Organizational Factors and Competitiveness: A Case Study of Medium and Large Manufacturing Enterprises in Rwanda

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Abstract

The manufacturing organizations or enterprises present greater opportunities for sustained growth, employment and poverty reduction. They play a key role in driving sustainable economic growth and job creation. In literature, it has long been recognized that internal and external organizational factors have contributed to the organizational competitiveness. To date, empirical literature has demonstrated that several scholars have identified a number of organizational factors. The external factors have been identified as political, technological, market, competitors’ action, social and cultural are beyond the control of a given origin and internal factors were identified as innovation, entrepreneurship culture, leadership, organizational resources, size and market orientation can be controlled. However, the researcher discovered that in Rwanda, there is no study that attempted to test the direct relationship between organizational factors (namely leadership, market orientation and organizational resources) and competitiveness of manufacturing enterprises. There is no general consensus on most important internal organizational factors influencing organizational competitiveness. There is no specific research by scholars which attempted to determine organizational factors that are related to competitiveness of medium and large manufacturing enterprises in Rwanda. Therefore, the researcher assessed the relationship between leadership, market orientation and organizational resource factors and competitiveness to respond to the existing mentioned gap. The research aimed at assessing the any correlation between organizational factors and competitiveness of medium and large manufacturing enterprises. The research used both correlation and regression analysis technique. The research design employed was survey. The target population was the middle managers of the medium and large manufacturing enterprises amounted to 123. Using Solvin formula 91 respondents were selected in manufacturing enterprises, to ensure the validity and reliability of the research instruments, the test and pre-test of the questionnaire was conducted. The data collected were analyzed using SPSS. The findings revealed that, the 65.9% of the assessed manufacturing enterprises were not competitive and that, organizational factors have moderately positive effect towards organizational competitiveness. The regression analysis results concluded that market orientation (β=0.425 with P-value of 0.002) has a significant positive effect towards organizational competitiveness while leadership (β=0.51 with P-value of 0.860); Human resource (β=0.199 with P-value of 0.851); Asset Tangibility (β=0.0252 with P-value of 0.970); Financial resource capability (β=0.196 with P-value of 0.995). The policy makers, enterprises and future researchers were recommended to re-assess the capacity gaps of business leaders and business managers for capacity building to –enhance competitiveness. The business leaders need to focus and promote staff motivation, creativity and innovation for better performance because the leaders are autocratic and show little involvement of employees. The enterprise business leaders should recruit employees on competency basis rather than relationship. The Enterprises should award employees’ talents, creativity and innovation to increase the quality of production and be able to adapt to the changing market needs.

Keywords: Organizational factors; Manufacturing enterprises; Economic growth

Introduction

The manufacturing organizations or enterprises present greater opportunities for sustained growth, employment and poverty reduction [1]. They play a key role in driving sustainable economic growth and job creation [2]. They are key resource consumption and they generate revenue for the society by importing in foreign currencies from exporting goods [3].

In Africa, the economic contribution of the manufacturing sector is still low, the export and GDP contribution share has been falling and characterized by commodity exports. The manufacturing in Africa is heavily dependent on resource-based manufactures; dominated by small firms most of which are informal with weak technological capabilities and their performance varies from country to another [1]. The SME growth is reported to have been constrained by market imperfections and institutional failures; poor business environment and limited access to finance [4].

In East Africa, the manufacturing sector GDP contribution varies with countries. For example, in 2013, the manufacturing sector in Kenya contributed 11.7% of the GDP; 10.6% in Uganda in 2013; 7.4% in Tanzania and 5.1% in Rwanda in 2014 (www.africaeconomicoutlook.org).

In Rwanda, the industrial sector has remained stagnant in the past decade and it is composed of manufacturing, mining, electricity, water & waste management and construction and it is expected to account for 26% of the GDP by 2020 [5,6]. Currently, it accounts for 0.5% of the GDP growth rate and 14% of the GDP at current market price (xUSD). Rwanda has a total of 154,236 industrial establishments, of which 7%...
In literature, it has long been recognized that organizational competitiveness might be influenced by both internal and external factors. To date, empirical literature has demonstrated that several scholars have identified a number of organizational factors. The external factors have been identified as political, technological, market, competitors’ action, social and cultural are beyond the control of a given origination [15] and internal factors were identified as innovation, entrepreneurship culture, leadership, resources, size and market orientation can be controlled. Most of which were studied as moderating factors towards organizational performance and/or competitiveness. The researcher observed that:

- In Rwanda, there is no study that attempted to test the direct relationship between organizational factors (leadership, market orientation and organizational resources and market orientation) and competitiveness of manufacturing enterprises
- There is no general consensus on most important internal organizational factors influencing organizational competitiveness
- There is no specific research by scholars which attempted to determine organizational factors that is related to competitiveness of medium and large manufacturing enterprises in Rwanda.

In this regard, this research was commissioned to assess the relationship between leadership, market orientation and organizational resources factors and competitiveness.

**The Objective of the Study**

The purpose of the study is to determine if there is any significant positive relationship between organizational factors and competitiveness of Medium and Large Manufacturing Enterprises in Rwanda.

The following are the specific objectives of the study:

i. To establish the relationship between organizational leadership and competitiveness of Medium and Large manufacturing enterprises in Rwanda.

ii. To establish the relationship between organizational market orientation and competitiveness of Medium and Large manufacturing enterprises in Rwanda.

iii. To establish the relationship between the Organizational resources and competitiveness of Medium and Large manufacturing enterprises in Rwanda.

**Research hypothesis**

The overall hypothesis of this study is that, organizational factors have a significant positive effect to competitiveness of the Rwandan medium and large manufacturing enterprises. The specific hypotheses of the study are bulleted below:

H01: Organizational Leadership has a significant positive effect on organizational competitiveness

H02: Market orientation has a significant positive effect on organizational competitiveness

H03: Organizational human Resources has a significant positive effect on organizational competitiveness

H04: Organizational asset tangibility has a positive significant relationship on organizational competitiveness

H05: Organizational financial capability has a positive significant relationship on organizational competitiveness

**Literature Review**

**Organizational factors**

In context of this study, organizations here referred to, are medium and large manufacturing enterprises that produce products for the market. The manufacturing sector is a component of industry that presents greater opportunities for sustained growth, employment and poverty reduction. The Manufacturing enterprises refers to those organizations that, physically or chemically transformations materials, subsistence or components into new products [1]. In literature, Organizational competitiveness factors are subdivided into internal and external factors, due mainly to lack of specific management and/or marketing skills, lack of trust in society and lack of more and sophisticated medium sized enterprises [12].

The industrial growth and competitiveness is constrained by low productivity, low industry base dominated by micro and small enterprises, high transport costs, high cost of financing, high energy costs, limited industrial research and development capacities and low purchasing power governance gaps [13], shortage of industrial skills and many of which are compounded by small, fragmented, and underdeveloped markets [14] and low integration and clustering between large and small firms [12]. The underlying industrial competitiveness challenges of Rwanda’s requires further investigation and avail data for the enterprises thus, the research problem.

Like many of the developing countries, Rwandan enterprises operate in an environment that is extremely competitive and have benefited less from free market global economy due to the exportation of commodities with low value. Like any other developing countries, only a small proportion of macro and small firms in Rwanda grow beyond certain threshold, due mainly to lack of specific management and/or marketing skills, lack of trust in society and lack of more and sophisticated medium sized enterprises [12].

In this regard, this research was commissioned to assess the relationship between leadership, market orientation and organizational resources factors and competitiveness.
participation and trust, strategy and risk taking, leadership and management support, resources and information system [19], communication, commitment and trust [26], innovation climate and incentives [27], core competencies and capabilities [28], process design [29] and market orientation [30].

Competitiveness

In literature, competitiveness has been described as multidimensional and relative concept [31], that changes with context and time. It embraces different approaches, from classical theories of mercantilism, which introduced the notion of trade rivalry between nations, to absolute advantages of notions, the theories of competitive and comparative advantages and up to neoclassical critiques of international competitiveness of countries [32]. It constitutes a major economic objective in the current context of globalization, rapid technical change and frequently invoked by policy makers worldwide [33]. The competitiveness defines economic strength of an entity with respect to its competitor and it has the country, industrial and enterprise perspectives [26]. There is no agreed definition of national competitiveness [34]. However, the WEF, 2013 refers to national competitiveness as a set of institutions, policies and factors that determines the level of productivity of country [11]. The Chiang [34] defined national competitiveness as a measure of relative ability of a nation to create and maintain an environment in which enterprises can competently so that the level of prosperity can be improved. According to Wilfred [18] organizational competitiveness refers to its ability to create more economic value than other competing firms. On the other hand, enterprise competitiveness refers to its ability to design [23], produce and/or market products superior to those of offered by competitors, considering the price and non-price product qualities [26]. The organizational competitiveness relates to continuous presence in markets, profit making and the ability to adapt production to demand [35]. The organization is said to be competitive over its rivals, if there are dynamic, able to respond to any changes with versatility, flexibility [21], innovative and able to create economic value than its competitors [18]. The organization that seeks to build competitive advantage has to well manage its core processes and resources -human, operations, raw-materials, machines, and equipment during the manicuring which are dynamic, able to respond to any changes with versatility, flexibility [21], innovative and able to create economic value than its competitors [18]. The organization that seeks to develop competitive advantage has to well manage its core processes and resources -human, operations, raw-materials, machines, and equipment during the manicuring which are dynamic, able to respond to any changes with versatility, flexibility [21], innovative and able to create economic value than its competitors [18].

Market orientation

The market orientation has been conceived as a marketing concept and management strategy that assists in development of marketing knowledge, superior performance, and competitive advantage [30,40]. Market orientation is about market intelligence gathering, intelligence dissemination, and responsiveness to market intelligence. In market-oriented organizations uses inter-functional capabilities to create customer-driven value and they on key constructs of: customer orientation, competitor orientation and inter-functional coordination [30].

Customer orientation is an organizational culture that considers present and potential customer’s needs and wants constantly producing value [40]. It involves all the activities related to information generation, information dissemination, appropriate responses to current and future customer needs. It has been viewed as an important strategic orientation of an organization that refers to the sufficient understanding of one’s target buyers to be able to create superior value and deliver customer satisfaction [41]. The Nachiapian defined customer satisfaction as customer’s evaluation of a product or service with regard to their needs and expectations [31]. For example, customers do not value product features at any price, if price goes high, they will sacrifice value and opt for low price and in return, organizations have been challenged to maintain appropriate level of value at acceptable price [37].

The competitor orientation refers to the ability of an organization to understand the competitor’s short term strength, weaknesses and its long term capabilities and strategies to generate competitive advantage in organization for sustained performance [30]. In particular, with
the increasing competitive rivalry, organizations are required to lower their costs so as to underprice their rivals while offering similar value [37]. On the other hand, inter-functional coordination refers to the coordinated efforts of an organization’s resources in creating superior value to customers and to generate cooperation among all departments of the organization to create superior value for customers. This construct of market orientation emphasizes collaborative culture within organization which enables firm’s competitive performance and requires involvement of each employee [36].

Organizational resources

Resources refers to an asset or input to production (tangible and intangible) that an organization owns, controls and utilizes for productivity and competitiveness [28]. Scholars have recognized the importance of internal organizational resources to organizations’ competitive position [42]. The organizational tangible resources, namely human, physical, technological, financial and intellectual capital resources as well as the intangible resources such as reputation, regulatory, positional, functional, social and cultural resources are hard to imitate, important and critical in attaining and sustaining organizations’ competitiveness [37,43]. The tangible and intangible resources and competences (threshold and core competencies) are strategic capabilities of an organization that is needed for survival and prosperity [37]. In this study, the particular attention was put to the following tangible resources.

Human resource: The human resources are a set of individuals who make up the workforce of an organization. It is one of the most important asset for any organization and a source for competitive advantage in enterprises [15]. It acts as a source of organizational capabilities and intellectual capital [28], they covert other resources like money, machine, methods and materials into products or services [15], the human resource capability remains key and it refers to the skills and knowledge of employees and other people in an organization’s network [37]. The organizations require core competencies for competitiveness and often, there are anchored within the people. The core competencies are required to integrate, build and re-configure resources, capabilities and environment to generate for competitiveness of the organization [28]. The human reliability is an import element of an organization for competitiveness. The human capital reliability is measured by means of performance shaping factors, particularly training, experience, procedures, management, communication and culture.

Assets: The two kinds of assets exist. There are physical (tangible) and non-physical (intangible) assets. the intangible assets, (namely reputational, regulatory, positional, functional, social, cultural [43] and Intellectual capital (brands, patents, business systems and customer base [37] are key elements of organizational competitive advantage and performance. In knowledge-based economy, intellectual capital remains to be a major asset of the organization, the use and deployment of such resources matters at least as much as the other resources [37].

The physical resources remain to be the main focus of this study. The physical resources (building, machinery, equipment, production materials and technologies) are essential for the organizations’ success in presence of uncertainty [43]. The availability and the nature in terms of age, condition, capacity and location determines the usefulness of the such resources [37] and may affect organizational competitiveness.

Size is an organizational variable and determinant of firms’ economic and financial behavior that affects organizational performance [44].

Financial resources: The financial resource is the basic resource required and used to acquire other resources. ample funding is indispensable, the financial ability of the organization enables it to acquire modern equipment, technology, land, building and human resources for its operations which leads to being more competitive [18]. The financial resources are viewed in terms of capital, cash, debtors and suppliers of money [37]. The financial growth ability of an organization forms a key indicator of its competitiveness [18]. The small and medium enterprises are often constrained financially than large ones and there less likely to access finance [4]. The enterprises find it difficult to access finance. Relative to banks, small firms are considered risky and the information asymmetry problem is more severe among those enterprises. The cost of transaction is often high. In return, small enterprises suffer from financing difficulties in bank-based financing system.

The lack of finance by manufacturing enterprises constrains their productivity, growth and their innovative capacity for sustained performance and competitiveness [45].

In Rwanda, the issue of access and effective management of financial resources remains a challenge for small, medium and large enterprises. Rwanda recognizes the importance of finance for competitiveness of enterprises. Special SME, agriculture, export and manufacturing guarantee funds and funding schemes have been established.

Empirical literature review

In literature, the relationship between organizational factors and competitiveness has been appreciated. Many of the scholars have identified a number of organizational factors and in some cases, their moderating effect towards organizational performance and firm competitiveness has been studied. For instance:

Wilfred of the European Journal of Business and Management concluded that, firm size, firm age, management structure and financial capability are moderating organizational factors on the relationship between the diversification strategies and competitiveness of Kenya sugar firms [18].

Julian of the International Journal Business Management, analyzed the relationship between organizational factors and quality of production in Malaysia’s manufacturing companies [19]. The organizational resources, rewards and recognition structure and information system were the organizational factors. Using a multi-regression analysis technique, with the exception of rewards and recognition structure, a positive relationship between the remaining organizational factors and quality of production was found in Malaysia’s manufacturing companies. Yosuke of the international journal of business and management investigated the role of organizational factors in product design development process [23]. The effect of design strategy, inter-division coordination, organizational structures and decision-making frameworks organizational factors on how impact product design process. The research results showed how these factors impact that early stage involvement of design divisions.

Anita of the working paper of Harvard University, identified poor process design, insufficient workspace, lack of integration in the internal supply chains as the organizational factors associated with operational failures in hospital [29]. The research results concluded that organizational factors contributed to operational failures.

Sadegh of the international journal of business and management, explored the effect of organizational factors on collaboration process...
between University and industry in Malaysia [26]. The communication, trust, conflict, leadership and commitment were the organizational factors whose effects on University-Industry collaboration were studied and a positive effect was found. The factors have independent role on success of collaboration. There is interaction between each factor, thus the strength and weakness of each factor have direct or indirect effect on others.

Critical review and research gap identification

The empirical literature has demonstrated that several scholars identified a number of organizational factors, most of which were studied as moderating factors towards organizational performance and/or competitiveness. The researcher observed that:

- There is no study that attempted to test the direct relationship between organizational factors (leadership and management, firm size, organizational resources & market orientation) and competitiveness of manufacturing enterprises.
- There is no general consensus on most important organizational factors influencing competitiveness.
- There is no specific research by scholars which attempted to determine organizational factors that is related to competitiveness of Rwandan manufacturing enterprises.

On the basis of such observation, the researcher attempts to generate knowledge and test the relationship between organizational factors and competitiveness among Rwandan manufacturing enterprises.

Conceptual framework

The conceptual framework focuses on the relationship between organizational factors and competitiveness for manufacturing enterprises in Rwanda. The organizational factors are independent variable whereas competitiveness is the dependent variable. Organizational factors are conceptualized as organizational leadership, resources, size and market orientation as essential factors that influence competitiveness for manufacturing enterprises in Rwanda (Figure 1).

Research Methodology

Research design

The researcher used descriptive and correlational survey design. The qualitative and quantitative approaches used to collect secondary and primary data. The four Likert scale survey questionnaires was designed, pre-tested and used to collect quantitative data while interview guide questionnaire was used to collect qualitative data for further analysis. The two approaches complimented each other in eliciting the truth. The relationship and causal effect was analyzed using correlation and regression analysis techniques.

Target population

The study targeted medium and large formal manufacturing enterprises, registered in Rwanda Development Board (RDB) and other concerned institutions. NISR indicated that the medium manufacturing enterprise in Rwanda count 70 and large manufacturing enterprise count 48 which are equal to 118 enterprises in total [7]. The Table 1 below shows the distribution of target manufacturing enterprise by size and proportion.

The sample size and the sampling procedure

Sample size: A representative sample reflects the various key aspects of the population. Since it was not known the proportion of

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### Table 1

| Size          | Count |
|---------------|-------|
| Medium        | 70    |
| Large         | 48    |
| Total         | 118   |

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Data collection instruments

Data collection refers to the process of collecting primary and secondary information of the targeted population. In this study, primary data was collected using questionnaires techniques, conducting interviews and observing facts on the ground. Secondary data were collected from the online publications and hard documents.

Questionnaire: Kendall and Buckland as cited by Rwagasana (2002:63) defined a questionnaire as a group or sequence of questions designed to elicit information upon a subject or sequence of subjects from a key informant indeed a questionnaire will be designed and pre-tested before submitting the sampled enterprises. In this instrument, the data was collected using self-administered structured four-point likert scale questionnaire as the research instrument.
**Interviews:** According to Frankfort-Nadunias the personal interview is a face to face, interpersonal role situation in which an interviewer asks respondents questions designed to elicit answers pertinent to research hypothesis [46]. The face to face discussions were carried out between the interviewer and the interviewees and the method sets a mood to acquire accurate information. The interview guide containing both closed and open-ended questions was used for data collection.

**Validity of instrument**

The validity of instruments was measured using Content Validity Index. Two raters/experts in the field of study will be used to rate the content in the questionnaire. These experts will also assist in assessing the phrasing of the questions to avoid ambiguity. The researcher will view each statement with the help of experts and assess the extent to which the questions will be related to the topic of the study. The researcher will compile the responses from raters and will compute the Content Validity Index (CVI). The estimation for validity is 0.75 and above, meaning that any value below it would make the instruments invalid. Therefore, the content validity calculated as follows:

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CVI = \frac{\text{Number of declared valid}}{\text{Total number of items}}
\]

Thus, CVI=54/62=0.87

**Reliability statistics**

Cronbach’s alpha Coefficient was used to measure the reliability of the scale. The consistence interval among research instrument items was passed. In reference to the alpha coefficient greater or equal to 0.5, the research result proved to be valid and reliable. The Cronbach’s alpha Coefficient was calculated to as:

\[
\text{Alpha Coefficient = 0.5, the research result proved to be valid and reliable.}
\]

**Data Analysis and Treatment**

Research questions were coded and entered and analyzed using Social Package for social sciences (SPSS) version 23, STATA 13 and MS Excel 2010 for quantitative data, for qualitative thematic interpretation will be used from direct quotations of the respondents.

These measures were used to describe the characteristics of the collected data. Inferential statistics will be used to determine the relationship and causal effects between the study variables. The primary association among the study variables will assessed using correlation analysis which will be tested at 95% confidence level (level of significance, α=0.05). The hypothesis will be tested at two tailed with significant value of 0.05.

**Research Findings**

**Competitiveness**

The study examines the organizational leadership as an important aspect of organizational competitiveness. It appreciates the influence of leaders and their leadership styles towards the overall performance of the organization. The hypothesis was tested by assessing the leadership styles in selected manufacturing organizations. The measurement focuses on leadership style vis-à-vis perceived organizational competitiveness.

The organizational leadership was one of the Independent variables to be studied. It was analyzed to determine the type of leadership style characterized by the selected medium and large manufacturing enterprises under the study. The objective of analysis was to establish its relationship with competitiveness. The four likert scale questionnaire was used to collect data for the analysis and the eight leadership styles (mainly Transactional, transformational, Bureaucratic, Autocratic, Charismatic, Laissez-faire, task oriented and democratic leadership styles) were assessed. The leadership variable was analyzed using four likert scale questionnaire whereby a total of sixteen questions were asked and answered by 85 respondents. The mean index was calculated and used to calculate the average mean index, based on which the significance level was determined. The descriptive analysis results are presented as per Table 1 below.

As indicated under table above, the results in the Table 1 show that enterprises posses’s different leadership styles and with varying levels of practice. In general leadership style is predominantly at moderate level. The transactional leadership style has average mean index of (mean=2.1029); Bureaucratic Leadership Style (mean=2.7059); Transformational Leadership Style (mean=2.1882); Laissez-faire leadership style (mean=1.6882); Task Oriented Leadership Style (mean=2.5176) and democratic Leadership Style (mean=2.1765). These statistical mean index figures indicates that, the significance of leadership in surveyed companies is at a moderate level (meaning that its neither bad nor good) with overall average mean index of (mean=2.2910).

The leadership styles and levels varies from organization to organization, whereby autocratic, task oriented and bureaucratic leadership style are practiced most. The autocratic leadership style demonstrated by many of the organization gives clear indication as to how business show little concern of the employee’s opinion and involvement in decision making. In return employees are less valued and probably not motivated or committed to perform their duties for competitiveness. In other words, leadership style has low stimuli towards competitiveness of manufacturing enterprises.

**Market orientation analysis results**

H02: Organizational Market orientation has a positive significant relationship on organizational competitiveness

The market orientation is considered as one of the key organizational factor with a positive relationship towards organizational competitiveness. The data was quantitative data was collected against seventeen questions structure under three constructs of: customer orientation, competitor and inter-functional. The objective of the analysis was to determine to what extent does each of the assed enterprises understands the value of MO and its relevance towards the organizational competitiveness. The three constructs under MO were assessed to see if respective enterprises are able to focus and satisfy its customers. The analysis results are presented under Table 2 below.

The results indicate that, the average mean index for Customer Orientation (MO) is (mean=2.1800), Competitor Orientation (1.9764) and Inter-Functional Coordination (mean=2.2627). The overall average mean index at moderate level with the (mean=2.1397). This indicates that manufacturing organizations have weak performance in terms of market orientation. The companies hardly know their competitors, which makes it difficult for such enterprises to better define their competitive strategies and compete appropriately. The weak market orientation indicates that the production practices of
Organizational human resource analysis

H03: Organizational HR has a positive significant relationship on organizational competitiveness

This study considered human resource as one of the independent variables that is positively associated with organizational competitiveness. The Table 3 presents mean figures of respondents’ opinion as regards to human resource capability of the organization.

The results indicated in Table 3 above, shows that human resource is at moderate level with average mean index of (mean=2.0704). This indicates that HR in all organizations is has weak contribution towards organizational competitiveness. In some cases, it was observed that, enterprises continue to recruit employees on relationship basis rather than competencies and there is little of HR planning, development and management. More so, enterprises rarely promote creativity and innovation for sustainability and enhanced ability to adapt to changing business environments and customer demands.

Organizational asset tangibility analysis

H04: Organizational asset tangibility has a positive significant relationship on organizational competitiveness

This variable measures asset worseness of a given assessed enterprises. The results are presented as per the Table 4 below.

The analysis result indicates that, many of the assessed organizations have assets. The 76.5% have buildings; 17.5% has land; 7.6% equipment and 1.2% with other assets such as vehicles. In terms of age of the equipment, 37.6% aged between 2-5 years; 22.4% aged between 5-10 years and 29.4% aged between 10-20 years. The 29.4% gives an indication that competitiveness of such companies might be constrained by old their technological resource capacity. The equipment is old and requires replacement for competitiveness.

Organizational financial resource analysis

H1c: Organizational asset tangibility has a positive significant relationship on organizational competitiveness

This study considered financial resource as of the independent variable that is positively associated with organizational competitiveness. The Table 5 presents mean figures of respondents’ opinion as regards to financial resource capability of the organization.

The results presented under the Table 5 above, indicates that the respondent’s perceptions lie in the range of average mean index of (mean=2.4141) which is equivalent to moderate level. This shows that financial capability possess moderate relationship towards organizational competitiveness.
The research findings conclude that leadership insignificantly affects organizational competitiveness. It is evident that the leadership has a weak relationship with competitiveness. Organizational factors were positively correlated with organizational competitiveness at the significance level of each variable. The Table 7 results indicate that the overall average mean index for various organizational factors is 2.1397, which is classified as moderate level.

### Table 2: Market orientation variable analysis results.

| Customer Orientation (MO) Constructs                                                                 | Mean    | Std. Deviation | Interpretation   | Rank |
|--------------------------------------------------------------------------------------------------------|---------|----------------|------------------|------|
| 1. Customers are known and the information about them, is well communicated to all business functions  | 2.4824  | 0.95882        | Moderate level    | 1    |
| within the organization                                                                               |         |                |                  |      |
| 2. Customer needs are well understood and forms the basis of organizational operations                | 2.2941  | 1.06708        | Moderate level    | 6    |
| 3. Customer base has been growing over the last 3 years                                               | 2.1765  | 1.13574        | Moderate level    | 8    |
| 4. Customer expectations are regularly measured, communicated to employees and meet beyond expectations | 2.0118  | 0.86594        | Moderate level    | 11   |
| 5. Organizational Competitors and their competitive advantage are well known and forms the basis for  | 2.2118  | 0.98916        | Moderate level    | 7    |
| continuous improvement programme design of the organization                                           |         |                |                  |      |
| 6. Competitive strategy regularly reviewed for competitiveness                                        | 1.9765  | 1.09083        | Moderate level    | 12   |
| 7. Enough budget is dedicated to marketing and communication function                                  | 2.3176  | 1.10423        | Moderate level    | 4    |
| 8. Individuals in production department interact directly with customers to learn how to serve them     | 1.7647  | 0.95925        | Moderate level    | 17   |
| better                                                                                               |         |                |                  |      |
| 9. Organization timely adapts to the market and customer needs                                         | 2.1529  | 0.9064         | Moderate level    | 9    |
| 10. Organization offers new and innovative products and services in a dynamic manner                   | 2.4118  | 0.9167         | Moderate level    | 2    |
| **The average Mean Index**                                                                            | 2.18    |                | Moderate level    | -    |

### Table 3: Human resource analysis results.

| Competitor Orientation Constructs                                                                 | Mean    | Std. Deviation | Interpretation   | Rank |
|--------------------------------------------------------------------------------------------------------|---------|----------------|------------------|------|
| 11. Information regarding competitors’ action is regularly collected and discussed to infer the      | 1.9412  | 1.18877        | Moderate level    | 14   |
| formulation of new strategies                                                                        |         |                |                  |      |
| 12. Competitors strategies and capabilities identified and understood                                  | 2.0941  | 1.09787        | Moderate level    | 13   |
| 13. Competitors’ current and feature is well predicated                                               | 1.9294  | 1.05546        | Moderate level    | 16   |
| 14. Market research is regularly undertaken within the organization                                    | 1.9412  | 0.89113        | Moderate level    | 15   |
| **The average Mean Index 2**                                                                          | 1.9764  |                | Moderate level    | -    |

| Inter-Functional Coordination                                                                      | Mean    | Std. Deviation | Interpretation   | Rank |
|--------------------------------------------------------------------------------------------------------|---------|----------------|------------------|------|
| 15. Efforts and resources are well coordinated in the organization to create superior value for      | 2.3059  | 1.0468         | Moderate level    | 5    |
| customers                                                                                           |         |                |                  |      |
| 16. Departments work closely together for improvement                                                | 2.3765  | 1.04627        | Moderate level    | 3    |
| 17. Market information is disseminated vertically and horizontally within the organization            | 2.1059  | 1.02381        | Moderate level    | 10   |
| **The average Mean Index 3**                                                                          | 2.2627  |                | Moderate level    | -    |

| The Overall Average Mean Index                                                                       | 2.1397  |                | Moderate level    | -    |

### Relationship and causal effect analysis

The correlational and regression analysis results are presented as per the Tables 6-8 below respectively.

The relationship analysis research design method was used to assess the significance level of each variable. The Table 7 results indicate that organizational factors were positively correlated with organizational competitiveness. It is evident that the leadership has a weak relationship with competitiveness ($r$-value=0.051 and $P$-value of 0.646=0.05). The research findings conclude that leadership insignificantly influences organizational competitiveness.

Market orientation has a significant relationship with organizational competitiveness with correlation coefficient ($r$-value=0.425 with $P$-value of 0.000). The results indicate that, market orientation has a significant level of effects towards organizational competitiveness than leadership.

The Human resources are correlated with organizational competitiveness at weak level of ($r$-value=0.199 and $P$-value of 0.068 which is greater than 0.05) this indicated that human resource has a little influence on competitiveness. The asset tangibility is also correlated with competitiveness with ($r$-value=0.252 with sign-value 0.02 which is less than 0.05). This indicates that the asset tangibility is broadminded that it contributes to competitiveness at certain level.

The financial resources capability is correlated with organizational competitiveness.
Competitiveness at weak level of (r-value=0.196 with significant value of 0.072 which is greater than 0.05) this indicated that the financial resources capability has a little influence on competitiveness.

According to the regression analysis results in the above table, the variables included in the model account for 13% variations independent variable, indicated by low adjusted r-square of 0.13 (13%). The Results indicates that the independent variable included in the model significantly affect the dependent variable (competitiveness) with $\beta=3.4846$ and P-value of 0.006. The coefficients tables indicate the contribution of each independent variable to dependent where leadership has ($\beta=0.51$ and P-value of 0.86); Market orientation ($\beta=0.425$, P-value of 0.002); Human resource ($\beta=0.199$, p-value of 0.851); Asset tangibility ($\beta=0.0252$, P-value of 0.970) and Financial Resources capability ($\beta=0.196$, and P-value of 0.995).
The study hypothesized that organizational factors have a significant positive effect on organizational competitiveness. The qualitative and quantitative research designs were used to test the hypothesis. The hypothesis tested positive. The respondents agree that organizational factors such as leadership, asset tangibility, human resource, financial and market orientation capability of the organization have a positive effect towards organizational competitiveness. Qualitatively, the 65.9% of the assessed manufacturing enterprises agree that there are not competitive. The correlation analysis results revealed that organizational factors have moderately positive effect towards organizational competitiveness. The results concur with the findings of Alimin and Wilfred. The regression analysis results concluded that market orientation (P-value 0.002<0.05) has a significant positive effect towards organizational competitiveness while other variables did not.

### Recommendations

On the basis of relationship and causal effect analysis results, the following recommendations have been proposed for the consideration of policy makers, enterprises and future researchers:

- Given that the average mean index of each variable was ranked moderate, policy makers need to re-assess the capacity gaps of business leaders and business managers to develop appropriate capacity building to enhance competitiveness.
- The business leaders need to focus and promote staff motivation, creativity and innovation for better performance because the leaders are autocratic and show little involvement of employees.
- Enterprise business leaders should recruit employees on competency basis rather than relationship
- Enterprises should award employees’ talents, creativity and innovation to increase the quality of production and be able to adapt to the changing market needs.
- The future researchers should carry on the same topic using different independent variables that were not analyzed. These variables should include intangible organizational resources, market factors and other environmental factors.

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