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Agro-Firms Strategies and Firms Productivity in Premier Feed Mill Calabar

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ABSTRACT: *This research was designed to examine the relationship between Agro-firms Strategies and Firms Productivity, a study of Premier Feed Mill, Calabar. Cross sectional survey design was adopted for the study and a sample size of 194 respondents was drawn using purposive technique. For the objective of the study to be achieved, four hypotheses were formulated. The major instrument for data collection was a structured questionnaire administered to the respondent using random sampling techniques. Data collected were analysed using Pearson Product Moment Correlation. Results show that there is a significant correlation between agro-firms strategies and firms productivity. Based on the finding of the analysis, it is concluded, firms should adopt the cost leadership, differentiation, focus and innovation strategy to drive productivity in organization. It also furthered the notion that Agro-firms strategies is important in creating organizational effectiveness, efficiency and profitability. Consequently, this study recommends that more studies should be done to study the effect of agro-firm strategies in the region and their influence on organizational performance. A study may also be carried out to find out how respective customers and stakeholders too are affected by change adopted in an organization. A detailed study of ways to maintain and sustain change should be carried out. Similar studies can be carried out in other firms to compare findings as this study was carried out only in the Premier Feed Mill Calabar.*

KEYWORD: agro-firm strategies, productivity, cost leadership, differentiation and innovation

INTRODUCTION

Agriculture is undergoing a huge transformation. In the past, agriculture was seen as a subsistence activity of farmers involving crop and livestock production. For centuries agriculture was the same as farming, and most people lived on farms or nearby and were largely

self-sufficient. This is, however, changing substantially in the recent years. Today, agriculture is rapidly turning into a technology and market oriented "industry" which extends from agricultural production, to sophisticated agriscience, and agribusiness. It now connects strongly to the national and global economy. Many people who work in agriculture actually do not work on farms but are engaged in businesses of seed, fertiliser, agro-chemical, farm machinery, food-processing, marketing and trade. Many are engaged in finance, research, distribution, and marketing activities which provide services to the production agriculturalists. Agriculture has become a big business. The pioneers of the field of agribusiness at the Harvard Business School, Davis and Goldberg (1957) defined agribusiness as the sum total of all operations involved in the manufacture and distribution of farm supplies; production operations on the farm; and the storage, processing, and distribution of the resulting farm commodities and items. Another definition describes it as consisting of profit-motivated enterprises involved in providing agricultural supplies and/or in the processing, marketing, transport, and distribution of agricultural materials and consumer products, Ricketts and Rawlins (2001). Roy (1980) defines agribusiness as the co-ordinating science of supplying agricultural production inputs and subsequently producing, processing, and distributing food and fiber. Many authorities exclude farming, or actual production of food and fiber, from the definition of agribusiness. Production agriculture is indeed a business, but is often separated from agribusiness. Agribusiness provides inputs to the production agriculturalist (farmer), and the production agriculturalists produce food, fiber and byproducts. Input agribusinesses provide farmers with supplies and equipment needed to produce and protect their crops. Many provide services to such as credit, insurance and information. The output is taken by output agribusiness firms that process, market, and distribute the agricultural products.

Successful farmers of the 21st century will not only be top-notch production/operations managers, but they will also know how to strategically position their business for the long-term success. Strategy is about making a choice as to where the firm business manager will focus resources and passion. In essence, strategy represents–the way the firm creates value for the customer, Wily, (2006). Strategy drives the firm's resource investment decisions, including how management allocates time and energy. As will be discussed in detail later on the work, the strategy is built around the firm's core competencies–the primary skills and sources of competitive advantage–and the opportunities and threats that the market and external environment provide. So, what might be some options for farmers on the context of this work? One might be to position the business as a low-cost, bulk-commodity producer, or a customer-oriented producer which provides organic products. The business might be a full-service, customer-focused, custom-service provider such as is common in the wheat and small grain industries. Or the business might be an efficient alliance-focused contract animal feeder as in the custom cattle feeding or contract pork industry. Some businesses might be positioned as cutting-edge technology-focused animal breeders or as precision farming specialty crop producers who can provide traceability, segregation, and other attributes desired by quality- and safety conscious food processors and retailers, Chadha and Sahu (2003).

In general, there is a common theme to all of these options–a customer focus. In reality, adding value for customers is the fundamental determinant of any business's long-term success. For any strategy to be successful, it is essential to answer who, what, and how questions related to the customer focus. Note that this is not emphasizing these questions relative to the product

which is the common production agriculture approach. Instead, the focus is on the customer who purchases products and services. "Who" addresses what segment of customers the business will serve. "What" refers to the wants and needs of that customer segment that the products and services satisfy? And "how" focuses on the operational procedures and techniques that will be used to leverage core competencies to implement of the value-creating activities that fulfil customer's wants and needs. So, what is strategy? In essence, strategy is the integrated and coordinated set of actions and activities that provide value to customers and gain a competitive advantage for the farm business by exploiting core competencies in specific product or service markets.

Performance measurement plays a key role in developing, implementing and monitoring a strategic plan. It enables managers to evaluate whether organizational objectives have been achieved, and is further used to develop and compensate managers. It helps managers monitor whether the company is moving in the direction they want it to go. However, to the authors' knowledge there has been no study on the relationship between competitive strategy, performance measurement, and firm productivity. Literature review of existing studies shows that there are different performance measurement systems (Chenhall and Langfield-Smith, 1998). Thus, it is important to ask what the most appropriate performance measures are which should be aligned to competitive strategy. Managers still face the issue of effective performance measurement, and may be overwhelmed with performance data (Maltz et al., 2003; Moullin, 2007). In this paper, we argue that a competitive strategy can help a firm achieve its competitive advantage only when appropriate performance measurement is used and that a good fit between the competitive strategy and performance measurement will lead to higher firm performance.

Statement of the Study

The agro-based industry plays a major socio-economic role and provides relatively high percentage of total employment to the people of the study area. Agro-based industries made various contributions to agro-business sector but there are challenges limiting the productivity of this sector (Daramola, 2004). This problem occurs from the time of establishment of the firm till its operation, processing and marketing. Agro-based industries are purely depending upon primary sector, for suitable raw materials but this is inadequate (Otokiti, 2007).

The agricultural production is seasonal and perishable in nature which reduces the productivity and profitability of the firms. Mostly, these firms are lacking in control of the operational costs, financial planning and market for their product. Firms which are located in rural areas especially face the problems relating to storage, transportation and support of market intermediaries, according to United Nations Industrial Development Organization (2005). Therefore the present paper is focusing on agro-firm strategies and firms productivity in Premier feed Mills Calabar.

Objectives of the Study

The general objective of the study will be to ascertain the relationship between Agro-firm Strategies and firm's productivities in Agro-firms. In specific terms, the following objectives were to be achieved by this study.

i. To examine the relationship between cost leadership strategy and Agro-firm's productivities.
ii. To examine the relationship between differentiation strategy and Agro-firm's productivities.
iii. To determine the relationship between focus strategy and Agro-firm's productivities.
iv. To determine the relationship between innovation strategy and Agro-firm's productivities.

Hypothesis of the Study

Ho_1: There is no significant relationship between cost leadership strategy and firm's productivities**.**

Ho_2: There is no significant relationship between differentiation strategy and firm's productivities.

Ho_3: There is no significant relationship between focus strategy and firm's productivities.

Ho_4: There is no significant relationship between innovation strategy and firm's productivities.

LITERATURE REVIEW

Concept of Agro-Firms' Strategy

Stock (2007) defines strategy as the pattern or plan that integrates an industry's main purpose, policies and achievement sequences into a unified whole. An industry's resources may be collected and allocated into a unique and viable position depending on its internal capabilities and weaknesses, expected changes in the environment and dependent moves by smart opponents. Githae (2004) argues that a competitive strategy is a guide of decisions in a company that give direction and disclose its intentions, purposes, or ambitions, and plans for achieving set goals. They include the variety of businesses the company is to pursue, as well as the kind of financial and human resources it needs to deploy to meet the expectations of its stakeholders, employees, clients, and societies. Strategy relates a firm to its environment and it can be formulated on three different levels, namely: corporate, business unit and operational level. While strategy may be about competing and existing as a firm, one can argue that it is products and not organizations that compete. Products are developed by the business units. The role of the organization therefore, is to give direction to its industry operations and products so that each is performing and so that each adds to the organization's purposes (Porter, 1980). Johnson & Scholes, (1999) argue that strategy is fundamental in positioning a firm in the wider external environment. The firm needs to look at itself in terms of what the competitors are doing.

This is critical because firms in the same industry tend to compete for the same customers. Ansoff & Mc Donnell (1990) defines strategy as a way of decision making guidelines for the direction of organizational behaviour. This strategy is used as a yardstick to define its connection with the external environment and to gauge the firm's performance with the

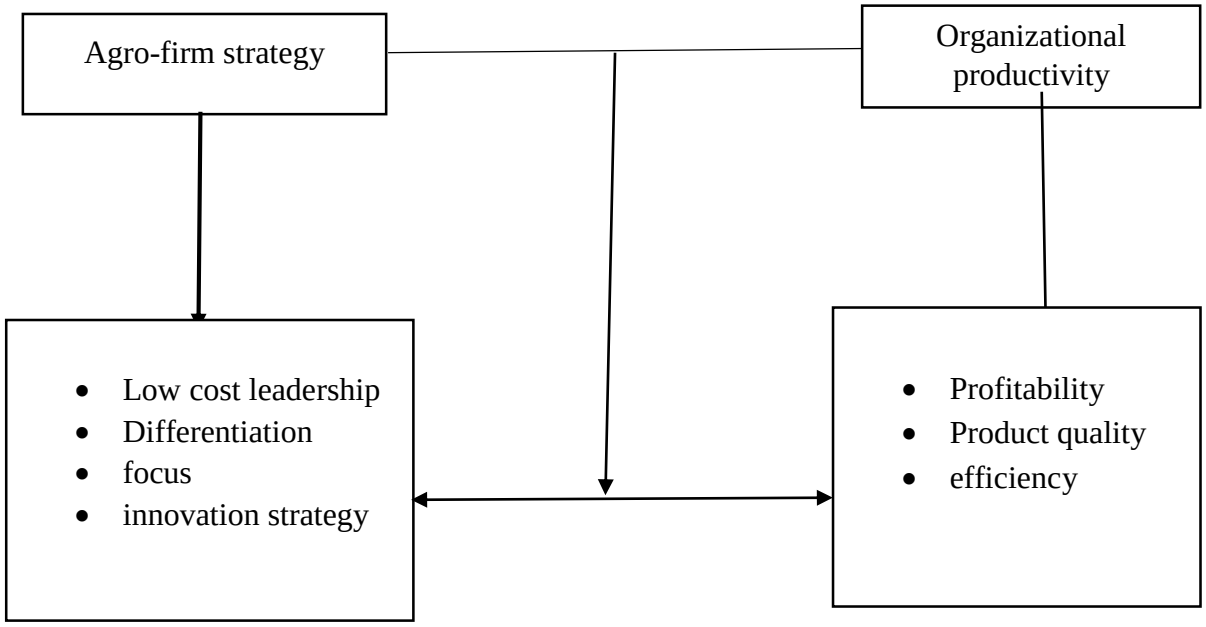
external environment. Strategy needs to take into consideration both the immediate and distant environments. Strategy is defined by how a firm communicates to its surrounding taking into account the internal capabilities of the firm which defines the firm's competitive advantage. The success or failure of a firm's strategy will depend on skillful formulation and effective implementation. Successful strategies have some common elements such as simple, consistent and long term objectives, a profound understanding of the competitive environment and objective appraisal of available resources. Porter (1996) argues that strategy is about differentiation implying choosing a set of activities that are unique to deliver a mix of value to enhance service delivery and thus high revenue. Competitive strategies are concerned with how a company can gain a competitive gain through a distinctive style of competing. It is necessary for a firm to have a sustainable competitive advantage to compete but what is more important is whether the competitive advantage is sustainable (Kimando, Njogu, & Sakwa, 2012).

Wily, (2006) "Agro-firm is considered as an extended arm of agriculture. The growth of the agro-firm helps stabilize and make agriculture more profitable and create employment opportunities both at the production and marketing stages". Chadha and Sahu (2003) view "Agro-firm as subset of manufacturing that processes raw materials obtained from agriculture and its associated sectors such as animal husbandry, forestry and logging and intermediate products derived such as raw hides and skins for manufacture of leather and leather products". Agro-firm are those firms which use raw materials from agriculture as main material from which manufactured goods are produced on a commercial scale, United Nations Industrial Development Organization UNIDO (2007) ". The term agriculture also includes fisheries and forestry. Agro-based industries are synonymous to agro-industries. It further defined agro-related industries/agro-allied industries as those which produce inputs to agriculture or even material used for protection of agricultural products.

Noe (2017) defined competitive advantage as firms' ability to produce goods and services more efficiently than competitors. This definition infused waste elimination, cost reduction (Maury, 2018), and quality to denote the hallmark of operation which Namada (2018) had previously sustained. Jones, Harrison and Felps (2018) defined competitive advantage similar to firm's ability to produce goods or services that customers see as more valuable than competitors. Tincani and Travers (2018) added to the concept definition that competitive advantage is a set of a company's unique features, products and services that are perceived by the market as significant and superior to the competitors.

The term strategy denotes means deployed towards achieving organizational goals and objectives (Zhou & Wen, 2019). According to Mishra et al. (2019), strategy is the creation of unique and valuable position involving different sets of activities. Similarly, Majid Yasir, Yasir and Javed (2019) portrayed strategy as a perceived long-range plan of a business, which provides and sustains shareholders value. Mac-Donagh et al. (2019) argued that strategy is the basic long-term goals and objectives of a firm and the adoption of the courses of action and the allocation of resources necessary for achieving the goals. Pereira et al. (2019) explained that it consisted of combinations of competitive moves and business approaches that managers employ to please customers, compete successfully, conduct operations and achieve organizational objectives.

Conceptual framework in Figure 1:



Source: The Researcher's Conceptualization.

Cost Leadership Strategy

Cost leadership strategies are based on a firm's ability to provide a product or service at a lower cost than its rivals (Birjandi, Jahromi, Darasi & Birjandi, 2014). The basic operating assumption behind a low-cost leadership strategy is to acquire a substantial cost advantage over other competitors that can be passed on to consumers to gain a large market share. According to Cavusgil, Ghauri and Akcal (2013) a lowcost strategy then produces competitive advantage when the firm can earn a higher profit margin than results from selling products at current market prices. In many cases, firms attempting to execute low-cost strategies aim to sell a product that appeal to an average customer in a broad target market. Kenya's overall economic and social development is highly dependent on the growth and development of the agricultural sector. Currently, tea is the single leading cash crop in Kenya which makes significant contribution to the economy (Ministry of Agriculture Report, 2019). In the year 2018, the country produced 399 metric tons of made tea, earning Kshs. 97 billion in foreign exchange. Tea is the main cash crop grown in Kenya and earns the country a lot of money. There are various factories in Murang'a County (See Appendix IV) that supply Kenya with tea for both local use and foreign exchange. Firms need competitive strategies to enable them overcome the competitive challenges they experience in the environment where they operate. A competitive strategy therefore enables a firm to gain a competitive advantage over its rivals and sustain its success in the market (Gloria & Ding, 2015). Maina (2018) observe that competitive strategies employed by Kenya's Tea factories vary widely depending on the operating environment. The current operational set up in Tea sector is a dynamic one and highly competitive with the emergence of many smallholder factories. To ensure survival and

sustainability in the market place, these factories need to adopt competitive strategies to ensure that they outperform their competitors.

Differentiation Strategy

Differentiation strategy can be defined as a key to survive in the market due to high probability to have sustainability of performance in the long-term run. As we find that market competition may increase the level of real earnings management, firms will seek ways to avoid the financial distress. This issue can be avoided by firms that use differentiation strategy by their sustainable business performance even without engaging real earnings management. These firms are still able to achieve financial goals and meet the investment needs Chowdhury, (2006). These findings should be considered by managers that tend to use real earnings management to meet their financial goals. In order to achieve the long-term success and sustainability of firms' performance, managers should consider using differentiation strategy to meet financial goals than engaging real earnings management.

The farm business manager that focuses on differentiation offers a steady stream of new products and services. Their product and service offerings are at above average market prices because of the extra value delivered by the differentiational innovations. If they pursue a broad market, the firms are able to spread the costs of this innovation over larger volume, helping keep down costs per unit of sales. If a more narrowly defined niche market is pursued, size economies are less likely and higher prices will be needed to generate adequate margins Wahal, (2019). Focus/niche firms differentiate by developing highly tailored solutions for specific customers. The focus on specific customers limits the appeal of the offering to a relatively small market but has the advantage that the solutions are so well tailored to this customer group that competitors are effectively locked out of the niche. The customer here could be a processor/first handler or it could be an end-user.

Focus Strategy

The focuser's basis for competitive advantage is either lower costs than competitors serving that market segment or an ability to offer niche members something different from competitors. Focusing is based on selecting a market niche where buyers have distinctive preferences. The niche is defined by geographical uniqueness, specialized requirements in using the product or by special attributes that appeal to members, (Stone, 1995). A focus strategy based on low cost depends on there being a buyer segment whose needs are less costly to satisfy than the rest of the market. On the other hand, a focus strategy based on differentiation depends on there being a buyer segment that demands unique product attributes. In the focus strategy, a firm targets a specific segment of the market (Porter, 1996). The firm can choose to focus on a select customer group, product range, geographical area, or service line (Martin, 1999). For example, some service firms focus solely on the service customers (Stone, 1995). Focus also is based on adopting a narrow competitive scope within an industry. Focus aims at growing market share through operating in a niche market or in markets either not attractive to, or overlooked by, larger competitors. These niches arise from a number of factors including geography, buyer characteristics, and product specifications or requirements. A successful focus strategy (Porter, 1980) depends upon an industry segment large enough to have good growth potential but not of key importance to other major competitors. Market penetration or market development can

be an important focus strategy. Midsize and large firms use focus-based strategies but only in conjunction with differentiation or cost leadership generic strategies.

Innovation Strategy

The literature in the field proves that there are substantial differences in terms of innovation strategies between firms even within individual industries as well as overtime. Some firms are obstinate innovators; some firms innovate irregularly, while others are non-innovators. We can easily find reasons to why some firms never innovate, such as a strong position in the market, the control of a unique resource, lack of skills or resources, bad management, and pure inertia (Canh et al., 2019; Chen, 2017; Atalay, Sarvan, & Anafarta, 2013; Kang & Na, 2020). However, our focus here is not the non-innovators, but on the innovators and the factors that determine their innovation strategies. To the author's knowledge, few studies analyze explicitly the determinants of different innovation strategies including process, market and technological innovations and various combinations of these three types of innovation. It seems quite rare to consider concurrently these different innovation strategies. Nevertheless, the author thinks it is of great interest to differentiate between these different possible innovation strategies since the competitiveness of firms increasingly seems to depend on it.

Concepts of Organizational Productivity

Productivity is a ratio to measure how well an organization converts input resources (labor, materials, machines, money) into goods and services (Tokarčíková, 2013). Dorgan (1994) defines productivity as "the increased functional and organizational performance, including quality", and Rolloos (1997) claims that "productivity is that which people can produce with the least effort". Nda & Fard (2013) describe employee productivity as the measure of output per unit of input economically. Rohan and Madhumita (2012) adopt a different view and see employee productivity as the log of net sales over total employees. Pritchard (1995) illustrates three definitions which relate to productivity:

1. is output/input, in other words, is a measure of efficiency;

2. is a composition of effectiveness and efficiency; and

3. whatever makes the organization function better.

Organizational productivity is one of the most studied terms in management sciences. Pitcher Partners Growth (2016) opined that organizational productivity relates to how successful an organized group of people with a particular purpose perform a function. It comprises the actual output or results of an organization as measured against its intended outputs, objectives, or goals. However, high organizational productivity exists when all the parts of an organization work together to achieve great results. Eyenubo (2013) claimed that productivity is the success of meeting predefined objectives, targets, and goals within a specified time target. Productivity is defined as the record of outcomes produced on a specified job function or activity during a specified period (Bernardin and Russel cited in Obiageli, Uzochukwu, and Ngozi, 2015). The organizational productivity of companies is driven by the quality of allocation to tangible and intangible assets, including ERM (Onafalujo, 2012). Liao, Lu, Huang, and Chiang (2012) opined employee productivity as workers" complete ability and productiveness in the

attainment of the projected value and realization of everyday jobs in line with the prescribed procedure and timeline of the organization. In the same way, Liao et al. (2012) see employee job productivity as an index for improvements, idleness, recompenses, retributions, reviews, and remuneration changes. It also gratifies the desires for employees to realize themselves. Therefore, Productivity of an employee gives room for innovativeness among employees and general firm's productivity and innovativeness, in a manner that prosperous work of accomplished, inspired, and zealous human resources yield ground breaking concepts for newer goods or services and also upsurge productivity quality and satisfaction of the clients (Sadikoglu and Cemal, 2010). Furthermore, Ahmad and Shahzad (2011) argued that the seeming productivity of an employee expresses the entire conviction of an employee in regards to the actions and input to the attainment of the organization's goals and mission. They further mentioned that practices of compensation, evaluation of productivity, and practices concerning the promotion of an employee are the benchmark for the productivity of a worker. So also, Anitha (2013) stated that the productivity of an employee is a gauge or pointer of monetary or another result of the employee that has an undeviating relationship with organization productivity and accomplishment as well. Anitha (2013) additionally disclose that atmosphere in which employee performs the task and other schedules, relationship with bosses, co-employee relationship, and that of team, compensation procedure, and involvement of an employee are determining factors for productivity. Alagaraja and Shuck (2015) disclose that employee productivity can be measured using regular training and improvement. Also, Thomas and Feldman (2010) take on measures of employee productivity as core job productivity that includes in-role productivity, security productivity, and inventiveness, trailed by citizenship productivity, branded into equally targets-specific and wide-ranging organizational citizenship. Employee productivity which leads to improved corporate productivity if well-handled, can be explained to be a process for establishing a shared workforce understanding about what is to be achieved at an organization level. It is about aligning the organizational objectives with the employees' agreed measures, skills, competency requirements, development plans, and the delivery of results. Good organizational productivity refers to employee productivity (Iqbal, Ahmad, Haider, Batool & Ain, 2013).

THEORETICAL FRAMEWORK

Strategic Balance Theory as propounded by David Deephouse (1999)

Strategic Balance Theory as propounded by (David, 1999) was adopted. Deephouse recognized a trade-off between differentiation and conformity: strategic differentiation reduces competition which increases performance, but strategic conformity increases legitimacy which increases performance as well. The theory predicts that the intensity of competition among organizations is directly related to the distribution and availability of the resources. The theory suggests that intermediate levels of differentiation where organizations balance the benefits of reduced competition against the costs of reduced legitimacy will improve an organization's performance. Deephouse (1999) proposes a strategic balance theory in which the gains and losses from differentiation are well balanced at intermediate levels of differentiation; that is, an intermediate level of strategic similarity ensures optimal performance.

A first step in any attempt to evolve a meaningful perspective on the process of agricultural development is to abandon the view of agriculture in pre-modern or traditional societies as

essentially static. Viewed in a historical context, the problem of agricultural development is not that of transforming a static agricultural sector into a modern dynamic sector, but of accelerating the rate of growth of agricultural output and productivity consistent with the growth of other sectors of a modernizing economy. Similarly, a theory of agricultural development should provide insight into the dynamics of agricultural growth-into the changing sources of growth-in economies ranging from those in which output is growing at a rate of 1.0 percent or less to those in which agricultural output is growing at an annual rate of 4.0 percent or more. It seems possible to characterize the literature on agricultural development into four general approaches: (a) the conservation; (b) the urban industrial impact; (c) the diffusion; and (d) the high payoff input models.

Capability Based View (CBV) by Stalk (1992).

The Capability Based View (CBV) was introduced by Stalk (1992). It is an offshoot of its predecessor, the RBV, and sought to address a major limitation of the RBV which largely focused on the existing state of the firm's internal factors. As a consequence, RBV failed to explain how some initially vibrant firms deteriorated as competition increases. Such firms simply failed to adapt (Harreld et al., 2007) through the adoption of relevant strategies. Monsur and Yoshi (2012) noted that CBV also logically extends Porter's generic competitive strategies including cost leadership strategy. CBV recognizes that firms operate in a highly competitive and dynamic environment. For firms to sustain competitive advantage, they require to regularly refine their strategic orientation by creating dynamic capabilities (Teece et al., 1997). These allow firms to pursue innovative types of competitive advantage given the existing market positions. Barney (2001) observed that to create any advantage, a firm needs to develop such capabilities to transform strategy from theory into practice.

This work paints a vivid picture of how firms vary in their product-development practices, capabilities, and performance. In their study of international automotive operations, Clark and Fujimoto (1991) relate the use of product-development practices to intermediate performance indicators, such as development process speed and conformance quality, and then to final sales and performance indicators, such as market share and financial performance. Similar work often focuses on a particular industry and includes most, if not all, of an industry's members (Henderson, 1994; Iansiti and Clark, 1994; Iansiti and Khanna, 1995). We expand on the results of these papers in subsequent paragraphs. Variance in the effects of integration on product development and cost control contributes to heterogeneity in competitors' VC profiles. For instance, the ability to increase the rate of product introductions while lowering costs may enable a firm to achieve a larger gap between value and cost relative to rivals. assuming low customer switching costs, rivals' customers may be attracted to the attributes of the firm's new product offerings due to their higher perceived value, and in turn, larger customer surplus (VP). If the firm's costs are lower than that of rivals, and assuming no bargaining over price, the firm can charge the same price as rivals but earn higher margins.

METHODOLOGY

Research design

Research design is defined as the framework or plan that is used as a guide in collecting and analysing the data for a study. In line with the aim, objectives and research questions of this

research, it was logically appropriate to use the cross sectional survey, because it takes a snapshot at a situation Rifat and Sarah (2004). The survey instrument was designed in such a way that meaningful result was achieved. The descriptive phenomenological approach was used. Phenomenological inquiry explores "how human beings make sense of experience and transform experience into consciousness, how they perceive it, describe it, feel about it, judge it, remember it, make sense of it (Patton, 2002).

Population of the study

The nature and purpose of the study should dictate the sampling method to be used (Baridam, 2001). A purposive sampling technique was use to select this 194 management staff of Premier Feed Mill Calabar on purpose for this study because it can be useful in situation when you need to reach a targeted sample quickly, and where sample for proportionality is not the main concern. Employing purposive sampling provides rich information and offers valuable indicators of the phenomenon (Iversen, 2017). This is irrespective of the demographic variables or social status.

Sources of Data

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes (Patton, 2002). Data for this research were obtained from primary and secondary sources. The primary source comprises of information relevant to this study that were obtained through the use of questionnaires, personal observation, and oral interviews. The secondary source refers to information obtained from existing materials. This include historical materials collected from organizations, textbooks, journal, articles internet and other publications related to the subject matter of study (Patton, 2002).

Method of Data collection

The research instrument used in collection of data in this study was questionnaire and interview. In a bid to get the precise opinion, the questionnaire was designed using ordinal scale. This was done in a way that enable respondent to choose the most appropriate option out of the alternative questions (Sharma, 2003). The questionnaire was arranged in two sections, the first briefly captured the demographic information of the respondents while the second part focuses on questions bordering on the subject matter. The questions in the questionnaire were close-ended and also be drafted in a simple, explicit and understandable language.

Scoring of Research Instrument

The statements of the questionnaire were configured using a five-point Likert scale ranging from 1, strongly disagree, to 5, strongly agree (Alkassim, 2016). The ethical clearance to conduct the research in the organisation was granted by the management and the ethics committee of the department and research institution. The questionnaire was completed during a group administration process facilitated by the researcher and it included a covering letter. The covering letter explained the purpose of the study and it explained ethical concerns such as anonymity, confidentiality, feedback and freedom of choice to participate in the study. The completed questionnaires were collected immediately by the researcher and were kept in a secure place (Hindman, 2011)

Validity of the Research Instrument

The instrument used was developed by the researcher in accordance with the research topic: Agro-firm strategy and firms productivity. The content validity of the instrument was determined by the experts in test and measurement who matched the variables of the instruments with the research questions in order to determine whether or not the instruments measured what they were supposed to measure Babbie, (2010). The questionnaire was presented to my experienced project supervisor and other experts in administration since this type of validity cannot be put into statistical test. They successfully assessed the instrument and made suggestions. The suggestions were taken care of and changes made where necessary. This idea was to make sure that questionnaire covered what it is supposed to cover. This makes the questionnaires to be deemed valid to be employed to collect data in the main study.

Reliability of the Study

Miller (2009), defines reliability as the extent to which a questionnaire, test, observation or any measurement procedure produces the same results on repeated trials. In short, it is the stability or consistency of scores over time or across ratter's. The items in the research instrument was tested by using Cronbach's Alpha statistical tool. The reliability estimates obtained were 0.871.

Data Analysis Technique

The process of data analysis involved several stages. Completed questionnaires were edited for completeness and consistency. The data was then coded and checked for any errors and omissions. The data was then analyzed using procedures within Statistical Package for Social Sciences (SPSS). Pearson Product Moment Correlation was used to generate meaning from the data in relation to the research objective and data was then presented in form of proportions and tables.

Test of Hypotheses

Table 4.3.1 Hypothesis One: There is no significant relationship between cost leadership strategy and firm's productivities.

		cost leadership strategy	firm's productivities
cost leadership strategy	Pearson Correlation	1	.657**
	Sig. (2-tailed)		.000
	N	172	172
firm's productivities.	Pearson Correlation	.657**	1
	Sig. (2-tailed)	.000	
	N	172	172

**. Correlation is significant at the 0.01 level (2-tailed).

From Table 4.3.1, the correlation (r) value of 0.657 indicates that there is a positive correlation between cost leadership strategy and firm's productivities. Also, since the p-value (0.000) is

less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between cost leadership strategy and firm's productivities.

Table 4.3.2 Hypothesis Two: There is no significant relationship between differentiation strategy and firm's productivities.

		Differentiation strategy	Firm's productivities.
Differentiation strategy	Pearson Correlation	1	.644**
	Sig. (2-tailed)		.000
	N	172	172
Firm's productivities.	Pearson Correlation	.644**	1
	Sig. (2-tailed)	.000	
	N	172	172

**. Correlation is significant at the 0.01 level (2-tailed).

From Table 4.3.2, the correlation (r) value of 0.644 indicates that there is a positive correlation between differentiation strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between differentiation strategy and firm's productivities.

Table 4.3.3 Hypothesis Three: There is no significant relationship between focus strategy and firm's productivities.

		Focus strategy	Firm's productivities
Focus strategy	Pearson Correlation	1	.448**
	Sig. (2-tailed)		.000
	N	172	172
Firm's productivities.	Pearson Correlation	.448**	1
	Sig. (2-tailed)	.000	
	N	172	172

**. Correlation is significant at the 0.01 level (2-tailed).

From Table 4.3.3, the correlation (r) value of 0.448 indicates that there is a positive correlation between focus strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between focus strategy and firm's productivities.

Table 4.3.4 Hypothesis Three: There is no significant relationship between innovation strategy and firm's productivities.

		Innovation strategy	Firm's productivities
innovation strategy	Pearson Correlation	1	.788**
	Sig. (2-tailed)		.000
	N	172	172
Firm's productivities.	Pearson Correlation	.788**	1
	Sig. (2-tailed)	.000	
	N	172	172

**. Correlation is significant at the 0.01 level (2-tailed).

From Table 4.3.3, the correlation (r) value of 0.788 indicates that there is a positive correlation between innovation strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between innovation strategy and firm's productivities.

DISCUSSION OF FINDINGS

From Table 4.3.1, the correlation (r) value of 0.657 indicates that there is a positive correlation between cost leadership strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between cost leadership strategy and firm's productivities as supported by Strategy Kasman (2012) who examined how cost-efficiency and economies of scale affected technological growth among commercial banks in Turkey. The study observed that the banks took specific strategic orientations to align with their objectives. The study concluded that economies of scale positively influenced profitability. Also A study by Richter (2014) on manufacturing firms in Germany argued that internal informational costs decline with economies of scale owing to a wider spread. The findings indicated that economies of scale significantly affected the performance of manufacturing firms. Matejova et al. (2014) hypothesized that a relationship between economic performance and the size of a firm exists.

From Table 4.3.2, the correlation (r) value of 0.644 indicates that there is a positive correlation between differentiation strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between differentiation strategy and firm's productivities. Jegak, Haslinda, and Alimin (2009) affirm that a business that does something distinctive and difficult to replicate has a competitive advantage and is likely to be more profitable than its rivals. Manufacturing industries operate in a profitable market but they are confronted with the problem of high competition both locally and globally and this creates the

necessity of the adoption of appropriate differentiation strategy practices (Bordes, 2009). Most firms have had their market share dwindle or fail to grow because of challenges in differentiation and lack of strategies to enhance differentiation (Baines & Langfield-Smith, 2003). Differentiation strategy: Baum, Locke, and Smith (2001) also suggest that firms implementing differentiation strategies like innovative and high-quality products achieve the highest growth. Mosey (2009) posits that manufacturing firms that repeatedly introduce innovative new products end up openings up new market niches, which is essential to their survival.

From Table 4.3.3, the correlation (r) value of 0.448 indicates that there is a positive correlation between focus strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between focus strategy and firm's productivities. A firm using a focus strategy often enjoys a high level of customer trustworthiness, and this entrenched loyalty discourages other firms from competing directly. Because of their narrow market niche, organizations pursuing focus strategy have lower volumes and therefore less bargaining power with their suppliers. Businesses pursuing a differentiation-focused strategy however, may be able to pass premium costs on to customers since close substitute products do not exist (Porter, 1986). Some risks of focus strategies include simulation and changes in the target segments (Pearce and Robinson, 2008).

From Table 4.3.4, the correlation (r) value of 0.688 indicates that there is a positive correlation between innovation strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between innovation strategy and firm's productivities. Joseph Schumpeter (1934), cited in Ottih (2014), believes that the concept of innovation is described as the use of an invention to create a new commercial product or service, which is the key force in creating new demand and thus new wealth. Without innovation, an enterprise and what it provides become obsolete. Innovation is the basis of all competition advantages, the means of anticipating and meeting customers" needs, and the development of competitive advantage, and as such, it is the key to entrepreneurship. It is the process through which the entrepreneur covers marketable opportunities into workable, profitable, and marketable ideas. Innovation can take several forms: Innovation in processes, including changes and improvement to methods. These contribute to an increase in productivity. Innovation in products or services. These lead to an increase in effective demand which encourages an increase in investment and employment.

CONCLUSION

Base on the findings, the following conclusions are drawn;

The major findings of this study are concluded as thus: According to the objective of the study, from Table 4.3.1, the correlation (r) value of 0.657 indicates that there is a positive correlation between cost leadership strategy and firm's productivities. Also, since the p-value (0.000) is less than the level of significance of 0.01 (2 tailed). Therefore, the null hypothesis is rejected. This means that there is a significant relationship between cost leadership strategy and firm's productivities as supported by Strategy Kasman (2012) who examined how cost-efficiency and

economies of scale affected technological growth among commercial banks in Turkey. The study observed that the banks took specific strategic orientations to align with their objectives. The study concluded that economies of scale positively influenced profitability. Also A study by Richter (2014) on manufacturing firms in Germany argued that internal informational costs decline with economies of scale owing to a wider spread. The findings indicated that economies of scale significantly affected the performance of manufacturing firms. Matejova et al. (2014) hypothesized that a relationship between economic performance and the size of a firm exists.

Recommendations

As a result of the various findings emanating from the study, the following recommendations are hereby made:

This study recommends that more studies should be done to study the effect of agro-firm strategies in the region and their influence on organizational performance. A study may also be carried out to find out how respective customers and stakeholders too are affected by change adopted in an organization. A detailed study of ways to maintain and sustain change should be carried out. Similar studies can be carried out in other firms to compare findings as this study was carried out in only the Premier Feed Mill Calabar.

Although the paradigm of competitive strategy is now over two decades old, it has yet to prove its adequacy as a descriptive framework and move beyond its propositions about the performance consequences of different strategic designs. Further research on the relationship between strategy and firm performance, in a different context as well as the use of longitudinal data or carefully experimental design research on the subject matter which show the causal relationships among these factors may also provide further insights.

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