as being urgent to the accomplishment of these projects (Kaynak, 2003). In addition, Hanna *et al.* (2000) note that employee contribution is a basic component of projects that look to enhance both environmental and operational execution. Keeping in mind the end goal to accomplish successful strengthening building and worker contribution, representatives need to be trained in particular abilities.

Wilkinson *et al.* (2001) and Dunphy *et al.* (2003) point out that studies into this area has inferred that environmental projects are more effective if elements, for example, training on environmental practices, strengthening a cooperation. Jabbour *et al.* (2008) note that training on environmental practices is a basic component to the greater part of these frameworks, however it has likewise turned out to be apparent that training on environmental practices is important for their fruitful implementation. These four professional workplace practices were looked at in connection with feasible competitiveness of tea firms in Kenya and their impact diagnostically reflected from administrative point of view.

### **Theoretical framework**

The Resource-based view hypothesis of the firm stipulates that organizations can increase economical upper hands on the off chance that they are bolstered by association level capabilities (Rugman, and Verbeke, 2003). The Resource-based view hypothesis can be utilized to expand aggressive techniques. This hypothesis contends that upper hand lies in the assets that an association can access and abuse and not in the capacity to deal with the earth (Campbell, Stonehouse and Houston, 2004). It keeps up that organizations are blessed by the gods with a heap of assets as resources, skills, procedures, and substitutes that furnish the association with upper hand. David (2007) indicates that since organizations have distinctive traits at various dimensions and diverse groups of assets, contrasts in authoritative execution are probably going to be seen.

The hypothesis further attests that organizations have three sorts of assets to be specific; substantial assets, immaterial assets and authoritative capacities. Unmistakable assets incorporate money related, physical, mechanical and hierarchical resources and in this manner are effortlessly recognized then again impalpable assets are more intricate to distinguish and along these lines trouble to mimic. They incorporate procedures that a firm receives after some time and comes full circle to enhanced execution (Barney, 2006). At long last, hierarchical capacities are abilities and skills which a firm joins to change substantial and impalpable assets into yields, for instance, extraordinary client benefit (Dess *et al.*, 2007). The Resource-based hypothesis likewise contends that hierarchical assets in themselves are not really a wellspring of upper hand since opponent firms may likewise have comparable assets. For this situation in this manner, upper hand lies in the assets having at least one of different characteristics, for example, important substitutes.

## RESEARCH METHODOLOGY

The identification of the nature and extent of effect-and-cause relationships was through the explanatory research design. It assesses impacts of specific changes on existing norms, various processes. According to Creswell et al., (2007), the focus on a specific problem or an analysis of a situation by causal studies is to enlighten on the designs of relations between variables.

Several districts in Kenya mainly grow tea, for instance; Nandi, Kericho, Kiambu, Bomet, Thika, Sotik, Maragua, Kisii, Muranga, Nyamira, Kakamega, Nyambene, Nakuru, Meru, Trans-Nzoia, Nyeri, Embu and Kirinyaga. Eighty percent of favorable weather patterns are experienced in these areas. Small-scale growers and multinational companies share production as mentioned earlier and; several scientific advances in tea cultivation have come their way, currently small-scale sector average yields stands at 1800kg per hectare which is still below estates sector (Teas Research Foundation, 2002; Willson, 1999). Higher quality standards have been achieved in small-scale sector despite the disparities in yields leading to steadily higher selling prices. According to KTDA (2003), people earning their livelihood from the sector is approximately 3 million, with over 80,000 people employed in the estate, rendering it the largest employer in the private sector industry.

The target population was 878 managers responsible for production, finance and human resource in tea firms because they understood the various environmental practices (Tea firms HR database, 2015) that are in place in their own firms and also have strong knowledge on how basic requirements in both local and international market for tea. Nassiuna (2006), argues that in most descriptive and experimental research, coefficient of variation of at most 20% is accepted and standard error of 0.02 can be used. Sample size for production managers in community owned tea firms is 134 and the rest of the managers as per the type of tea firms were calculated. Random sampling method was used so that the senior most managers in the three key departments was asked to fill the questionnaire at one in employee relations office and finance and two in production department. Further, Multi stage sampling technique was used because according to Singh (2006); this type of sampling is more representative and comprehensive of the population. Stages of a population were created, through stratification that is according to the nature of ownership of the tea firms that's; community owned and private owned tea firms. Then, the researchers used purposive sampling to administered questionnaire of managers responsible and have adequate knowledge of for the environmental practices being carried out by tea firms and random sampling to pick on the interviewee where there is more than the required number of managers.

This research collected qualitative data using self-administered questionnaires taken to tea firms then a follow-up visits after 7 to 10 days to increase of response rate. Four research

assistants underwent two weeks training on environmental practices on data collection and thereafter, the researcher made formal request for approval for this research study from the Office of the President. Upon completion of the data collection, the data was checked, cleaned, coded and analyzed before making final report. Both primary sources of data was utilized in this study.

Primary data was collected using self-administered questionnaires to firm managers, employee relations managers and leaf-based managers of the tea firms with telephone calls prior to delivery of the questionnaires to the contact persons and thereafter to made follow ups. Before this is done the interviewees were inducted through phone on areas where they did not understand. The same questionnaire was used by all the respondents to enhance consistency on the interpretation by all the respondents. The correlation analysis was used to establish relationship between variables.

## RESULTS

### Descriptive Statistics for Sustainable Competitiveness

In the study, the dependent variable was the sustainable competitiveness among the tea firms. The respondents were requested to establish the extent they agree or disagree with statements relating to the sustainable competitiveness in tea firms as summarized in Table 1.

Table 1: Descriptive Statistics on Sustainable Competitiveness

	Mean	Std. Deviation	Skewness	Kurtosis
Our market share grows faster than the market share of the rival tea firms	5.94	.799	-.046	1.332
Our profitability share grows faster than the profitability of the rival tea firms	6.07	.677	-.344	1.027
Our productivity grows faster than the productivity of the rival tea firms	5.99	.668	-.296	1.912
Our clients are more satisfied than the clients of the rival tea firms	5.98	.717	-.414	1.561
The skill of adjustment to the changeable needs of the markets in our tea firms is better than in the rival tea firms	5.99	.700	-.118	1.212
We have a better image than the rival tea firms	5.88	.738	-.784	1.131
The employees' motivation of our tea firms is higher than the employees' motivation of the rival tea firms	6.02	.745	-.982	1.594
We have less labour absenteeism than the rival tea firms	6.07	.690	-.287	1.328
<b>Mean</b>	<b>6.0007</b>	<b>.41491</b>	<b>-.609</b>	<b>1.964</b>



The findings showed that all the statements representing sustained competitiveness had a mean of above 5.8, indicating that the respondents highly rated the tea firm sustained competitiveness. The overall skewness was -5.61 and kurtosis was 59.96, indicating that the distribution of values deviates from the mean. From the 8 statements used to explain sustained competitiveness characteristics at tea firms had an overall mean score of 6.00 indicating that respondents agreed on its sustained competitiveness. This implies that the sustained competitiveness was highly rated among the respondents.

### Descriptive Statistics on Training on Environmental Practices

The respondent's perceptions on the training on environmental practices were sought and their responses presented in table 2. The findings showed that all the statements representing training on environmental practices had a mean of above 5.8, indicating that the respondents highly rated the tea firm training on environmental practices. From the 11 statements used to explaining training on environmental practices characteristics at tea firms had an overall mean score of 5.9667, indicating that respondents agreed on training on environmental practices. This implies that the training on environmental practices was highly rated among the respondents.

Table 2: Descriptive Statistics on Training

	Mean	Std. Deviation
The issues are dealt with in as much in depth as the length of the course allowed	6.09	.910
The length of the course is always adequate for the objectives and content	5.91	.802
The method is always well suited to the objectives and content	5.91	.819
The method used always enable us to take an active part in training	5.87	.835
The training always enables me to share professional experiences with colleagues	5.90	.811
The training is realistic and practical	6.00	.829
The documentation given out is always of good quality	6.02	.747
The training context is always well suited to the training process	6.04	.775
The training is always useful for my specific job	5.99	.806
The training is always useful for my personal development	6.09	.786
The training merits a good overall rating	5.89	.799
<b>Mean</b>	<b>5.9667</b>	<b>.45877</b>



### Correlations Analysis of Variables

Pearson moment correlation was used to describe the relationship between variables. The relationship between training and sustainable competitiveness were investigated using Pearson product-moment correlation coefficient as shown in table 3. A positive relationship exist between training on environmental practices and sustainable competitiveness [ $r = .772$ ,  $n = 433$ ,  $p < .05$ ].

Table 3: Pearson Moment Correlation Results

		SC	TEP
Zscore (SC)	Pearson Correlation	1	
	Sig. (2-tailed)		
Zscore (TEP)	Pearson Correlation	.772**	1
	Sig. (2-tailed)	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed); N=433

### CONCLUSION

Training oriented environmental practices influenced sustainable competitiveness significantly through training engagements like better the training methods, that are realistic and practical, proper documentation and of good quality. Training on environmental practices had positive and significant effect on sustainable competitiveness. This means firms developed strong training programs for all the stakeholders on environmental conservation leveraging on stakeholders' collaboration. These firms created training programs that are realistic and practical, with the right content, depth and duration of the course and that guaranteed personal development and professional experiences. This could ensure easy communication and best basis for creating awareness on new global dynamics on environmental issues.

One of the theoretical implications for this study is centred on a suggested paradigmatic shift from sustainable competitiveness to stakeholder's collaboration approach. Resource based view is have been built around four resource dimensions, valuable, rareness, inimitability and substitutability in order to confer competitiveness. The theoretical implication of the current study is that collaboration with stakeholders is a prerequisite for sustainable competitiveness. This implies that should provide for fifth dimension which is the collaboration dimension with stakeholders.

This study was limited to tea firms in Kenya and its results provides valuable information and guidelines that will be useful to tea firms' policy makers and implementers in Kenya, when addressing issues and designing appropriate measures or interventions to positively impact sustainable competitiveness.

## RECOMMENDATIONS

Training on environmental practices had positive and significant effect on sustainable competitiveness. This means firms developed strong training programs for all the stakeholders on environmental conservation leveraging on stakeholders' collaboration. These firms should create training programs that are realistic and practical, with the right content, depth and duration of the course and that guaranteed personal development and professional experiences. This could ensure easy communication and best basis for creating awareness on new global dynamics on environmental issues.

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