

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Effects of Managerial Cognition on Organization Performance- A Case Study of Inchcape Shipping Services Mombasa

Lynet Khaoya Lunalo

Student, Jomo Kenyatta University of Agriculture and Technology, Kenya

Nagib Omar

HOD & Lecturer, Jomo Kenyatta University of Agriculture and Technology, Kenya

Abstract:

Managerial cognition is generally mental process functioning involving acquisition maintenance and usage of knowledge and understanding through thought, experience or senses and thus using this knowledge in control and decision making in a business or organization. Cognition can be in many forms such as perception, attention, and pattern recognition, learning memory, language processing problem solving, thinking and reasoning. The resultant product of cognition is knowledge which is stored and maintained. This knowledge was typically utilized by people to make decisions and judgments. The abilities of managers to make decisions naturally mainly rely on this knowledge. The general objective of the study was to examine the effects of managerial cognition on organizational performance of Inchcape shipping services. The specific objective of the study was to examine the effects of decision making on organizational performance; to establish the effects of innovation on organizational performance; to establish the effects of employee motivation on organizational performance and to establish the effects of quality of management on organizational performance. The study theoretical theory was strengthened with two theories that are Maslow theory of needs and the Herzberg two factor theories. The study relationship between the independent variable and dependent variable was represented through the conceptual framework. The research design was descriptive in nature. The target population was 237 and the sample size was 75 which were obtained through proportionate simple random sampling. Data was collected through a questionnaire which was given to staff members drawn from the various management levels of the sampled employees of Inchcape in Mombasa County. Prior to data processing and analysis, the completeness of the collected questionnaires was assessed. The collected data was edited and then coded. Data was analyzed using descriptive and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS) Version 22.0. Descriptive statistics included, frequencies, percentages, means and standard deviations. Correlation facilitated drawing of inferences on relationship between each of the independent variables (decision making, innovation, employee motivation and quality of management) and the dependent variable (organizational performance). Multiple regression enabled assessment of the effect of the independent variables on organizational performance as a whole. From the study majority of respondents were between 25-35 years, male holding senior managers position having either a master or bachelor's degree. The study results revealed that good managerial performance increased organizational performance. Innovation, employee motivation and quality of management had a great impact on organizational performance. The study revealed that there was a strong positive correlation between the independent variable and dependent variable with employee motivation contributing much to the dependent variable. The coefficient of determination was 58.8%. The study concluded that the four factors have a significant effect on the dependent variable that is organizational performance. The study recommended that decision making should be consistent with best practices and experience if the company, that employee motivation should be benchmarked and that innovation should be embraced by the organization.

1. Introduction

1.1. Background of the Study

Managerial cognition is generally mental process functioning involving acquisition maintenance and usage of knowledge and understanding through thought, experience or senses and thus using this knowledge in control and decision making in a business or organization Buford, (2013). This process is considered as a process of human information processing by which decision makers, take information analyze it over, put it together, recognize it, judge and reason it, make conclusions and decisions and thus take actions Dickson(2014). Cognition can be in many forms such as perception, attention, pattern recognition, learning memory, language processing problem solving, thinking and reasoning. The resultant product of cognition is knowledge which is stored and maintained. This knowledge is typically utilized by people to make decisions and judgments. The abilities of managers to make decisions naturally

mainly rely on this knowledge. These management orientations are significantly associated with a number of key strategic choices, including decisions about the extent of diversification, divestment activity, new product development efforts and research and development Buford (2013). All this determines effectiveness of an organization.

Organization effectiveness is an organization ability to serve the customers successfully and compete with its competitors. This is critical if it's to prosper over time. The real organization challenge is to get all managers to view managing performance as the most important part of their role. Managing performance of an organization whether good, bad or indifferent is the job of a manager Bedeian(2015). For some companies it could be obvious case but many management professional know that it is not always the case of managers who communicate what is expected agree staff objectives in relation to business current plans, monitor performance and give meaningful feedback to improve results are not as common as executive leaders would like. Above all managing of performance comes off by cognitive decisions of managers which always influences the firm.

The functioning of a business model becomes visible in managerial decisions and actions. Actions and outcomes also emerge autonomously as a result of the systemic consequences of different organizational configurations Miller(2014). The actualization of any outcomes (e.g.in the nature of exchanges between economic parties or in the financial performance of the firm) is thus dependent on the systemic properties of the firm's business model. From a dynamic perspective, these outcomes also directly influence the evolution of the business model.

Thus, the evolution of a business model is built on managerial actions that focus on certain aspects of the business model. As Giddens(2015)and later institutional theorists (Barley and

Tolbert, 2014) have proposed, organizational actions are directly linked with the wider institutional environment of the focal organization.

The role of individual and organizational meanings and meaning structures is crucial in the structuration process of a business model. In the presented business model framework, organizational actors are seen as rule-followers who fulfil their identities by following procedures they see as appropriate in the current context March and Olsen (2014). The formal rules, beliefs and values define the appropriateness of different actions and thus make firms' evolution contingent not only on the business environment but equally on the firm's history since rule systems typically evolve in time March and Simon (2013). In practice, the cognitive aspects of the business model are firstly constituted by the meanings and meaning structures which actors maintain about the components of the business model. Secondly, the cognitive aspects also relate to the way in which actors perceive the functioning of the business model. Briefly, we see cognitions as the conceptual and operational representations that humans develop while interacting with complex systems. Thus, we refer to cognition as both an individual and an organizational level process (Hill and Levenhagen, 2015; Walsh, 2013).

It is important to note that we study managers' cognitions of the business model of the firm they are developing, not the perception that others have of the firm or the perception that managers have of other firms.

March and Simon (2013). hence, the belief system filters actors' perceptions and beliefs concerning the function of the business model to certain organizational actions. Our perspective to shared belief systems resembles Porac, Ventresca, & Mishina, (2014)four-level belief hierarchy that fuses several industry belief systems into a belief hierarchy in which higher and lower –level beliefs are in constant interaction. Higher order beliefs thus motivate change or stability in lower order beliefs. Following Porac, *et.al*, (2014) our framework identifies four conceptual levels of managerial cognition related to the material aspects of the business model of the firm: industry recipe, reputational rankings, boundary beliefs, and product ontologies. Industry recipes are beliefs related to the logic of the economic, competitive and institutional environment and their effects on the focal firm Spender, (2010). Boundary beliefs refer to social constructions that identify a focal firm with a certain inter-organizational community Porac, *et.al*, (2014)

1.2. Statement of the Problem

Despite performance of an organization being influenced by many factors like availability of funds to be able to put down research and develop new products, carry out advertisement so as to increase on scale by making customers aware of the products and coming up with new technologies to emphasize high quality products which increase effectiveness of a firm. There is a link between cognitive decisions made by the managers and how they lead to performance of organizations. This has greatly influenced many organizations thus the need for this research to critically explore the effect of managerial cognition on organization performance.

This study is intended to highlight and examine thoroughly the effect of managerial cognition on organization performance thus the research intends to find solution from managers of different levels in Inchcape shipping Service on how good managerial cognition leads to increased organization performance.

1.3. Research Objective

The study was be guided by both general and specific objectives.

1.3.1. General Objective

To explore the effects of managerial cognition on organization performance

1.3.2. Specific Objective

1. To find out the effects of quick decision making on performance of the firm.
2. To examine the effects of innovation on performance of the firm.
3. To find out the extent to which employee motivation level has resulted to Inchcape shipping performance.

4. To find out the effects of quality of management on performance of the firm.

1.4. Research Questions

1. How does decision making affect organizational performance of the firm?
2. How does innovation affect organizational performance of the firm?
3. How does employee motivation affect organizational performance of the firm?
4. How does quality of management affect organizational performance of the firm?

1.5. Justification of the Study

The study is carried out to show managers on how the decisions they make, that is cognitive decisions is important on determining the level of organization performance. This study will advance the knowledge of the researcher on the field of cognitive management and their impact on organization performance. This study will thus benefit those who have a role in decision making in organization. It will help them understand how managerial cognition is important to Organization performance

1.6. Scope of the Study

This study covered thoroughly the effect of managerial cognition on organization performance it will involve a firm, a well-established organization, with international branches in other countries this is Inchcape shipping services, Kenya, Mombasa branch. This research was carried out for duration of four months.

2. Literature Review

2.1. Introduction

This chapter enables the researcher to develop a benchmark and sound ground for further related research done on this topic. It avails the current body of knowledge about the research.

2.2. Theoretical Review

Theories are formulated to explain, predict, and understand phenomena and, in many cases to challenge and extend existing knowledge within the limits of the critical bounding assumptions. The theoretical framework introduces and describes the theory which explains why the research problem under study exists. A theoretical framework consists of concepts, together with their definitions, and existing theory/theories that are used for the particular study (Sekaran, 2006).

2.2.1. Maslow Need-Hierarchy Theory

Hierarchy Maslow is divided needs into two categories: deficiency needs and high-order needs. Deficiency needs include basic needs such as hunger or thirst and a need for shelter and protection. When these needs are satisfied people become motivated by high order needs such as the need for supportive and satisfactory relationships with others, needs for freedom, independence, recognition and achievement and finally the need to develop one's potential. The self-actualization which is the highest step in Maslow's pyramid can be described as the ending point of gradual psychological maturation process. This final level is achieved by few people and unlike other needs is never fully satisfied Fincham and Rhodes, (2014). Maslow's work on the theory of needs has been followed by other authors who took an attempt to improve it. One of modifications was presented in 1973 by Alderfer, who developed and tested model with fewer needs levels Pinder, (2013). His study, unlike Maslow's, was based on empirical research in organizational settings. The theory suggests three general categories of human needs which are partly based on Maslow's model but are not the same.

Alderfer's model is named ERG and consists of existence needs, relatedness needs and growth needs. The first group is closely related to Maslow's physiological needs and partly to security needs (only physical security). Existence needs are concrete in nature and are usually limited. A good example of them in organization setting is a salary. If money has to be divided between two groups - the more money receives one group, the less gets the other group. Relatedness needs basically consist of the interpersonal security needs, the need for prestige and esteem from others. Satisfying relatedness needs requires development of relations and interactions with other people. The last group of needs in Alderfer's theory contains growth needs. Although, growth needs are corresponding to Maslow's self-esteem and self-actualization needs there are some major differences in a point of view of those two authors. Maslow suggested that self-actualization consist of a fulfilment of unique, innate potential, whereas Alderfer's growth needs contain desire to interact with environment by investigating, exploring and mastering it. In Alderfer's model growth needs change if one's environment changes (Pinder, 2013).

2.2.2. Herzberg's Two Factor Theory

In Herzberg's research the most frequently chosen factors which led to satisfaction were achievement and recognition, while the most frequently chosen factors which led to dissatisfaction were company policy and administration and good relations with supervisor. Each of presented here content theories has some strengths and weaknesses. It might have happened that authors of those theories focused strongly on a one side of the problem but they missed other important side. Motivation of employees is really important topic, so every research in this subject is observed and evaluated by other researchers. As a result some researchers agree with and support original theories and others disagree and criticize them. In other words, the most well-known theories in motivation bring some serious controversies. As an example, Maslow theory became popular despite a little evidence for its validity. As well as that, very

often it seems to be presented in an oversimplified way Pinder, (2013). Moreover, Maslow's originally did not intend to create a theory that will be used to explain organizational behaviour.

Finally, his hierarchy does not appear in some circumstances, so it cannot be generalized to the whole population Fincham and Rhodes, (2014). The validity was taken in consideration in evaluation of Alderfer's theory. Also McClelland's theory was followed by many others researchers who tried to check if author was right (Chesney, 2011; House & Kerr, 2010; Shane, Locke, & Collins, 2013; Vecchio, 2014; as cited in Miner, 2015). In fact their results were not always completely supportive for McClelland's model. Herzberg's two-factor theory was criticized for biases caused by selection of just two occupational groups. Another reason for scepticism is the fact that people tend to explain their success by internal factors and their failure by external reasons. That could influence their choices of intrinsic motivators in relation to satisfaction and of external, organizational factors in relation to dissatisfaction Fincham and Rhodes, (2014). Herzberg results were also attacked because he did not try to measure relationship between performance and satisfaction Armstrong, (2014). As can be seen from this short overview of controversies and overlaps on content theories not every theory managed to defend itself during decades. However most of them influenced the growth of interest in the topic of work motivation. In the next part of this paper more recently developed theories will be described and analyzed.

2.3. Conceptual Framework

Mugenda and Mugenda, (2008) defines conceptual framework as a concise description of phenomenon under study accompanied by a graphical or visual depiction of the major variables of the study. According to Young, (2009), conceptual framework is a diagrammatical representation that shows the relationship between dependent variable and independent variables. A conceptual framework shows the relationship between independent and dependent variable. In this study, the dependent variable was organizational performance while the independent variables are decision making, innovation, employee motivation and quality management.

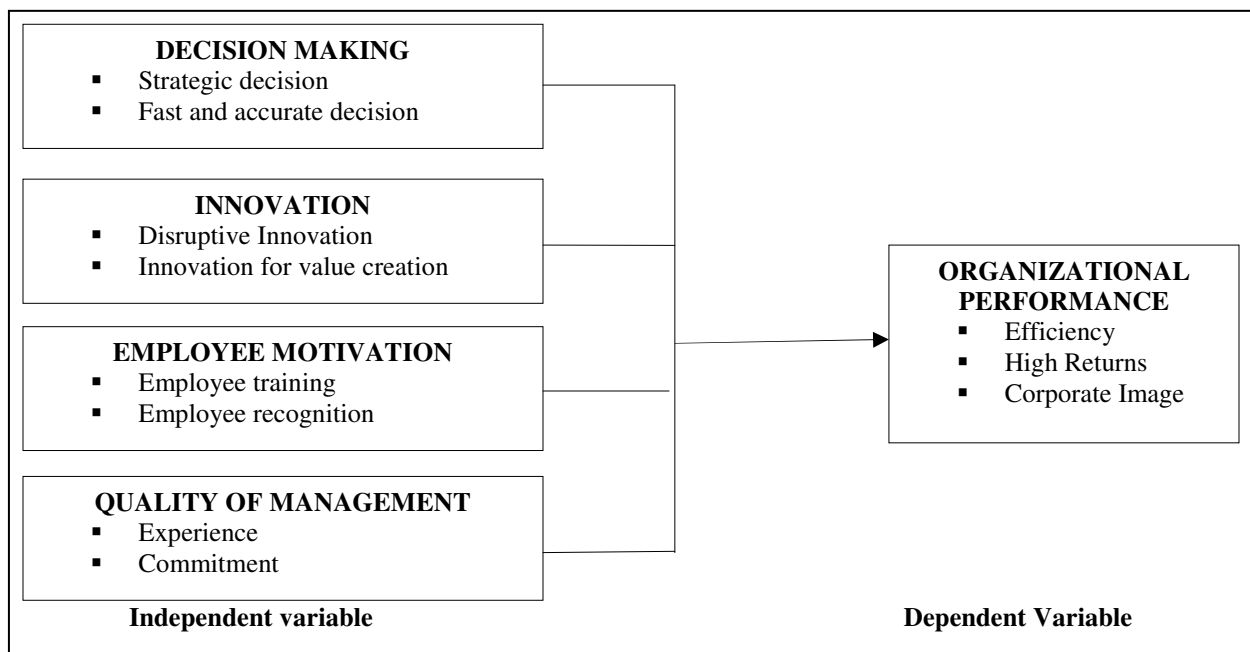


Figure 1: Conceptual Framework

2.4. Discussion of Variables

2.4.1. Decision Making

Strategy making has changed. No longer is the carefully conducted industry analysis or deliberate strategic plan a guarantee of success. Speed matters. A strategy that takes too long to formulate is at least as ineffective as the wrong strategy. But how do decision makers, make fast, yet high-quality, strategic choices? This article describes the powerful tactics that fast decision makers use. They maintain constant watch over real-time operating information and rely on quick, comparative analysis to speed cognitive processing. They favor approaches to conflict resolution that are rapid and yet maintain group cohesion. Finally, their reliance on the private advice of experienced counselors and on integration with other decisions bolsters their confidence to decide quickly in the face of big stakes and high uncertainty.

The human brain can be magnificent syntheses of disparate pieces of nebulous information, and often formal techniques and procedure rest wart and inhibit this mysterious mechanism from operating efficiently Raiffa, (2008). A classic trade-off noted by decision theorists is that decision accuracy is often inversely related to decision speed. Consequently, there has been pressure to understand how to make high quality decisions relatively quickly Chesney, (2011). Toward this end, in numerous articles in the popular business press and in a steadily growing body of more scholarly literature, authors have turned to the notion of "intuition" as a

means of managing this trade-off (e.g., March and Olsen, (2014). As the epigraph suggests, intuition draws on our inborn ability to synthesize information quickly and effectively an ability that may be hindered by more formalized procedures. Within organizations, intuition has been posited to help guide a wide range of critical decisions. Research suggests that intuition may be integral to successfully completing tasks that involve high complexity and shorttime horizons, such as corporate planning, stock analysis, and performance appraisal Porac, Ventresca, & Mishina, (2014). Ali and Bharadwaj, (2010) shows how managers use intuitions for strategic decisions, such as whether to invest capital in a project or whether to market controversial prescription drugs. Hayashi (2014) frames several high-profile executive-level decisions, including the development of the Dodge Viper and the prime-time launch of Who Wants to Be a Millionaire, as intuitive or "gut" decisions. Research further suggests that the need for intuition may be especially acute in organizations embedded in turbulent environments (Connolly, Conlon, & Deutsch, 2014).

The effective use of intuition has even been seen as critical in differentiating successful top executives and board members from lower-level managers and dysfunctional boards Connolly *et. al*(2014). Ralph Larsen, former chair and CEO of Johnson & Johnson, suggested: Very often, people will do a brilliant job through the middle management levels, where it's very heavily quantitative in terms of the decision-making. But then they reach senior management, where the problems get more intuition is not what it should be. And when that happens, it's a problem; it's a *big* problem (Hayashi, 2012). We believe that there have been two major barriers to a productive discourse on the topic of intuition within the management literature.

Academic interest in the association between strategic decision-making speed and firm performance emerged initially when Blair, (2011) identified a positive association between fast strategic decision-making and firm performance. There have been few subsequent empirical studies of strategic decision speed; however, management advisors have repeatedly prescribed fast decision making as a source of competitive advantage (Jones, 1993), and practitioners claim they increasingly make strategic decisions in less time DiClemente and Prochaska, (2012). Ali and Bharadwaj, (2010) conducted an inductive study of eight high-tech firms, and she observed that the fastest strategic decision-makers had the best sales and profitability. Extending this research to key words: strategic decision-making; decision speed. Examined the association between strategic decision-making speed and firm performance. They found no association, except among firms in biotech. Thus, Kanter, Stein, & Jick, (2012) and Judge and Miller, (2014) found that in fast-moving environments firms with better performance made faster strategic decisions. In contrast, Forbes (2001) studied decision speed in 83 young Internet companies and found no effect upon firm performance. Our purpose is (1) to clarify the relationship between strategic decision speed and firm performance and (2) to better understand the forces that impact strategic decision speed. To guide our understanding of these factors, we draw upon strategic decision process theory's proposition that decision-makers' cognitions are motivated and constrained by their business environment, organization structures, and resources, as well as their personal experiences and perceptions.

2.4.2. Innovation

Innovation is the creation of better or more effective products, processes, services, technologies, or ideas that are accepted by markets, governments, and society. Innovation differs from invention in that innovation refers to the use of a new idea or method, whereas invention refers more directly to the creation of the idea or method itself.

In the organizational context, innovation may be linked to positive changes in efficiency, productivity, quality, competitiveness, market share, and others. All organizations can innovate, including for example hospitals, universities, and local governments. For instance, former Mayor Martin O'Malley pushed the City of Baltimore to use CitiStat, a performance-measurement data and management system that allows city officials to maintain statistics on crime trends to condition of potholes. This system aids in better evaluation of policies and procedures with accountability and efficiency in terms of time and money. In its first year, CitiStat saved the city \$13.2 million. Even mass transit systems have innovated with hybrid bus fleets to real-time tracking at bus stands. In addition, the growing use of mobile data terminals in vehicles that serves as communication hubs between vehicles and control center automatically send data on location, passenger counts, engine performance, mileage and other information. This tool helps to deliver and manage transportation systems.

Still other innovative strategies include hospitals digitizing medical information in electronic medical records; HUD's HOPE VI initiatives to eradicate city's severely distressed public housing to revitalized, mixed income environments; the Harlem that uses a community-based approach to educate local area children; and brown field grants that aids in turning over brown fields for environmental protection, green spaces, community and commercial development. Programs of organizational innovation are typically tightly linked to organizational goals and objectives. One driver for innovation programs in corporations is to achieve growth objectives. As Davila et al. (2006) notes, "Companies cannot grow through cost reduction and reengineering alone... Innovation is the key element in providing aggressive top-line growth, and for increasing bottom-line results"

One survey across a large number of manufacturing and services organizations found, ranked in decreasing order of popularity that systematic programs of organizational innovation are most frequently driven by: Improved quality, Creation of new market. Extension of the product range, reduced labor costs, Improve production processes. Reduced material, Reduced environmental damage. Replacement of products and services reduced energy consumption, Conformance to regulations. These goals vary between improvements to products, processes and services and dispel a popular myth that innovation deals mainly with new product development. Most of the goals could apply to any organization be it a manufacturing facility, marketing firm, hospital or local government. Whether innovation goals are successfully achieved or otherwise depend greatly on the environment prevailing in the firm.

Conversely, failure can develop in programs of innovations. The causes of failure have been widely researched and can vary considerably. Some causes will be external to the organization and outside its influence of control. Others will be internal and

ultimately within the control of the organization. Internal causes of failure can be divided into causes associated with the cultural infrastructure and causes associated with the innovation process itself. Common causes of failure within the innovation process in most organizations can be distilled into five types: Poor goal definition, Poor alignment of actions to goals, Poor participation in teams, Poor monitoring of results, Poor communication and access to information.

2.4.3. Employee Motivation

At one time, employees were considered just another input into the production of goods and services. What perhaps changed this way of thinking about employees was research, referred to as the Hawthorne Studies, conducted by Elton Mayo from 1924 to 1932 (Dickson, 2014). This study found employees are not motivated solely by money and employee behaviour is linked to their attitudes (Dickson, 2014). The Hawthorne Studies began the human relations approach to management, whereby the needs and motivation of employees become the primary focus of managers (Bedeian, 2015).

2.4.4. Quality Management

The first and most important factor that determines whether an organization is and remains an HPO is the quality of the organization's management. The management in an HPO combines many qualities and that is what makes it such a challenge to become a real HPO manager. This first HPO factor has 12 characteristics. Managers of an HPO build a strong relationship of trust with employees at all levels of the organization by respecting them, listening to them, asking them for help, learning from them, devoting a lot of time to developing and maintaining personal relationships with them, expressing faith and trust in them, treating them as smart people, focusing on openness and honesty in all interactions with members of the organization, giving credit where credit is due, only criticizing them during bilateral discussions and always being available to them. Managers of an HPO have integrity by being honest and sincere, having strong ethical standards and values and also promoting these standards and values in other members of the organization, being trustworthy and consistent, not trying to be popular at the expense of everything else and creating agreement between words and actions by leading by example.

Managers of an HPO have a strong exemplary role by showing involvement, enthusiasm and respect, showing their vulnerability, not being arrogant, asking for deviating opinions, not concentrating on the negative, not being detached, publicly committing to objectives they wish to achieve, working hard themselves and being persistent when things are going against them. Managers of an HPO are decisive by not overanalyzing but taking sufficient time to make good decisions about effective actions, immediately intervening in the event of problems, keeping in mind the short-term as well as the long-term interests of the organization for each important decision and being able to think outside of the box.

Managers of an HPO are action-oriented by being bold when they need to be, inspiring members of the organization to action, always tracking the course and results of actions and reviewing each decision made and action implemented in order to learn from them. Managers of an HPO coach and facilitate members of the organization by being supportive and encouraging, helping them and protecting them from disrupting external influences, being available to them and not telling them how they should achieve their objectives but giving them fast, direct feedback about their performance.

Managers of an HPO are strongly focused on achieving results by continuously working visibly for the organization as regards achieving the set objectives, proactively finding and using opportunities to achieve a competitive advantage for the organization or making the organization more efficient and developing intolerance for mediocrity. Managers of an HPO are effective in everything they do by continuously searching for the best way of doing things, resolving conflicts in a constructive manner, proactively dealing with issues before they turn into real problems and ignoring unimportant issues by remaining focused on that which is really relevant to the organization.

Managers of an HPO develop a strong leadership style by continuously propagating the organization's values, checking whether employees are receiving and understanding the strategic message, continuously sharing their vision with members of the organization and being a strong leader in difficult times. Managers of an HPO are self-confident by exhibiting the right combination of modesty and professionalism, presenting themselves as being at people's service instead of being in a leading role, knowing themselves, recognizing their own strengths and limitations, continuing to learn and being authentic, self-assured, disciplined and emotionally strong.

Managers of an HPO always hold members of the organization accountable for their results by giving the employees the responsibility for performing well, clarifying responsibilities and the associated expected performance, subsequently holding members of the organization (both employees as well as fellow managers) personally accountable for achieving the agreed-upon results, letting them know and see what the consequences are if the agreed-upon results are not achieved and themselves being responsible for their own results. Managers of an HPO are decisive as regards "non-performers" by consistently evaluating members of the organization as regards their achieve results, not wavering in taking difficult decisions, and not allowing non-performing members of the organization to "muddle on" too long but helping them find a new position within or outside of the organization.

2.5. Critique of Existing Literature

The existing literature puts much emphasis on the other factors that determine performance, it majorly fails to recognize managerial cognition as a major factor that determines organization performance, even when recognizing factors like the above it does not their emphasis as an outcome of managerial cognition.

The existing literature has failed to fully bring out how employee motivation can lead to reduced performance. If your attempts at motivation are flawed, poorly executed or unrealistic, they may lead to increased turnover. This may come in the form of dismissals or

attrition. Employees may see others being rewarded for good performance and feel slighted. Employees that do not understand the rationale for motivation or what is expected of them sometimes do not communicate this almost; they merely stop trying or resign. Staff turnover is expensive and time-consuming, especially for a small business.

Even though innovation has been looked at throughout the review as effecting performance positively, the researcher fails to look as the threat it imposes on performance of the organization.

Theory suggests innovation may have either positive or negative effects on worker well-being. Worker well-being may be adversely affected where managerial innovations are to workers' detriment (or perceived as such), where they generate uncertainty associated with future loss, and where they are introduced in a way that is perceived to be unfair. However, not all innovations will be perceived in the same fashion by workers because some are more likely to impinge on their working conditions and work arrangements than others. For example, changes to working hours or work organization may have a greater direct effect on workers than, say, the introduction of a new product or service that requires no major change to working arrangements.

2.6. Summary

Thus the above explains different literature content on effect of managerial cognition on performance of an organization; it further explains the role of managerial cognition by clearly explaining the different factors of managerial cognition that affect the organization performance. A critique of the topic has been explained and thus outlining the shortcomings of various authors theoretical literature. The chapter explains the critique of the existing literature; this literature criticizes the existing literature on the four factors of managerial cognition that affect performance of the organization It then gives out the research gaps of the existing research and the research that is to be done; this is to enable other researchers to carry on the research on the existing gaps.

3. Research Methodology

3.1. Introduction

This chapter outlines the research design and methodology that was used to carry out the study. The chapter also deals with the target population, type of data collected, sampling frame, sample and sampling technique, the sample size, data collection procedures, pilot test, validity and reliability of the instrument as well as the data analysis techniques and how eventually data was presented.

3.2. Research Design

The researcher used descriptive research design. Descriptive study is concerned with finding out who, what, where and how much of a phenomenon, which is the concern of the study. Sekaran, (2015) observes that the goal of descriptive research is to offer the researcher a profile or describe relevant aspects of the phenomena of interest from the individual, organization, industry or other perspective. In addition the design best fit in the ascertainment and description of characteristics of variable in this research study and allows for use of questionnaires, interviews and descriptive statistics such as frequencies and percentages. In addition a descriptive design was appropriate since it enabled the researcher to collect enough information necessary for generalization. Questionnaires and the interviews were the instruments used to collect the data.

3.3. Target Population

The study targeted 237 staff members of Inchcape Shipping Services Limited in the County of Mombasa.

Management Level	Number of Staff
Senior Management	15
Middle Level Management	90
Junior Staff	132
Total	237

Table 1: Target Population

3.4. Sample Size and Sampling Technique

3.4.1. Sample Size

The sample size of the number of respondents was obtained using the formula by Nassiuma (2016) indicated below;

$$n = \frac{Nc^2}{c^2 + (N - 1)e^2}$$

Where n = sample size, N = population size, c = coefficient of variation ($\leq 21\%$), and e = error margin ($\leq 2\%$). This formula enables the researchers to minimize the error and enhance stability of the estimates (Nassiuma, 2016). (Nassiuma, 2016) asserts that in most survey, a coefficient of variation in the range of 21% to 30% and a standard error in the range of 2% to 5% is usually acceptable. In this study c was taken as 21% and e to be 2%. Applying the formula:

$$\frac{n = 237 (0.21)^2}{(0.21)^2 + (237 - 1) (0.02)^2} = 75$$

Management Level	Number of Staff	Sample Size
Senior Management	15	5
Middle Level Management	90	30
Junior Staff	132	40
Total	237	75

Table 2: Sample Size

3.4.2. Sampling Technique

The study used proportionate simple random sampling technique to identify the 75 employees which were given questionnaires to fill. This technique was used to give each and everyone in the target population an equal chance of inclusion.

3.5. Data Collection Instruments

The researcher used primary and secondary data. Structured questionnaires were used to collect primary data from respondents. The questionnaire was self-administered to the respondents and collected after three days. Secondary data was obtained from related materials in the internet, procurement journals, white papers, periodicals and books relevant to the study.

3.6. Data Collection Procedure

The researcher used primary and secondary data. Structured questionnaires were used to collect primary data from respondents. The questionnaire was self-administered to the respondents and collected after three days. Secondary data was obtained from related materials in the internet, procurement journals, white papers, periodicals and books relevant to the study.

3.7. Pilot Testing

The questionnaires were pilot tested before the actual data collection. This involved a few respondents from Inchcape Shipping Services to ascertain its effectiveness. The researcher was interested in testing the reliability of the research instruments, the questionnaire hence validity of data collected. Validity is the accuracy and meaningfulness of inferences which are based on the research results. (Mugenda & Mugenda, 2008) asserts that reliability is done using Cronbach's Alpha Model on SPSS and that reliability is the measure of the degree to which research instrument yields consistent results or data after repeated trials. The researcher did a pilot with 10 % of respondents before distributing the questionnaire. The researcher used 7 respondents for the pilot process. The purpose was to ensure that those items in the questionnaire were clearly stated and had the same meaning to all respondents. At the same time helped determine how much time was required to administer the questionnaire. Respondents for pre-testing did not form part of the sample.

3.7.1. Reliability

Reliability is achieved when research instrument has internal consistency. The reliability of the research tools in this research was done using test-retest. In test-retest, reliability is determined by administering a test at two different points in time to the same individuals and determining the correlation or strength of association of the two sets of scores (Kothari, 2011). Some respondents were chosen and two sets of questionnaires were administered and the results compared for internal consistency.

3.7.2. Validity

Validity is defined as the degree to which an instrument measures that what it was intended to measure (Kumar, Kumar, & Phrommathed, 2012). They further elaborate that validity is premised on the assumption that what is being studied can be measured or captured, seeks to confirm the truth and accuracy of any findings or conclusions drawn from the data, indicates that the conclusions drawn are trustworthy and indicates that the methods warrant the conclusions. Validity of research instruments is achieved when they measure what they are intended for and do so clearly without accidentally including other factors. The validity of this research instrument was measured through the opinion of experts especially the research supervisor, who is knowledgeable in this field. It was also tested during the pilot study. Any ambiguity or non-clarity in the questionnaire items was cleared before the questionnaire was taken to the field for data collection.

3.8. Data Processing, Analysis and Presentation

Kothari (2009) argues that data collected has to be processed, analyzed and presented in accordance with the outlines laid down for the purpose at the time of developing the research plan. Data analysis involved the transformation of data into meaningful information for decision making, editing, error correction, rectification of omission and finally putting together or consolidating information gathered. The collected data was analyzed quantitatively and qualitatively. The quality and consistency of the study was further assessed using Cronbach's alpha. Data analysis was performed on a computer using Statistical Package for Social Science (SPSS Version 22) for Windows. Analysis was done using frequency counts, percentages, means, standard deviation, regression, correlation and the information generated was presented in form of graphs, charts and tables.

Fraenkel & Wallen, (2011) argue that regression is the working out of a statistical relationship between one or more variables. The researcher used a multiple regression analysis to show the effect and influence of the independent variables on the dependent variables.

The relationship was as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where: Alpha (α) is the constant,

$\beta_0, \beta_1, \beta_2, \beta_3, \beta_4$ are coefficients.

Y = Organizational Performance

X_1 = Decision making

X_2 = Innovation

X_3 = Employee motivation

X_4 = Quality of management

ε = error term.

The regression coefficient ' β_0 ' is the Y intercept; while $\beta_1, \beta_2, \beta_3, \beta_4$ are the net change in Y for each change of X_1, X_2, X_3 and X_4 . The error term is a random variable with a mean of zero, which captures those variables that cannot be quantified. The study findings will be presented using tables.

4. Research Findings and Discussions

4.1. Introduction

This chapter presents analysis of the data on the effects of managerial cognition on organizational performance a case study of Inchcape shipping services limited in Mombasa County, Kenya. The chapter also provides the major findings and results of the study and discusses those findings and results against the literature reviewed and study objectives. The data is mainly presented in frequency tables, means and standard deviation.

4.2. Response Rate

The study targeted 75 employees of Inchcape shipping services limited in Mombasa County, Kenya. From the study, 56 out of the 75 sample respondents filled-in and returned the questionnaires making a response rate of 74.6% as per Table 3 below.

	Frequency	Percentage
Respondent	56	74.6
Non-respondent	19	25.4
Total	75	100

According to Mugenda and Mugenda, (2008) a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent; therefore, this response rate was adequate for analysis and reporting.

Table 3: Questionnaire Return Rate

4.2.1. Data Validity

The researcher asked experts, three academicians, to assess the scales' content validity. Accordingly, the researcher made changes on the first draft in terms of eliminating, adding or rewording some of the items included in that draft.

4.2.2. Reliability Analysis

Prior to the actual study, the researcher carried out a pilot study to pre-test the validity and reliability of data collected using the questionnaire. The pilot study allowed for pre-testing of the research instrument. The results on reliability of the research instruments are presented in Table 4 below.

Scale	Cronbach's Alpha	Number of Items
Decision Making	0.814	4
Innovation	0.756	4
Employee Motivation	0.723	4
Quality of Management	0.777	4
Organizational Performance	0.842	4

Table 4: Reliability Coefficients

The overall Cronbach's alpha for the three categories which is 0.792. The findings of the pilot study shows that all the three scales were reliable as their reliability values exceeded the prescribed threshold of 0.7 (Mugenda & Mugenda, 2008).

4.3. Demographic Information

The background information was gathered based on the age, gender, position held and education level.

4.3.1. Age

The study sought to establish the gender of the respondents. The study results revealed that 48.2% of the respondents were of between 25-35 years, between 36-45 years were 37.5% and 46 years and above were 14.3% with a mean score of 1.66 and a standard deviation of 0.721. This shows that majority of the respondents who participated in the study were between 25-35 years as shown in Figure 2 below.

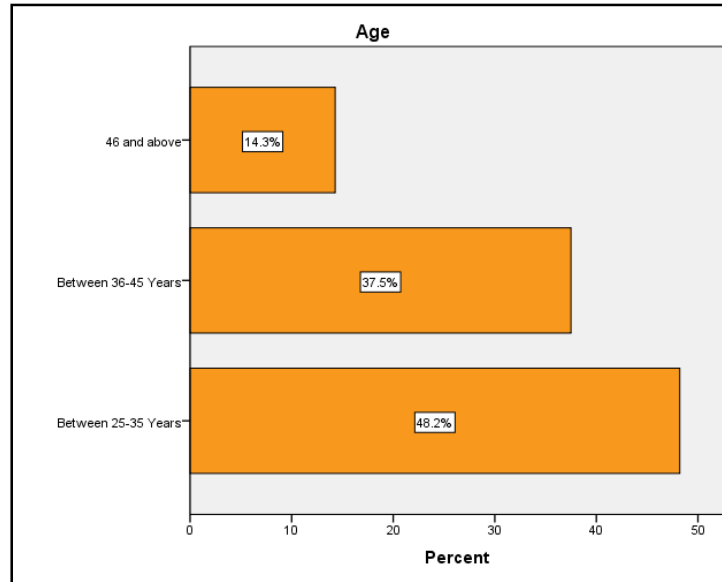


Figure 2: Age

4.3.2. Gender

The study sought to establish the gender of respondents. The study results revealed that 67.9% of the respondents were male and 32.1% were female with a mean score of 1.32 and a standard deviation of 0.471. This shows that the majority of respondents that participated in the study were male as shown in Figure 3.

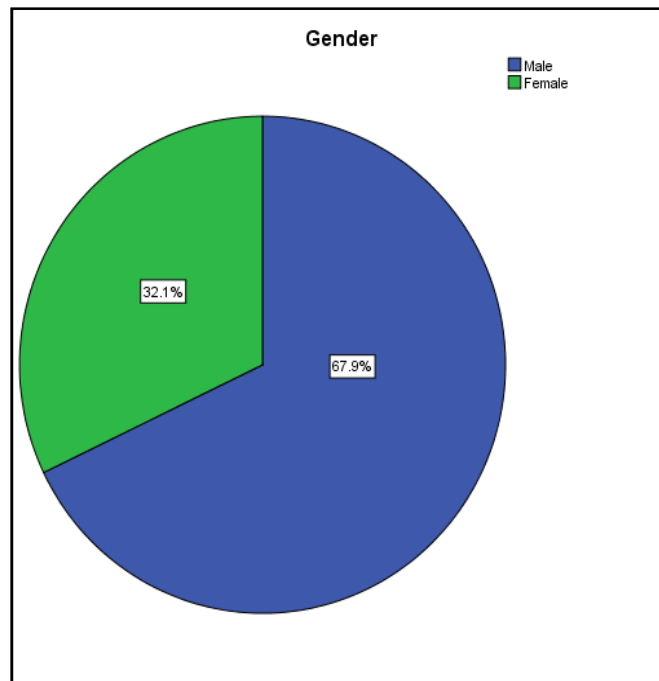


Figure 3: Gender

4.3.3. Position Held

The study sought to establish the position held by respondents. The study results revealed that 44.6% were senior managers, 30.4 were middle level managers and 25% were junior staff members with a mean score of 1.80 and a standard deviation of 0.818. This shows that the majority of respondents who participated in the study were senior managers as shown in Figure 4.

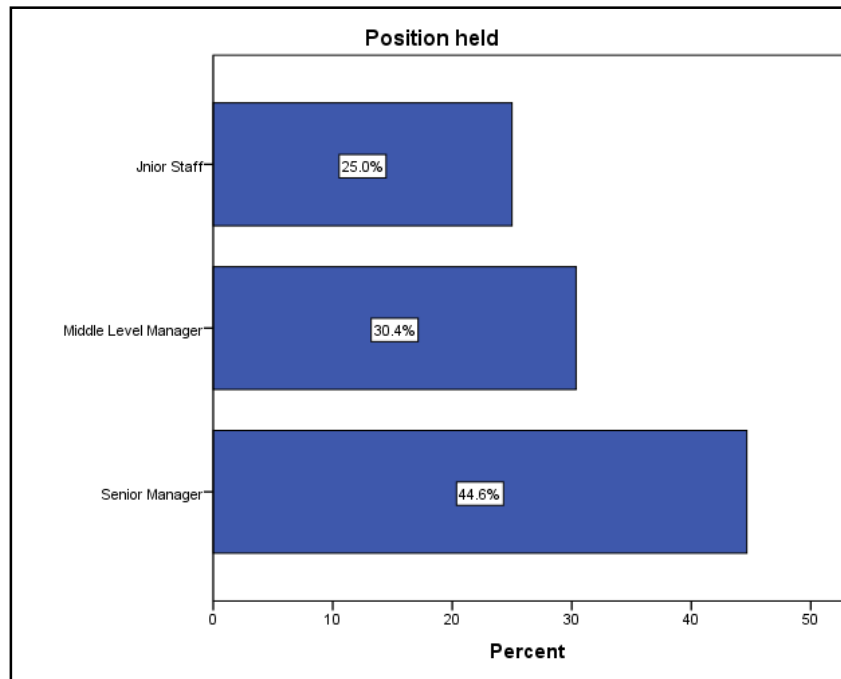


Figure 4: Position Held

4.3.4. Education Level

The study sought to establish the education level of the respondents. The study results showed that respondents who hold PhD degree were 12.5%, master’s degree 39.3%, bachelor’s degree were 35.7% and diploma holders were 12.5% with a mean score of 2.48 and a standard deviation of 0.874. These show that the majority of respondents hold masters and bachelor’s degree as shown in Figure 5.

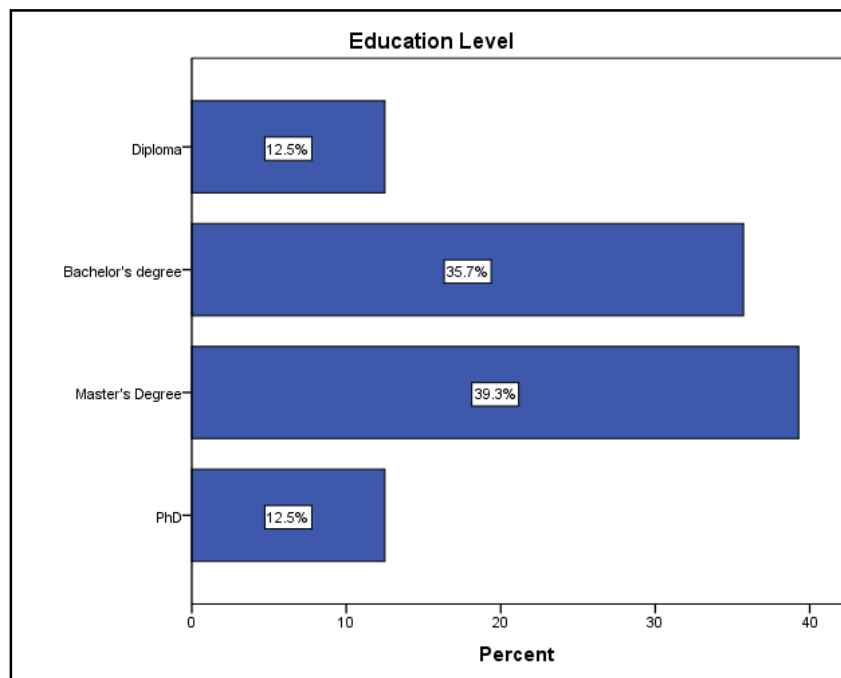


Figure 5: Education Level

4.4. Analysis of Objectives

In the research analysis the researcher used a tool rating scale of 5 to 1; where 5 was the highest and 1 the lowest. Opinions given by the respondents were rated as follows, 5 = Strongly Agree, 4 = Agree, 3 = Neutral, 2 = Disagree and 1= Strongly Disagree. The analysis for mean, standard deviation and coefficient of variation were based on this rating scale.

4.4.1. Decision Making

Descriptive Statistics			
	N	Mean	Std. Deviation
Managers use the mental process function involving acquisition maintenance and usage of knowledge to make decision in the organization	56	3.86	1.212
Managers use organized knowledge on previous experience and presentation to make current decisions	56	3.59	1.075
Managers conceptualize ideas to make decisions	56	3.63	1.484
Good managerial performance increases organizational performance	56	3.75	1.365
Valid N (listwise)	56		

Table 5: Decision making

The first objective of the study was to establish the effect of decision making on managerial cognition and organizational performance. Respondents were required to respond to set questions related to decision making and give their response. The opinion in agreement that managers use the mental process function involving acquisition maintenance and usage of knowledge to make decision in the organization had a mean score of 3.86 and a standard deviation of 1.212. This statement is in agreement with Connolly, Conlon, & Deutsch, (2014) that decision making is a mental activity. The opinion statement that manager's use organized knowledge on previous experience and presentation to make current decision had a mean score of 3.59 and a standard deviation of 1.075. The opinion statement managers conceptualize ideas to make decision had a mean score of 3.63 and a standard deviation of 1.484. This statement is in agreement with Cameron, (2015) that decision making involves experiences of the past events. The opinion statement good managerial performance had a mean score of 3.75 and a standard deviation of 1.365.

4.4.2. Innovation

Descriptive Statistics			
	N	Mean	Std. Deviation
Innovation is encouraged in the organization	56	3.98	1.286
Effects of innovation on ability of the firm to service its customers successfully and compete with competitors	56	4.18	1.029
Innovation has affected performance of the organization positively	56	3.64	1.299
Disruptive innovation has helped organization to adopt new ways of operations	56	3.88	1.207
Valid N (listwise)	56		

Table 6: Innovation

The second objective of the study was to establish the effect of innovation on managerial cognition and organizational performance. Respondents were required to respond to set questions related to innovation and give their response. The opinion statement that innovation is encouraged in the organization had a mean score of 3.98 and a standard deviation of 1.286. The opinion statement in agreement the effects of innovation on ability of the firm to service its customers successfully and compete with competitors had a mean score of 4.18 and a standard deviation of 1.029. This is in agreement with O'Reilly and Chatman, (2014). The opinion statement that innovation has affected performance of the organization positively had a mean score of 3.64 and a standard deviation of 1.299. The opinion statement that disruptive innovation has helped organization to adopt new ways of operations had a mean score of 3.88 and a standard deviation of 1.207.

4.4.3. Employee Motivation

Descriptive Statistics			
	N	Mean	Std. Deviation
Employee idea contribution is recognized by the organization	56	3.70	1.361
Employee are retrained to keep at par with competition	56	3.57	.499
Employees needs are met such that they concentrate on work ahead of them	56	3.95	1.458
Employees skills and talents are given room to function to the benefit of the organization	56	3.79	1.385
Valid N (listwise)	56		

Table 7: Employee motivation

The second objective of the study was to establish the effect of employee motivation on managerial cognition and organizational performance. Respondents were required to respond to set questions related to employee motivation and give their response. The

opinion statement in agreement that employee idea contribution is recognized by the organization had a mean score of 3.70 and a standard deviation of 1.361. The opinion statement that employee are retrained to keep at par with competition had a mean score of 3.57 and a standard deviation of 0.499. The opinion statement that employee's needs are met such that they concentrate on work ahead of them with a mean score of 3.95 and a standard deviation of 1.458. This is in agreement with Herzberg, Mausner, & Synderman, (2014) tht employee motivation has a critical role in organizational performance. The opinion statement that employee's skills and talents are given room to function to the benefits of the organization had a mean score of 3.79 and a standard deviation of 1.385.

4.4.4. Quality of Management

Descriptive Statistics			
	N	Mean	Std. Deviation
Quality improvement and maintenance is a major competitive edge in service delivery	56	4.21	.909
Quality of management has created value addition thus increased performance	56	3.64	1.257
Quality of management has improved decision making process	56	4.02	1.198
Quality of management has increased organizational performance	56	3.34	1.254
Valid N (listwise)	56		

Table 8: Quality of Management

The second objective of the study was to establish the effect of quality of management on managerial cognition and organizational performance. Respondents were required to respond to set questions related to quality of management and give their response. The opinion statement agreement that quality improvement and maintenance is a major competitive edge in service delivery had a mean score of 4.21 and a standard deviation of 0.909. The opinion statement that quality of management has created value addition thus increased performance had a mean score of 3.64 and a standard deviation of 1.257. The opinion statement that quality of management has improved decision making process had a mean score of 4.02 and a standard deviation of 1.198. The opinion statement that quality of management has increased organizational performance had a mean score of 3.34 and a standard deviation of 1.254.

4.4.5. Organizational Performance

Descriptive Statistics			
	N	Mean	Std. Deviation
Fast and accurate decision making has improved organizational performance	56	4.25	.919
Disruptive innovation has improved organizational performance	56	3.59	1.156
Employee motivation has improved organizational performance	56	3.84	1.172
Quality of management has improved organizational performance	56	4.18	1.029
Valid N (listwise)	56		

Table 9: Organizational Performance

The opinion statement in agreement that fast and accurate decision making has improved organizational performance had a mean score of 4.25 and a standard deviation of 0.919. The opinion statement that disruptive innovation has improved organizational performance had a mean score of 3.59 and a standard deviation of 1.156. The opinion statement the employee motivation has improved organizational performance had a mean score of 3.84 and a standard deviation of 1.172. The opinion statement that quality of management has improved organizational performance had a standard deviation of 4.18 and a standard deviation of 1.029.

4.5. Correlation Analysis

To establish the relationship between the independent variables and the dependent variable the study conducted correlation analysis which involved coefficient of correlation and coefficient of determination.

4.5.1. Coefficient of Correlation

In trying to show the relationship between the study variables and their findings, the study used the Karl Pearson's coefficient of correlation (r). This is as shown in Table 10 below. According to the findings, it was clear that there was a positive correlation between the independent variables, decision making, innovation, employee motivation and quality of management and the dependent variable organizational performance. The analysis indicates the coefficient of correlation, r equal to 0.310, 0.471, 0.715 and 0.347 for decision making, innovation, employee motivation and quality of management. This indicates positive relationship between the independent variable namely decision making, innovation, employee motivation and quality of management and the dependent variable organizational performance.

Correlations					
	Organizational Performance	Decision Making	Innovation	Employee Motivation	Quality of Management
Organizational Performance	1				
Decision Making	.310*	1			
Innovation	.471**	.573**	1		
Employee Motivation	.715**	.152	.626**	1	
Quality of Management	.347**	.148	.138	.366**	1
*. Correlation is significant at the 0.05 level (2-tailed).					
**. Correlation is significant at the 0.01 level (2-tailed).					

Table 10: Pearson Correlation

4.5.2. Coefficient of Determination

Table 11 showed that the coefficient of determination was 0.588. Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Organizational Performance) that is explained by all independent variables. From the findings this meant that 58.8% of project implementation is attributed to combination of the three independent factors investigated in this study.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.767 ^a	.588	.556	1.04338
a. Predictors: (Constant), Quality of Management, Innovation, Decision Making, Employee Motivation				

Table 11: Coefficient of Determination (R^2)

This means that 58.8% of the relationship is explained by the identified three factors namely decision making, innovation, employee motivation and quality of management. The rest 41.2% is explained by other factors not studied in this research. In summary the four factors studied namely, decision making, innovation, employee motivation and quality of management explains or determines 58.8% of the relationship while the rest 41.2% is explained or determined by other factors.

4.6. Regression Analysis

4.6.1. Analysis of variance (ANOVA)

The study used ANOVA to establish the significance of the regression model. In testing the significance level, the statistical significance was considered significant if the p-value was less or equal to 0.05. The significance of the regression model is as per Table 12 below with P-value of 0.00 which is less than 0.05. This indicates that the regression model is statistically significant in predicting effects of managerial cognition on organizational performance a case study of Inchcape shipping services in Mombasa.

Basing the confidence level at 95% the analysis indicates high reliability of the results obtained. The overall Anova results indicates that the model was significant at $F = 18.219$, $p = 0.000$.

ANOVA ^a						
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	79.336	4	19.834	18.219	.000 ^b
	Residual	55.521	51	1.089		
	Total	134.857	55			
a. Dependent Variable: Organizational Performance						
b. Predictors: (Constant), Quality of Management, Innovation, Decision Making, Employee Motivation						

Table 12: ANOVA

4.6.2. Multiple Regression Analysis

The researcher conducted a multiple regression analysis as shown in Table 13 so as to determine the relationship between organization performance and the four variables investigated in this study.

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.487	1.425		3.849	.000
	Decision Making	.235	.081	.340	2.880	.001
	Innovation	.172	.124	.204	1.392	.000
	Employee Motivation	.557	.097	.734	5.752	.000
	Quality of Management	.081	.051	.157	1.586	.000

a. Dependent Variable: Organizational Performance

Table 13: Multiple Regression Analysis

The regression equation was:

$$Y = 5.487 + 0.235X_1 + 0.172X_2 + 0.557X_3 + 0.081X_4$$

Where;

Y = the dependent variable (Organizational Performance)

X₁ = Decision Making

X₂ = Innovation

X₃ = Employee Motivation

X₄ = Quality of Management

The regression equation above has established that taking all factors into account (Organizational performance as a result of decision making, innovation, employee motivation and quality of management) constant at zero organizational performance among shipping companies will be 5.487. The findings presented also shows that taking all other independent variables at zero, a unit increase in decision making will lead to a 0.235 increase in the scores of organizational performance; a unit increase in innovation will lead to a 0.172 increase in organizational performance; a unit increase in employee motivation will lead to a 0.0557 increase in the scores of organizational performance; a unit increase in quality of management will lead to 0.81 increase in organization performance. This therefore implies that all the four variables have a positive relationship with organizational performance with employee motivation contributing most to the dependent variable.

5. Summary of the Findings, Conclusion and Recommendation

5.1. Introduction

The chapter provides the summary of the findings from chapter four, and it also gives the conclusions and recommendations of the study based on the objectives of the study. The chapter finally presents the limitations of the study and suggestions for further studies and research.

5.2. Summary of the Findings

The study was conducted with the general objective of exploring the effect of managerial cognition on organization performance. The specific objectives included; to find out the effect of quick decision making on performance of the firm, to examine the effect of innovation on performance of the firm, to find out the extent to which employee motivation level has resulted to the organization performance and to find the effect of quality management on performance of the organization.

From the study majority of the respondents were between 25-35 years old. On gender, there were many males in the study than female. Majority of respondents are in senior management position. On education, majority of the respondents hold bachelor's degree.

5.2.1. Decision Making

The study revealed the organization values quick decision making since it enables them be able to make faster move in the market and thus be able to deliver on time. This in return has led to increased performance in the organization. The organization also ensures it includes other employees in decision making where possible. Thus the organization always ensures decisions are made as first as possible while ensuring the best decisions are made in the shortest time possible.

5.2.2. Innovation

The study found out that innovation is highly encouraged in Inchcape shipping and those who are part of innovation are awarded largely, however the organization has fewer cases where there has been innovation in Mombasa branch. Much of the innovation has occurred in the other branches of Inchcape especially those from United Kingdom and Dubai and adopted in Mombasa branch, thus the performance of the organization is not largely due to innovation in the firm but other factors.

5.2.3. Employee Motivation

The study revealed that there is high employee motivation in Inchcape shipping service, the organization tries to identify the needs of every employee and thus tries to satisfy the needs of these employees. The organization positively rewards its employees this highly motivates them to perform to their best. Thus due to highly motivated employees the organization is able to deliver high quality services to its customers. This has been regarded as the major factor that has resulted to high performance in the organization.

5.2.4. Quality of Management

The study revealed that there is high quality of management, the managers have built strong relationship with trust to their employees, they have high integrity are honest and are always exemplary. The managers also take sufficient time in making decision and do not delay or over speed. This has resulted to high performance in the organization.

The coefficient of determination (R^2) was 58.5% and the correlation of the independent variable to dependent variable was 0.310, 0.471, 0.715 and 0.347 for decision making, innovation, employee motivation and quality of management to the dependent variable organizational performance.

5.3. Conclusion

From the study findings the following conclusions were made;

Inchcape shipping service has highly motivated employees with excellent quality of management that considers speed in decision making this has enabled the organization achieve high level of performance thus has enabled the organization maintain its favorable position in the industry. Most of the employees who felt that there was a low level of motivation were those employees who worked at the dock section in the port; these employees were the ones who are drivers, folk lifters.

We can conclude that Inchcape shipping services uses majorly four types of motivation, this includes responsibility, training, promotion and recognizing their employees. The most common method of motivation used in the organization is recognizing the employees. The study found out that the management of Inchcape shipping services valued speed while making decisions in the organization; however they ensured that they made the best decisions in the shortest time possible rather than compromising best decisions for quick decision making.

There is high quality of management in the organization; the organization employs expatriates as an attempt to improve their quality of management who bring in diversity in management. This has led to improved management in the organization. It can be concluded that the rate of innovation is low at the firm, even though the employees were given conducive environment so as to improve the rate of innovation in the organization, still low cases of innovation were reported in Mombasa branch. Most of innovations reported in the organization had been from Dubai and South African firms.

It can be further concluded that the organization performance has highly been influenced by high quality of management which has resulted to high productivity and improved customer relationship. Employees motivation level had resulted to high productivity and efficiency at work, this were the core factors that had led to improvement of performance. Decision making speed and innovation had improved performance by a small percentage; this was due to low level of innovation and better decision being more emphasized rather than speed in decision making process. The study concluded that Inchcape shipping services can sustain itself due to good managerial cognition that has led to organization performance improving.

5.4. Recommendations

The researcher based on the findings and conclusion to make the following recommendations:

1. The organization should ensure that the employees fully embrace innovation. They are encouraged to innovate more this is because the innovation level of the organization is much lower.
2. The organization management should bench mark the motivation and reward system of all the employees in the organization to ensure that all of the employees in the organization felt motivated in the work environment.
3. The managers should involve more the employees in decision making process; this is to ensure the decision made in the organization represents the views of the majority. This is because the organization rarely involves the employees in decision making process.
4. The management of the organization responsible of making policy measures should ensure that they come up with more organizational policy that will improve and encourage innovation in the organization. This is because the organization is still lagging behind in innovation.
5. The managers and staff members should improve on research on the services it offers, customer care since they are among the factors that affect organization performance and managerial cognition cannot work solely to attain effectiveness in the organization.
6. The management should improve on the speed of decision making in the organization, while ensuring that quality decisions are made, this is because quality of decision making is more emphasized than the speed of decision making.

5.5. Limitation of the Study

The respondents took a lot of time in filling in the questionnaires therefore the researcher had to collect the already filled questionnaires to do the analysis because of the time constraints. This made the response rate not to be 100% as expected. The respondents were also not free to give personal information as they considered it of private nature but the researcher assured them the information would be treated confidentially and purely used for academic purposes.

5.6. Suggestion for Further Studies

This study focused on the effects of managerial cognition on organizational performance in Inchcape shipping services limited in Mombasa County East Africa. Since only 58.5% of results was explained by the independent variables in this study, it is recommended that a study be carried out on other factors that affect managerial cognition, specifically, a study on relationship between behavioral factors and managerial cognition from across the country should be carried out in order to pick out other variables not covered in this study.

6. References

- i. Ali, S. S., & Bharadwaj, R. K. (2010). Factor analysis approach of decision making in India. Retrieved from inderscience.metapress.com/app/home/contribution.asp?
- ii. Armstrong, M. (2014). *Employee Reward Management: A handbook of Remuneration Strategy & Practice*. London: Philadelphia Publisher.
- iii. Barley, S. R., & Tolbert, P. S. (2014). *Institutionalization and Structural Studying the Links Between Action and Institution: Organizational Studies*. London: John & Wiley.
- iv. Bedeian, A. G. (2015). *Management of Cognition*. (3rd Ed). New York: Dryden Press.
- v. Blair, H. (2011). A critical evaluation of business reengineering. University of Edinburgh, Paper presented at the 15th Annual International Labour Process Conference. London: University of Edinburgh Press.
- vi. Buford, J. A. (2013). Extension Management in the Information Age. *Journal of Extension Management*, 28 (1) 345-350.
- vii. Cameron, K. S. (2015). Effectiveness as Paradox: Consensus & Conflict in Conceptions of Organizational Effectiveness. *Journal of management Science*, 34-42.
- viii. Chesney, C. E. (2011). Work Force 2000: Is Extension Agriculture Ready? *Journal of Extension Agriculture*, 234-244.
- ix. Connolly, T. E., Conlon, J., & Deutsch, S. J. (2014). Organizational Effectiveness: A Multiple Constituency Approach. *Academy of Management Review*, 1234-1260.
- x. Dickson, W. J. (2014). Hawthorne Experiment. In C. Heyel (Ed). *The Encyclopedia of Management*. 2nd ed. New York: Van Nostrand Reinhold.
- xi. DiClemente, C., & Prochaska, J. (2012). *Self Change and Therapy Change of Smoking Behaviour: A Comparison of Processes of Change in Cessation and Maintenance. Addictive Behaviour*. New York.
- xii. Fincham, R., & Rhodes, P. (2014). *Principles of Organizational Behaviour*. New York: Oxford University Press, Inc.
- xiii. Giddens, A. (2015). *The Constitution of Society*. Berkeley California: University of California Press.
- xiv. Herzberg, F., Mausner, B., & Snyderman, B. B. (2014). *The Motivation to Work*. New York: John Wiley & Sons.
- xv. Hill, R. C., & Levenhagen, M. (2015). *Metaphors and Mental Models: Sensemaking and Sensegiving in Innovative & Entrepreneurial Activities*. *Journal of Management*.
- xvi. Kanter, R., Stein, B., & Jick, T. (2012). *The Challenges of Organizational Change: How companies experience it and leaders guide it*. New York: Free Press.
- xvii. Kaplan, R. S., & Norton, D. P. (2013). The balanced Scorecard and Measure that Drive Performance. *Harvard Business Review*, 456-457.
- xviii. Kothari, C. R. (2012). *Research Methodology: Methods and Techniques*. New Delhi: New Age International (P) Ltd Publishers.
- xix. Kumar, Kumar, S., & Phrommathed, T. (2012). Return on Equity ratio can show how efficient A Sacco is. In S. Kumar, & T. Phrommathed, Return on Equity ratio can show how efficient A Sacco is. Jaipur, Malaysia: John Wiley & Sons.
- xx. March, J. G., & Olsen, J. P. (2014). *Rediscovering Institutions: The Organizational Politics*. New York: Free Press.
- xxi. March, J. G., & Simon, H. C. (2013). *Organizations 4th Printing Ed*. New York: John Wiley & Sons.
- xxii. Miller, D. (2014). Configuration of Strategy & Structure Towards a Synthesis. *Strategic Management Journal*, 7 (3) 233-250.
- xxiii. Mugenda, O. M., & Mugenda, A. B. (2008). *Research Methodology, Research Methods; Qualitative and Quantitative Approaches*. Nairobi: Acts Press.
- xxiv. O'Reilly, C. A., & Chatman, J. A. (2014). Organizational Commitment and Psychological Attachment: The effects of Compliance, Identification and Internalization on Prosocial Behaviour. *Journal of Applied Psychology*, 987-1010.
- xxv. Pinder, C. (2013). *Work Motivation in Organizational Behaviour*. New York: Prentice Hall.
- xxvi. Porac, J., Ventresca, M., & Mishina, Y. (2014). *Interorganizational Cognition and Interpretation*. Oxford: Blackwell Publishers.
- xxvii. Sekaran. (2015). *Research Methods for Business: A Skill Building Approach*. New Delhi: Wiley India Pvt Limited.
- xxviii. Vecchio, R. T. (2014). The Impact of Human Resource Management Practices on Perceptions of Organizational Performance. *Academy of Management Journal*, 435-460.
- xxix. Walsh, J. (2013). Managerial & Organizational Cognition Notes from a trip down Memory lane. *Organizational Science*, (pp. 280-321).
- xxx. Young, D. (2009). Mixtools: A R Package for analysing Finite mixture tools. *Journal of Statistical Software*.