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Review paper

Evolving Organizational Performance through Strategic Alliances: Myths and Realities

Obajaja-Edo, Efi[1], Odita, O.A.[1], and Olannye, A.P.[2]

[1]Department of Business Administration, Delta State University, Abraka, Delta State, Nigeria.
[2]Department of Marketing and Entrepreneurship, Delta State University, Abraka, Delta State, Nigeria.

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ABSTRACT: The study focused on analyzing corporate performance through strategic alliances and had three main objectives. Firstly, it aimed to investigate the influence of technological alliances on firm performance. Secondly, it sought to evaluate the impact of manufacturing alliances on firm performance. Lastly, it aimed to assess the impact of marketing alliances on firm performance. The study was based on the theory of resource dependence, and the empirical review revealed that all alliances have a strategic impact on performance. The study reveals that the global success rate of strategic alliances is less than satisfactory. This high rate of failure should be a concern for stakeholders, especially in the current era of globalization and liberalization of economies. However, the realm of strategic alliances can provide organizations with unprecedented opportunities to collaborate across industries, countries, and scales for mutual progress. Let's hope for a brighter future in strategic alliances.

Keywords: Organizational performance, strategic alliances, myths and realities

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INTRODUCTION

The emergence of globalization has liberalized trade blocs and constricted the spade of competition among companies across the globe. Their stiff competition has made organizational success very transient in recent times and has compelled managers to recurrently search for the best fit competitive strategy (Bouka, 2015;). Among the strategic tools gaining prominence at present is strategic alliance. The strategic alliance is a concerted effort by two independent firms to have a synergistic relationship in terms of human and material resources to the advantage of both parties (Dacin et al., 2007;).Companies have varied reasons for entering into a strategic alliance. Some do this in search of greater efficiency and flexibility, some in order to take advantage of new technologies, and others enter into alliances with start-ups or established companies. Alliances have a co-agent understanding between firms in which accomplices may provide technology, capital, or other firm-particular assets/resources and abilities (Harrigan, 1998; Dacin et al., 2007).

A strategic alliance is the basic wellspring of resource–learning, sharing, and subsequently assuring the upper hand in the aggressive business world. Administration of alliance and esteem creation to accomplish the upper hand is essential in a strategic alliance that characterizes strategic alliance as a vehicle for the dissemination of innovative information that can add to firms' achievement. Strategic alliances involve organizations of at least two enterprises or specialty units that cooperate to accomplish deliberate critical objectives that are commonly useful. Strategic alliance is the key to guaranteeing improved competitive advantage (Harrigan, 1989). Strategic alliances are turning into an imperative type of business activity in numerous ventures, especially in a worldwide field. Strategic alliances are not a panacea for each organization and each circumstance, but they enhance their focus on situating or picking up sections to new markets or supplement basic abilities and offer the hazard and cost of real advancement ventures. Also, through strategic alliances, ventures exchange knowledge with accomplices and afterward incorporate it into their own companies, which are likewise a powerful method to reinforce the competitive advantage of an enterprise. Various business concerns exploit strategic alliances to acquire outer innovative work capacities and accomplishments for external development. Companies are forming alliances to obtain technology, gain access to specific markets, reduce financial risks, and gain competitive advantage.

The business environment has changed significantly as a result of the digital revolution of the 21st century, and this has necessitated the desire to among other things, review the theoretical understandings from strategic alliance research. Strategic alliances are mutually beneficial alliances between two or more independent businesses to reach a common goal by sharing their strengths and resources, which increases capabilities, confers a competitive edge, and extends a firm's capabilities through others. The strategic alliance involves the sharing of knowledge and expertise while reducing risks and costs (Dodgson, 2018;). A strategic alliance can be formal or informal, or a joint venture relationship entered into for the benefit of all parties (Hunger, 2010), and it has been predicted that in the future, the accelerating growth of relationships will not be based on ownership, but on partnerships (Drucker, 1996). Meanwhile, organizational performance lies at the heart of a firm's survival and is one of the most important goals of every enterprise). However, many organizations find it difficult to achieve this goal because of their limited resources and technical capacity. A way to handle this is to develop alliances that can integrate the resources of each company for the benefit of partners (Baker et al., 2005;).

The strategic alliance aims to achieve synergy, ensure the firm's survival, provide access to critical resources that allow gaining and maintaining competitive advantages, promote cooperation between enterprises, the advancement of knowledge, reduction of overspecialization, improving the level of service, rapid innovation, outsourcing, learning, customer acquisition, etc. (Cobeña et al., 2017;).

However, fears of information leakage, intellectual property right, patents, and insufficient trust, lack of compatibility with the partners' objectives, differences in cultural values, different environment and rules prevailing in partner organizations within same nationality cause the failure of strategic alliances (Dadfar et al., 2014; Daniels and Radebaugh, 2001; Kilburn, 1999).

Recent strategic alliance research has been built upon a wide array of theories and viewpoints. Child et al. (2019), for example, suggests these theories can be grouped into economic perspectives, such as transaction cost theory (TCT) (Williamson, 1981), the resource-based view of the firm (RBV) (Barney, 1991), the knowledge-based view of the firm (KBV) (Grant, 1996), the dynamic capabilities view (DCV) and agency theory (Eisenhardt, 1989); managerial and organizational perspectives, such as games theory, resource dependence theory (RDT) and stakeholder theory (Freeman, 1984); and behavioral perspectives, such as social capital theory (SCT). Although alliances have grown globally in the last three decades, analysis of several alliances in Western Europe, Japan, and the United States indicated that less than 40% of the alliances remained in force after about five years and 40% ceased their operations after successful completion of their tasks, and the remaining 30% break up. Despite these failure rates, most organizations are now heavily relying on strategic alliances to expand into new markets and grow business. Alliances have a co-agent understanding between firms in which accomplices may provide technology, capital, or other firm-particular assets/resources and abilities (Harrigan, 1998; Dacin, et al., 2007). The strategic alliance is the basic wellspring of resource–learning, sharing, and subsequently assuring the upper hand in the aggressive business world. Administration of alliance and esteem creation to accomplish the upper hand is essential in strategic alliance). Rosenberg (2003) characterizes strategic alliance as a vehicle for the dissemination of innovative information that can add to firms' achievement. Strategic alliances involve organizations of at least two enterprises or specialty units that cooperate to accomplish deliberate critical objectives that are commonly useful. Strategic alliance is the key to guaranteeing improved competitive advantage (Harrigan, 1989). Strategic alliances are turning into an imperative type of business activity in numerous ventures, especially in a worldwide field. Strategic alliances are not a panacea for each organization and each circumstance (; but they enhance their focus on situating or picking up sections to new markets or supplement basic abilities and offer the hazard and cost of real advancement ventures (Isoraite, 2009; and Lee, 2012).

Globalization provided an opportunity for strategic alliances between organizations from across the world to thrive (Anand and Khanna, 2000;). Yet, there is a relatively high rate of alliance failure. It, therefore, behooves scholars to determine the reason(s) for this. A good contribution will be to review the literature on the influence of strategic alliances on organizational performance, which is the main objective of this paper. The first specific objective reviews the main theories underlying strategic alliance research, the second assesses empirical studies on the link between strategic alliances and organizational performance, the third identifies the success factors of strategic alliances, and finally, the fourth isolates the factors responsible for the failures of strategic alliances.

The problem

Companies are today facing increasing levels of competitive pressure and difficulty with regard to maintaining and improving performance. The management of some companies is forced to seek and implement innovative strategies to advance their company's competitive advantage as well as their profitability. In view of the foregoing, managers may engage in collaborative arrangements as core elements of today's business tactics. In addition, the high occurrence of alliances that have been ruined in catastrophes is mostly of concern. Alliances have displayed high failure rates such as cost apportionment issues, technological differences, and cumbersome decision-making processes. Similarly, it has been observed that 70% and 30% of alliances failed, sometimes, they do not meet the goods and services of their mother companies nor provide an effective or strategic advantage they purport to deliver. An alliance may equally face possible problems such as a clash of cultures, a lack of trust, a lack of clear goals and objectives, a lack of coordination between management teams, and differences in operating procedures among partners. However, evaluating the performance of alliance partners is an important issue as the available studies in the field are so few and were conducted by foreign authors with their setting based on multinational companies in advanced economies There is near complete absence of empirical studies in this field focused on developing economies like Nigeria. This study, therefore, bridged this gap by conducting empirical research on the effect of strategic alliances on a firm's performance in Nigeria.

Study Objectives

1. examined the effect of technological alliance on organizational performance;
2. evaluate the effect of production alliance on organizational performance
3. assess the effect of marketing alliance on organizational performance.

Literature review

Concept of strategic alliance

The strategic alliance is increasingly becoming popular in strategic management literature and has emerged as an invaluable tool for business development. This is because the strategic alliance is a long-term, trust-based relationship that highly requires relationship-specific investments in ventures that cannot be fully specified in advance of their execution. Thus, strategic alliances go beyond normal market transactions but fall short of a merger, and include joint ventures, licenses, long-term supply agreements, and research and development (Baranov, 2013;). There are various types of strategic alliances in operation. They include technology development, operations, and logistics, marketing, sales and service, multiple activity alliances, contractual, and equity. Strategic alliances come in different dimensions, such as investment, marketing, venture, and technical; symmetric and asymmetric, and horizontal and vertical alliance (Porter and Fuller, 1986).

Reasons for entering into strategic alliances

The advantages of an alliance, as compared with a single firm, depend on the need for integration among parts of the value chain and the need for scale and specialization in each of the parts. Firms enter into alliances based on their needs at that time or future considerations. The motives for joining an alliance determine the choice of partners hence the type of alliance to enter. Button et al. (1998) suggested a number of possible reasons for alliance formation – cost savings, market penetration and retention, financial injection, infrastructure constraints, circumventing institutional constraints, and market stability. More specifically, they identified four advantages of alliances with specific reference to the aviation industry: Access to new markets by tapping into a partner's underutilized route rights or slots; Traffic feed into established gateways to increase load factors and improve yield; Defence of current markets through seat capacity management of the shared operations; and Costs of economies of scale through resource pooling across operational areas or cost centers, such as sales and marketing, station and ground facilities and purchasing. Baranov, E. (2013) observed that mergers and acquisitions have been the obvious route for recession-ravaged Western companies looking to capture shares in the high-growth economies of Brazil, Russia, India, and China, as well as newer economies throughout Asia, the Middle East, and Africa. The recent trend has increasingly been for Western companies to turn to joint ventures and strategic alliances for the purposes of entering hard-to-penetrate emerging markets and developing non-organic growth.

Cobeña, Gallego, Casanueva, (2017) observed that Korean firms used strategic alliances to broaden business areas and look for new sales drivers to combat saturation, along with saving time and costs. Supermarkets in their choice of suppliers of vegetables favor farmers with access to infrastructure and those with their own means of transport. Initially, supermarkets in Kenya purchased fresh vegetables in traditional wholesale markets, which can still be observed today. However, supermarkets have diversified their procurement to include contracted farmers and traders, to ensure price stability and consistency in quality and supply. These contracted farmers and traders constitute the strategic alliances that have better chances of always honoring their contracts and providing the supermarket's supplies throughout the year.

In May 2010, the Kenya Horticulture Development Program (KHDP) assisted a group of smallholders to become the first flower growers ever to receive Rainforest Alliance certification. This certification led to

Kenyan flowers being accepted and sold by Asda supermarket in the UK, which is owned by Wal-Mart and is part of the world's largest supermarket chain. The setting of requirements to be met by suppliers of supermarkets has made the farmers increase their standards of farming to enhance the chances of their produce being accepted.

The Kenyan supermarket sector is changing. Massmart of South Africa is said to be negotiating a deal with Naivas supermarket for a 51% takeover bid. Kenya's largest retailer, Nakumatt was reported to be in discussions with an international strategic investor to sell a 25 percent stake. Ukwala, the country's fifth largest retailer, is said to be up for sale too, or at least some of its outlets. Deacons, the Kenyan clothes retailer is also said to be scouting for strategic investors as it moves to cut dependence on franchises. The alliances by these firms are seeking entry into new markets, hence increasing competition.

Notably, these foreign supermarkets seek to partner with local retailers so as to use their knowledge of the local environment. This is consistent with the knowledge-accessing theory of SAs. The modern procurement system characterizing the high-value markets normally bypasses the brokers and other middlemen thereby reducing transaction costs and minimizing the deterioration of product quality. The supermarkets seem to have crafted direct relationships with farmers to procure the products. This bypassing of brokers and the large amounts of produce especially farm produce has made small-scale producers merge to

Conditions for a successful alliance

Several factors determine the success level of strategic alliances. Issues of structure, power sharing, control, and trust play an important role in the success of alliances. Scholars advises strategic alliance managers to create an environment of trust, maintain broad strategic vision, and feel genuine empathy for others, even those who are still competitors in other areas. Daniels and Radebaugh, (2001 view alliance success as depending on the communication, implementation of the contracted alliance, and financial and strategic analysis. Therefore, strategic alliance ability to produce the desired performance depends largely of the structure created, how the relationship is managed and how the cultures of parent organizations influence the integration of the firms

Organizational performance

According store performance is a consequence of environmental factors and the extent to which the store is patronized by consumers, which in turn is a consequence of how well store attributes like; location, open hours, merchandise, store layout, service, advertising, correspond to consumers' evaluative criteria for their store choice behavior. Further, the retailer's decision on store attributes is influenced by underlying factors, such as local competition and local demand characteristics. This implies that supermarket branches have some discretion in the strategies they adopt to fight competition in their location.

Baranov, (2013) observes the usefulness of studying all types of store performance measures because these measures of store performance are mutually exclusive. They gave an example of stores with high dollar sales that might not ensure a high productivity-based performance that is sales per square foot or a high profitability-based performance like gross margins. This means that different store performance measures when utilized give a holistic picture of how supermarkets or their branches perform, Kifordu, (2022**).**

Baranov, (2013) suggested a model of integrating the effects from various proposed antecedents on market-based performance, productivity, and financial performance. They classified store performance in terms of economic results into three broad categories: market-based performance, which captures how well a store succeeds in the competition for shoppers in the local market where it operates (measured by variables like sales volume and market share), productivity performance, (like sales per square meter floor area, sales per labor hour), and financial performance, which captures revenues, costs, profits, and profitability of the store.

Daniels and Radebaugh, (2009) operationalized store performance by adopting a comprehensive description of the performance of each supermarket, comprising three measures of market-based performance (Sales Volume, Number of shoppers per week, and Average transaction per shopper), three measures of productivity (Sales per inventory investment, Sales per square meter floor area, Sales per labor hour) and six measures of financial performance (Gross profit performance, Operating cost performance, Operating profit Performance, Profitability performance) Organizational economic performance has been measured using a three-item scale: return on assets (ROA), sales growth, and increase in market share. Available literature shows the use of these indicators to measure changes in knowledge, competencies, and learning of organizations. Shrader (2001) and Stuart (2000), among others, have adopted sales growth; Goerzen, (2007), ROA increase in market share. The average of the three indicators which are the observable variables serves to measure economic performance. When conducting a study that involves stores and nonstory firms it's vital to adopt a common measurer for both sets of firms.

Evans (2001), defined performance as a measure of how well an organization achieves its goals. This concept gives an indication of the well-being of a company's business portfolio growth into the future. Organizational performance can be defined as the organization's ability to accomplish its aims using the resources it has in a properly structured manner. Organizational performance can also be defined by the extent to which the organization is effective in executing its strategies. Performance within an organization can be evaluated as the process of assessing the organization’s progress in achieving its goals and objectives.

The word performance is vague, there is no consensus on fundamental terms, and there is no clear description and dimension to determine a company's performance, which further compounds the subject area for management researchers. Company success is a vital factor in business research. Performance has numerous names, including development, survival, success and competitiveness, as a multidimensional construct. There is a lack of generality of view on the idea of what makes up business success, as success is seen primarily within the entrepreneur's subjective lens (Perez and Caninno; 2009,. SME accomplishments have typically been divided into financial and non-financial elements. Financial performance includes a wide range of metrics such as profits, sales, return on investment, etc., while non-financial measures for SMEs success include continuous business processes for a period of three years, personal engagement and autonomy, work-life balance. Previous studies, such as have concluded that there are multi-faceted determinants of SME performance/success in Nigeria. Performance generally can be defined as the ability of the firm to achieve satisfactory results and behaviour. The assessment can be in financial or non-financial measures like profitability growth, brand relationship and corporate image. The idea of measuring performance is not only to identify the current performance of the business but it is also how the business can perform better in the future in line with its strategic objectives. Performance measurement is therefore crucial since it measures the effectiveness of the organization's operations that contribute to creating value to stakeholders as well as the efficiency of the transformation of resources into products.

Organizational performance measurement can also make several important contributions to an organization such as increasing the motivation amongst the employees to perform better, achieving organizational goals, improving employees’ learning and commitment to the organization and its strategic objectives. Employee performance is a significant building block of a firm and factors which lay the basis for high performance must be examined by the firm. Since every firm cannot progress by relying on one or two individuals’ efforts, it is a collective effort of all the staff of the firm. Performance is a kind of outcome after a job is finished. A well-implemented performance management system is a means for managers and workers to develop an understanding of what task the mission of the firm needs, the way in which this task should be done, and to what level it has been attained. Employees should be empowered and receive support from their manager without removing any of the employee’s responsibilities.

Strategic alliance and organizational performance

There is evidence suggesting organizations forming alliances will experience enhanced organizational performance Nielsen (2007), Lee (2007) and Gorzen (2007). A broad stream of research claims that cooperation is an interesting organizational model, regardless of the conditions of the industry and the environment. Perry et l. (2004) found a positive significant relationship between participation in strategic alliances and business performance. Tebrani (2003) concludes that using strategic alliances improves performance regardless of the type of competitive strategy used, the country of origin, or the industry in which the alliances are established. The conviction surrounding this line of thought was so prevalent for so long that empirical analysis of the relationship between strategic alliances and performance received little attention.

Ibrahim (2011) identified a successful Strategic alliance between Starbucks and Kraft where Starbucks coffee was to be distributed through Kraft only. In the end both companies benefited. Starbucks gained quick entry into 25,000 supermarkets in the USA, supported by the marketing muscle of 3,500 Kraft salespeople and Kraft topped off its coffee line with the best-known premium brand and gained quick entry into the fast-growing premium coffee segment. This alliance clearly leads to market penetration, brand recognition, and profitability for both partners hence the development of competitive advantage. This success story appears to prove the knowledge and RBV theories working for both parties. Hewlett-Packard (HP) and Disney have a long-standing alliance, dating back to 1938, when Disney purchased eight oscillators to use in the sound design of Fantasia from HP founders Bill Hewlett and Dave Packard. When Disney wanted to develop a virtual attraction called Mission: SPACE, Disney Imagineers (people who devise and implement new concepts) and HP engineers relied on HP's IT architecture, servers, and workstations to create Disney's most technologically advanced attraction. This partnership has helped Disney gain the technology it required from HP hence enhancing its competitive advantage.

Dockers and American Pacific Enterprises (APE) on the other hand had an alliance where APE was to sell towels and bed accessories with Docker's name on them. The benefits to Dockers were very little save for their branded towels, but APE needed a strong brand image. This unbalanced alliance led to a big disaster for Dockers eventually as their brand image was severely damaged due to this awkward partnering with unrelated products.

These imbalances led to the strategic alliance, ultimately collapsing. From the foregoing, the alliance between Dockers and APE led to a competitive disadvantage for

Dockers' position rather than the competitive advantage which they sought.

Arndt (2009) observed that Cisco had had two failed alliances with Motorola and Ericsson. The partners had turned into competitors because of acquisitions. Acquisitions had turned allies into adversaries. With insider knowledge of each other, they sought to use the information they had against each other. This was detrimental to the alliance but appears consistent with the external control of organizations theory. The theory sees organizations seeking to control their rivals in 2001 South African brewing giant, SAB Miller ceded the production of its key beer brands to Nairobi-based East African Breweries Limited (EABL) – its main challenger in the Kenya beer market following a bruising battle in which consumer hostility was spewed at Castle Lager. EABL later stopped the production of Castle Lager, effectively killing the presence of South Africa's beer in Kenya (Kenyan market a hard egg to crack," 2010). Castle Lager is reportedly working to replace EABL as Kenya's national football team sponsor hence seeking to revive its presence in Kenya by 2014. This appears to rhyme with the external control theory of firms to fight off competition in a company's territory.

(Kenyan market a hard egg to crack," 2010) observed that Media24 a South African firm trading by the name East Africa Magazines Limited (EAM), started joint operations with Nation Media Group (NMG) in 2005 to publish popular southern African titles the Drum, True Love, and Move in Nairobi. The coexistence lasted only four years as NMG, East Africa's largest media company, pulled out of the deal, taking with it some of the journalists and salespeople. This left Media24 vulnerable. Baker., Faircloth, Simental, . (2005) examined the relationship between strategic alliances and the performance of the food and beverage manufacturing companies in Kenya by collecting data from chief executive officers/managing directors of 125 large-scale companies. After a simple regression analysis, it was discovered that the relationship was statistically insignificant. However, when assessed the effect of strategic alliances on the performance of 160 Kenyan manufacturing firms in the East African Community (ECA) market, anchored on RTD, RBV, Integration, and the Open system theories, the result indicated a positive and statistically significant relationship between strategic alliances and performance of the firms within the ECA market.

Akewushola et al. (2018) further examined the influence of strategic alliances on a firm's performance in a quantitative approach where a sample of 175 was collected from management and staff of four (Mobile Oil Nigeria Plc; Mr. Biggs, (2006); Guarantee Trust Express; and Forte Oil) firms in Nigeria that have synergistic relationships. Simple regression analysis showed that all the dimensions of the strategic alliance have a significant relationship with the firm's performance.

Technological alliance and organizational performance

There are various benefits organizations can gain from undertaking internal innovation, such as radically changing their business ideas, technologies, products, and processes. However, when conducting such internal innovation, organizations need to be prepared for the disadvantages related to this process. Internal innovation requires internal knowledge and technical expertise; it can be time-consuming and expensive and poses a high risk of failure. This development may take years, and companies may not possess adequate resources if the sustainability mantra is not pursued along the same lines, Kifordu et al., 2022).

Technological strategic alliances as a variable gather the total number of strategic alliances that a firm has developed in R&D, innovation, and staff training in new technologies over a period. This variable is operationalized by summing the various agreements the firm has developed. Since the impact of alliances on firm performance should be assessed after they have ended, only measured the alliances that had been completed at the time of the survey. Alliances are becoming popular strategies that enable firms to decrease the amount of time, costs, and risks involved to acquire external technologies, hence increasing the number of strategic technology alliances (STAs) formed Adetunji and Owolabi, (2016).

Marketing alliance and organizational performance

Marketing strategic alliances are based on the principles of resource sharing and cooperation that enable alliance members to achieve certain objectives. In the business world context, the forces of globalization and competition have led to a significant shift in the institutional structure of organizations, from a stiff hierarchy to a more fluid and disaggregated institutional structure comprising internal and external networks In addition, marketing alliances form a network wherein a given alliance acts as a conduit for the flow of information and resources between otherwise unconnected institutions. Consequently, each firm's unique position in this connection or network can affect its performance over time **(**Mazzola, Perrone, and Companies are expected to form cooperative agreements if they believe that the arrangements will better enable them to meet their strategic objectives, with the focus being on maximizing profits, and it is used by firms to access resources and capabilities and to signal quality. From this perspective, some researchers have shown that marketing alliances can lead to increased organizational performance.

Production alliance and organizational performance

Through production alliances, companies share collaborations and partnerships as a factor to enhance competencies and performance. More organizations today are partnering with other affiliates of the supply chain as alliances to enhance the enactment and performance of the customer value-delivery network. If they enhance their focus on situating or picking up sections to new markets or supplement basic abilities and offer the hazard and cost of real advancement ventures). Also, through strategic production alliances, ventures exchange knowledge with accomplices and afterward incorporate it into an expanded network that can change the dynamics of every business organization.

Conceptual framework

In the conceptualization of the effects of strategic alliances on the performance of supermarkets, the forging of strategic alliances is deemed to affect the performance of organizations. Strategic alliances are operationalized in terms of marketing, production, and technological alliances which when forged by supermarkets affect supermarket performance indicated by the firm's return on asset (ROA), sales growth, and market share. The knowledge that a firm can improve its performance in several ways makes firm management seek to acquire those ways. Therefore, the motivation to enter into strategic alliances is guided by a firm’s internal and external perception of its chances to improve its performance (Figure 1 below).

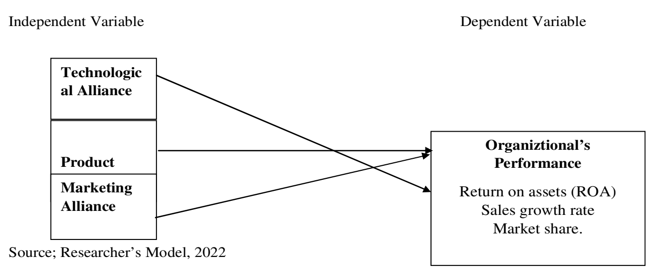

Figure 1: Internal performance system

Theoretical perspective

The resource dependence theory

Resource dependence theory was propounded by Emerson, (1963) and later advanced by Salancik in 1978 when they opined that having control over perilous resources by one company will make other firms dependent on it. The theory assumes that even operating in the same industry, firms are heterogeneous in terms of their resources and capabilities. In essence, the theory argues that organizations are often not self-sufficient for all the needed resources that can enable them to remain competitive. Therefore, they need to engage in interchanges with other companies in one way or the other so as to gain the necessary resources for survival. This usually makes a strategic alliance a viable form of inter-organizational structure that can minimize uncertainties thus enhancing access to much-wanted resources (Gray and Yan, 1992). Resource dependence theory has emerged as an important explanation for persistent firm-level performance by emphasizing a firm’s ability to create and sustain competitive advantage by acquiring advantageous resource positions . The competitive advantage of a firm is the outcome of a strategy that utilizes its unique resources and skills. The application of this theory will underscore what the parent resource firms prefer to control and how they control them.

Kotter's 8-step change alliance theory

Kotter (1996, 1998) as cited in Kinoti (2014) developed a model which should be used at the strategic level of an organization to change its vision and subsequently transform the organization. Kotter’s model is following the phases and proposes structured steps on how these can be realized. Each phase lasts a certain amount of time and mistakes at any phase can impact the success of the change. The effort is towards preventing conflict and convincing the employees of the change so that this can be realized more effectively. The eight steps proposed by Kotter (1996, 2014) are: Creating/establishing a sense of urgency, Creating/building the guiding coalition, developing a strategic vision and initiatives, Communicating the change vision / enlisting a volunteer army, Empowering employees for broad-based action / enable action by removing barriers, generating short-term wins, consolidating gains and producing more change / sustain acceleration, Anchoring new approaches in the culture/institute change.

In addition, Kotter and Schlesinger (2008) point out that once a manager understands the restraining forces and the change management problems, there are a number of approaches and options for managing resistance to change, which include education and communication, participation and involvement, facilitation and support, negotiation and agreement, manipulation and co-optation, and explicit and implicit coercion. Kotter’s eight-step model is relevant to this study because it highlights the different approaches organizations should adopt to effectively manage strategic alliances and maximize output.

Empirical reviews

Several studies have been conducted on the influence of strategic alliance on myriads of business outcomes, sizes, and various sectors of the economy which this study will reflect on below.

Akewushola et al. (2018) worked a strategic alliance is the agreement between two or more organizations to cooperate in a specific business activity so that each benefit from the strengths of the other and gain a competitive advantage. This study examined the influence of strategic alliances on firms' performance. A quantitative approach was adopted in data collection and analysis. A sample size of 175 was drawn from the total population of the four selected firms in Nigeria having a synergistic relationship using the judgmental sampling technique. Simple regression analysis was used in analyzing the data collected through structured questionnaires from respondents at the four selected firms in Nigeria. The results revealed that production has a significant effect on sales revenue while marketing alliances have an effect on sales revenue. It also showed a positive effect of technology alliance on firms' effectiveness. In light of the findings, the study submitted that strategic alliance is indeed a veritable tool for enhancing organizational performance. The study recommended that the management of the organization should adopt strategic alliances as a way of restructuring their organizations and improving general performance.

Goerzen (2007) sought to examine the effect of strategic alliances on performance. The objectives of the study were: to establish the effects of technological, production, and marketing strategic alliances on the performance of supermarkets and their alliances in Kenya. The study employed a correlational research design. The sample of the study entailed a study of all five big supermarkets (Nakumatt, Ukwala, Naivas, Tuskys, and Uchumi) and 95 of their strategic alliances. Data for this study was collected from the head offices of the firms by use of a questionnaire. The data was analyzed using a multiple regression model in order to test the effect of the independent variables relating to strategic alliances and the dependent variable performance. Independent one- way ANOVA test and independent t-test (one tailed) were used to determine the level of significance. Data was presented using figures, and tables. The empirical results of the study indicated that there was a strong, negative correlation between technological strategic alliances and performance. However, there was no statistically significant relationship between technological strategic alliances and performances among supermarkets and their alliances in Nairobi CBD. Correlation results indicated that there was a weak, negative effect between production strategic alliances and performance, for the supermarkets while for supermarket alliances there was a large, positive effect between the two variables. There was a strong, positive effect between marketing strategic alliances and performance for the supermarkets while for supermarket alliances there was a medium, positive correlation between marketing strategic alliances and performance. However, 2 tailed tests indicated that there was a statistically insignificant relationship between the variables. The results from the multiple regression analysis indicated that strategic alliances had a strong relationship with supermarket performance which suggests that strategic alliance contributes positively towards supermarkets performance. On the other hand, supermarket alliances regression analysis showed a weak relationship between strategic alliances and performance suggesting that other factors account for the performance in these alliances. The ANOVA test indicated that the relationship between strategic alliances and performance was not statistically significant for the supermarket alliances but significant for the supermarkets. The t-test analysis indicates that the relationship between strategic alliances and performance was statistically significant among the supermarkets and their alliances suggesting that strategic alliances positively increase performance.

Butigan and Benid, (2017) conducted a study on the effect of participation in technological strategic alliances on business performance by considering the knowledge-based distinctive competencies as a mediating variable using a sample of Spanish firms. Results from their findings prove that the relationship between research and development (R&D), innovation strategic alliances, and performance is mediated by the generation of knowledge-based distinctive competencies; and that the contribution of the participation in alliances to the growth of the firm's knowledge stock depends on its creation of innovation competencies. This implies that R&D managers should enhance the development of these kinds of competencies to achieve superior performance. Technological strategic alliances as a variable gather the total number of strategic alliances that a firm has developed in R&D, innovation, and staff training in new technologies over a period. This variable is operationalized by summing the various agreements the firm has developed. Since the impact of alliances on firm performance should be assessed after they have ended, only measured the alliances that had been completed at the time of the survey.

Abdalla (2015) examined the effects of strategy evaluation on organizational performance. The population for this study comprised of all the 200 staff members at Centre Star Company stratified in departments: administration, logistics, operations, and sales and marketing. The study used a stratified random sampling approach to select 30% (60) of the 200 employees to participate in the survey. The first research objective sought to identify the approaches adopted at CSC in strategy evaluation. The study identified four approaches to Strategy evaluation to enhance performance of the organization. The study showed that there is a well-established strategy evaluation culture at CSC. There is common drive for strategy evaluation; well-established procedures for strategy evaluation; deliberate effort to seek information on strategy performance; established responsibilities for evaluation performance; and regularly informed demand for results of information.

Butigan, and Benid, (2017) examined the influence of strategic management practices on performance of floriculture firms in Kenya. A descriptive survey design was used with a target population of 21 floricultural firms out of which 10 firms were selected by simple random sampling, and 5 respondents from each of the 10 firms purposively chosen. Structured questionnaires were used to collect primary data. Chi- Square (X2) test was used to test the four hypotheses to establish significance of association. The findings established that majority of the firms had a strategic plan, implemented their strategic plans as planned, conduct strategy evaluation and control on their strategic management practices. Further, that strategy formulation, implementation, evaluation, and control had significant influence on the performance of flower firms to a moderate extent. The researcher recommended that top-level managers should seek more input from the lower-level managers and supervisors when formulating strategy so that the formulated plans are effective and in line with both long- and short-term objectives of the organization.

Peter, (2015) studies strategic management practices and the performance of small medium enterprise in Western Uganda. Cross sectioned design was adopted for the study, 2,800 respondents with 430 sample size were used for the study. The instrument used for data collection was questionnaire. Findings revealed that strategic management practices enhance firms operational, Competitive, and creative performance. The study recommends that Agric business enterprise in Western Uganda should adopt strategic management practices however the size of the enterprise. Competitive Advantage Theory Competitive advantage is not only significant to profit making organizations. Research has shown that competitive advantage does not factor in NGOs in their concepts. This theory describes why organizations must be competitive. NGOs have a lot of resources. Different NGOs have different resources employed differently. Funding also depends on the nature of the NGO and the numbers of projects run. The more the projects, the more the funding. There are different kinds of resources for NGOs including human resource, improved technology, strategic planning experience, modified systems and structures, strategic plans (Jones and Bartlett 2009). NGOs can attain competitive advantage if they can be able to fully maximize on their skills in terms of specialization and in fundraising. NGOs can therefore be seen competitive if they can be sustainable in the long run. Sustainability in NGOs means that there is impact, the beneficiaries are implementing the program efficiently and that there’s sufficient funding. Depending on the how long the project lasts, the program should be implemented even after exit. This theory evaluates both internal and external factors of the environment in which the NGOs operate. The internal environment may include competitors in the same field competing in different spaces, almost 90% of the NGOs operating in Kenya are in the graduation space. All are competing to be able to attain the UN Goals.

Further studies, lead in this theory observes that the objective of maximizing profits is always key not forgetting competitive advantage. Creating sustainable competitive advantage is obtained through positioning in the external market. External environment in this case includes political, legal, economical, technological, and social environments. Some researchers have measured the performance of NGOs through image. The image and the reputation of the NGO created rooms for creativity, innovation and attracted funding as well Fan (2005).

In USA and India, according to Rakesh (2013) Strategic management has entered the business field during 1980s in a systematic way replacing the earlier approach of ad hoc strategy formulation and its implementation. With increased complexity of managing business organizations in the face of intense global competition, the strategic management concept was adopted by Western countries, particularly the USA. Also in India, David (2013) said this notion was introduced by associates and subsidiaries of multinationals operating in the country. It is a method for setting strategic objectives, establishing plans and policies to achieve those goals, allocating resources, and reviewing the strategy.

Jabar et al. (2011) examined the Malaysian manufacturing relationship between organizations’ resource availability and absorptive capacity as well as the type of alliances with organizational performance. The result indicated that collaborations and partnerships area factor of consideration to enhance capabilities and performance. This means that firms planning to improve their performance need to consider alliances with other firms especially those in the manufacturing sector. More companies today are partnering with other members of the supply chain as alliances to improve the performance of the customer value-delivery network. Christopher et al. (2002) give the example of Toyota Company which he says knows the importance of building close relationships with its suppliers. In fact, it even includes the phrase "achieve supplier satisfaction" in its mission statement. Suppliers' satisfaction means that they can rely on suppliers to help them improve their own quality, reduce costs, and develop new products quickly. Another form of Partnership and strategic alliances are the "suppliers" and "alliance" markets they both need to be viewed as a partnership –they can contribute to the establishment of a successful relationship marketing strategy. In the mid-1980s, the Austin Rover car manufacturing company had well over 1000 suppliers with whom it had arm's-length, often adversarial, relationships. Ten years later a transformed company now called the Rover group, had fewer than 500 preferred suppliers with whom it had the closest possible relationships (Peck et al., 2000).

Das and Teng, (2008) in their research titled Strategic repositioning by means of alliance networks: The case of IBM stated that there is a good performance effect of the alliance. Their study employed qualitative and quantitative data. In their study, the results showed that by involving new partners in the network and by loosening the ties with its existing partners, IBM managed to transform from a hardware manufacturing company to a global service provider and software company. The findings suggest that the traditional view of large firms as being slow to adapt may not be valid because alliance networks can be used to overcome inertia.

On the other hand, the current research indicates that strategic alliance contributes positively to the alliance performance from a global perspective. Marketing products and services alliance sustain and contribute to the firm's performance.

Cobeña,, Gallego and Casanueva, (2017) study revealed that the new models of organization and the evolution of strategies of commercialization and patterns in new technologies, marketing, products, and services are necessary to obtain strategic advantages that provide conducive positions in the market.

The finding is in line with the current author's findings while all these variables contribute to the performance of the firm as proved by the analysis conducted and the statistic already done. Therefore, a marketing alliance constitutes a blueprint that if implemented advances the strategic position of the firm in the global business world. Thomaz, (2015) in their research on marketing alliances, firm networks, and firm value creation revealed that companies can adapt marketing alliances to achieve competitive advantage in the marketplace. The authors wanted to examine whether marketing alliance as a variable, enables a firm to gain access to new resources, markets, brands, and products. Their findings revealed that firms enter into marketing alliances to gain access to new resources, markets, brands, and products. Incongruent to these findings by Thomaz and (2015), the current study has also pointed out the significant contribution that firms gain by engaging in healthy marketing alliances.

Other scholars shared the same views as the authors because the result of the current research revealed that due to globalization, the firm's success depends on collaboration, it is difficult for one company to adequately satisfy the customer's needs single-handedly. Thus, a marketing alliance is required to solve customer's needs, sustain the development of a firm, and gain a competitive advantage. Alliance gives rise to several gains for the firm which include the division of the cost of new product development between the firms that are working together, shortened lead times as well as the contribution of core competencies by the various partners involved.

Conclusion

Strategic alliances are more than basic instrumental means for accomplishing aggregate objectives by profiting from collaborators. Alliances are widespread in today's business landscape. In the face of growing competition, the firms are searching for ways strategic alliances impact each firm's corporate social capital; and to give potential access to different resources controlled by other strategic alliances. Strategic alliances have become a need and necessity in numerous business sectors and enterprises. Vibrant markets for products and technologies, combined with the expanding expenses of cost of doing business, have brought about a noteworthy increment in the utilization of appliances. Strategic alliances are progressively turning into a critical piece of general corporate strategy, to develop goods and services, grow new markets, influence technology, research & development. The extant literature obtained from this study indicates that strategic alliance has been a sound approach that enhanced the profit and survival of organizations as indicated by the responses of workers in these companies. Strategic alliances are not a panacea for every company and every situation.

Furthermore, marketing alliances can be a diversifying force, helping the firm gain access to new markets, new innovations, products and services. The theories reviewed appear to adequately explain the relationships between strategic alliances and the performance of a business organization as shown by their applications in the studies reviewed and their abundance in literature.

Recommendations

1. It also became apparent that while less than satisfactory levels of success have been recorded globally, the high rate of strategic alliance failure should concern stakeholders, especially in this era of globalization and liberalization of economies.
2. It is hoped that the realm of the strategic alliance will provide unprecedented opportunities for organizations to collaborate among different industries, countries, and scales, to propel mutually beneficial progress

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