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An Assessment Of The Effect Of Strategic Partnerships Onorganizational Performance Of Agricultural Finance Corporation, Kenya

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Abstract
Agricultural Finance Corporation (AFC) is one of the Kenya's parastatals in the financial sector that has harnessed on partnerships to improve its business. Nonetheless, the institution is still being faced with challenges hence the aim of this study was to investigate the effect of strategic partnership on the organizational performance of AFC. The specific objectives were to examine the effect of business support partnerships and technology related partnerships on the organizational performance of AFC. This study was based on the competence-based theory and innovation diffusion theory. The study used descriptive research design and the target population was the Agricultural Finance Corporation that had 550 employees. One hundred and sixty six (166) employees of Agricultural Finance Corporation constituted the sample which was arrived at through stratified random sampling technique. From the results it is apparent that a unit improvement in application of business support partnerships brings a significant improvement in organizational performance (r=0.905, p<.05). The study also found that a unit enhancement of technology partnerships causes a significant and positive improvements in organizational performance (r=0.295, p<.05). The study recommends that that the corporation should further enhance its performance; it should consider entering into further partnerships with firms in other sectors. Secondly the study recommends that while engaging in technology partnerships it should consider using more of outsourcing since setting up technology systems can be expensive both in terms of the initial cost and long-term costs.

Keywords: *Strategic Partnerships, Business Support Partnerships, Technology partnerships*

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I. Background Of The Study

Most organizations are striving towards improving their performance amid never-complex business environment (Matoko&Anyieni, 2018). Consequently, most businesses have endeavored to come up with business strategies aimed at realizing this objective. One of the business strategies that are gaining momentum is the application of strategic partnerships. Strategic partnerships are formal alliances between two or more commercial enterprises which aim to achieve common goals at both the organizational level and the industry level (International Institute of Management Development, 2020).

Globally most firms are increasingly adopting strategic partnerships as a way of pooling resources together and while reducing operational costs for the ultimate goal of improving performance (Blakley, 2022). According to a report by PriceWaterhouseCoopers (PWC) (2018), more than 80 percent of the Chief Execute Officers (CEOs) in the United States of America (USA) have driven their companies to strategic partnerships with at least 65 percent reporting success in the strategic partnerships. Developed economies like the United Kingdom, USA, Japan and Germany, most applications of strategic partnerships is in form of foreign Direct Investments (FDIs) (Ongeri, 2016). The connection between strategic partnerships and organizational performance has been established in many companies globally. In the USA, the strategic partnership between Starbucks and Target Company which started in 1999 led to the expansion of its stores by more than 1,800 and as at 2022 its profits stood at 22.3 billion dollars as at December 31st 2022 (Pereira, 2023). Starbuck also established a partnership with Kraft which required Starbucks to distribute coffee through Krafts only. This enabled Starbucks to gain entry into close to twenty five thousand supermarkets in the USA.

In Africa organizational performance of successful companies has been attributed to strategic partnerships. In South Africa, the automobile industry has been experiencing rapid expansion to the extent of becoming 23rd most significant automobile producer in the world (Gonyora, Migiro, Ngwenya &Mashau,

2021). The South African automotive industry has significantly contributed to economic and industrial development; accounting for seven percent of the Gross Domestic Product (GDP) at the end of 2012. The industry's performance has been facilitated by massive investment coupled with strategic alliances with major automobile companies in Japan (David 2014). Zenith Bank Plc has seen its performance increase rapidly to become major bank in Nigeria in view of customer deposits and shareholders' fund. The bank has adopted strategic partnerships with major bodies across the world to position itself in the global business stage. In 2018, Zenith bank plc, became a strategic partner with the Commonwealth Enterprise and Investment Council (CWEIC). This partnership enabled the bank to build its network and connections within the common wealth states while expanding its customer base (Zenith Bank plc, 2018). While the bank is headquartered in Lagos Nigeria, it has been able to expand its operations to United Kingdom (UK), United Arab Emirates (UAE) and China. Further the bank trades its hares publicly at the Nigerian and London Stock Exchanges and has been registering good performance.

In Kenya, most organizations particularly in the financial sector are increasingly entering into strategic partnerships to improve their organizational performance and remain competitive (Waweru, 2018). Commercial banks, savings and credit cooperative societies as well as the microfinance institutions are using strategic partnerships to sustain their profitability and market share. In the Kenyan banking industry, commercial banks have engaged in strategic partnerships with companies like Kenswitch which is a technology company that produces ATM cards. The KCB and Safaricom also established KCB Mpesa enabling the bank to reach out to many clients and expand its customer base (World Bank Report, 2015). KCB acts as financial partner to Safaricom and provides loans to members. Another form of partnership in Kenya has been witnessed in the media industry. KBC entered into partnership with the China Radio International in the early 2000 with a view towards strengthening the diplomatic relationships between Kenya and china. In 2023, the Ministry of youth affairs, sports and arts, signed a partnership agreement between the Kenya Films Industry and the Chinese films industry to strengthen co-production arrangements among artists (Ministry of Youth Affairs, Sports and Arts, 2023).

Statement of the Problem

Despite the existence of strategic partnership between AFC and other institutions there has been a reported decline in organizational performance as shown by the profitability. The data from AFC financial statements indicate that the profit after tax was 127.6 million in the financial year (FY) 2016/2017. In FY 2018/2019, the profitability had increased to Kshs. 222.9 million and further increased in 2019/2020 to 289.1 million. However, the profits declined in the FY 2020/2021 to 187.7 million and resulted in a loss of 28.9 million in the FY 2021/2022. This is in spite of increased outreach to clients which was reported to be 194,117 in FY 2021/2022 (AFC Financial statement, 2022). In the FY 2022/2023, there was an improvement in terms of profits to 47.6 million. Further, despite the key role, played by AFC, it has faced with numerous challenges some traced to its strategic partnerships with other government bodies like the Kenya Sugar Board (KSB) which ended in 2014. The end of the strategic partnership was blamed on the inefficiencies by the AFC and what was described as unrealistic guidelines (Ruttoh, 2014). It has also been faced with the challenge in the implementation of its strategies specifically those aimed at individual farmers due to its failure to respond to its operating environment. Nonetheless, the AFC has continued to partner with other institutions like the KFA, AfDB and Kenya Organization of Environmental Education (KOEE). Due to the existing challenges, the AFC reviewed its strategic plan in 2018 to cover the period 2018-2022 with an aim of aligning its operations and financing functions to the changing needs of those in the agricultural sector. This study therefore explored the nexus between strategic partnership employed by AFC and Organizational performance

Objectives of the study

The objective was to examine theassociationstrategic partnerships and performance of Agricultural Finance Corporation in Kenya. Specific Objectives of the study

i) To assess the effect of business support partnership on the performance of Agricultural Finance Corporation in Kenya.

ii) To establish the effect of technology related partnerships on the performance of Agricultural Finance Corporation in Kenya.

Research Questions

i) How do business support partnerships affect the performance of Agricultural Finance Corporation in Kenya?

ii) What is the effect of technology partnerships on the performance of Agricultural Finance Corporation in Kenya?

II. Literature Review

Theoretical Review

This study was based on two theories namely, competency based theory and innovation diffusion theory

Competence Based Theory (CBT)

The CBT developed by Prahalal (1994) and Sanchez and Heene (1996). The major proposition of the theory is that an organization should be guided by the individual or team competencies which include tacit knowledge and skills and which a company should strive to maintain in order to be successful (Hodgon, 1998). This theory supposes that businesses get inclined towards knowledge acquisition as a means towards retaining and acquiring explicit competencies consequently enabling them to adapt to their business environment. Strategic partnerships hence facilitate knowledge acquisition while allowing competition among businesses at various levels in the value chain (Doz, 2006). Use of tacit knowledge and licensing are means that companies can employ in obtaining appropriate knowledge (Mollenkopf, 2008). With regard to entrenched knowledge in an organization, itisregularly a complicated task accordingly the dominant rationale behind strategic partnerships is need to attain the other organization's knowhow (Wandia&Ismal, 2018).The present study ascertained the connection between business support partnerships and organizational performance of AFC. Consequently, CBTinformed the assessment of the relationship by helping in comprehending how businesses can support each other using among other techniques competencies, skills, and knowledge and licensing requirements to improve their performance.

Innovation Diffusion Theory

This presumption was developed by Rogers (1962). Its key concept is that at the centre of innovation is new information technology especially for the potential adopters. In this study, AFC is an adopter and therefore the new innovations' adopting process is examined from the standpoint of information gathering and reduction of uncertainties. Information gathering involves an existing innovation, its characteristics as well as the effect of using the innovation. Adoption behavior is preceded by information. Rodgers (1995) stated that the process of innovation diffusion takes an s-shaped curve which comprises of innovators and laggards. Innovators are usually the first adaptors while the laggards are the late adopters. The current study sought study the link between technology partnerships and performance of AFC. This theory helped in informing the study on the benefits that those firms that operate in technology partnershipshave. Accordingly, the study looked at the already existing technological partnerships in AFC in relation to organizational performance.

Empirical Review

An empirical review critically examines the past studies done on the basis of the aspects and variables examined, the methodology used and the research gaps arising from these studies.

Business Support Partnerships and Organizational Performance

Lee (2014) assessed on the components of strategic partnerships. In assessing these components one hundred and sixty seven Canadian firms were surveyed all drawn from technology sector. The survey indicated that resource and risk sharing is the principal thing shared by businesses in strategic partnership. Moreover, the survey showed that resource and risk sharing had a positive correlation with dynamics inside the business environment. The study's primary focus was technology industry which cannot be generalized to financial industry due to diverse business operating environment. Furthermore, the study utilized correlation analysis which is limited as it does not indicate how a group of variables influence dependent variable.

Onje and O1oko (2016) assessed the nexus among strategic partnerships and performance of Kenya's banks over the period 2013 through 2014. Strategic partnerships were assessed on the basis of business support through risk sharing and knowledge sharing. Correlation analysis and regression analysis were utilized in analysis which showed that business support through risk sharing and knowledge sharing significantly determined performance. The study period was, nevertheless, 2013 to 2014, that's why the presentstudy covered 2016 to 2021 and focused on organizational performance as the dependent variable.

A study by Umar (2020) centered onstrategic partnerships andorganizational performance in Nigeria. Strategic alliances were examined on the basis of the support that firms give each other in terms of resources, information and coordination, partner experience and shared control. The variables were analyzed based on document reviews and the findings reveal that as businesses support each other using resources, information, experience and controls they are able to improve their organizational performance. This study however used reviews in analyzing as opposed to using collected data hence this falls short in terms of giving a practical scenario on how businesses support each other. The current study utilizedregression analysis.

Technology Partnerships and Organizational Performance

Migdadi, Abuzaid and Hujan (2012) examined joint technology and organizational performance in Saudi Arabia. The study targeted 71 SMES. The aspects of technological collaborations assessed were electronic communication and electronic transactions as ways in which firms can enter into collaborations. The analysis indicated a positive link between technological partnerships and performance. However the study notes that while technological partnerships help firms improve their organizational performance, their adoption and application within the firm determines the extent of its success. The study however used ANOVA which shows variations in mean as opposed to regression in analysis. This study therefore utilisedregression to scrutinize the connection between technological partnerships and organizational performance.

Akewshola, Adekule and Adekelan (2018) assessed the link between strategic partnership and performance of firms operating in service industry. A quantitative approach was adopted in collecting and analyzing data, from four selected Nigerian firms. Collection of data was done via questionnaires. The outcome from regression indicated that technology alliance had positive and significant impact on firms' performance. The research was nevertheless, carried under the precincts of service industry and therefore this study was narrowed to AFC which is a government parastatal. Washington (2020) explains that technology partnerships have become essential for the success of a business as it offers access to markets, assets, skills, knowledge and operational scalability that would otherwise not have been possible if a business relies on its traditional capabilities. Technology partnerships are also important for a business since technology changes quickly and by missing on technology means that the market potential will diminish eventually declining the overall organizational performance. Partnerships in technology provide the quickest way to develop an impactful presence in the new market segment.

The Conceptual Framework

In this study strategic partnership is the independent variable and comprises, business support partnerships, and technology partnerships. Business support partnerships include risk sharing, knowledge sharing, competencies and resource sharing. Technology partnerships were examined based on, use of online platforms, mobile platforms and supplier outsourcing. The dependent variable is the organizational performance which was measured using the operational cost reduction, operational profits, loan portfolio and customer base. The expected relationship between the use of strategic partnerships and organizational performance is shown in figure 2.1;

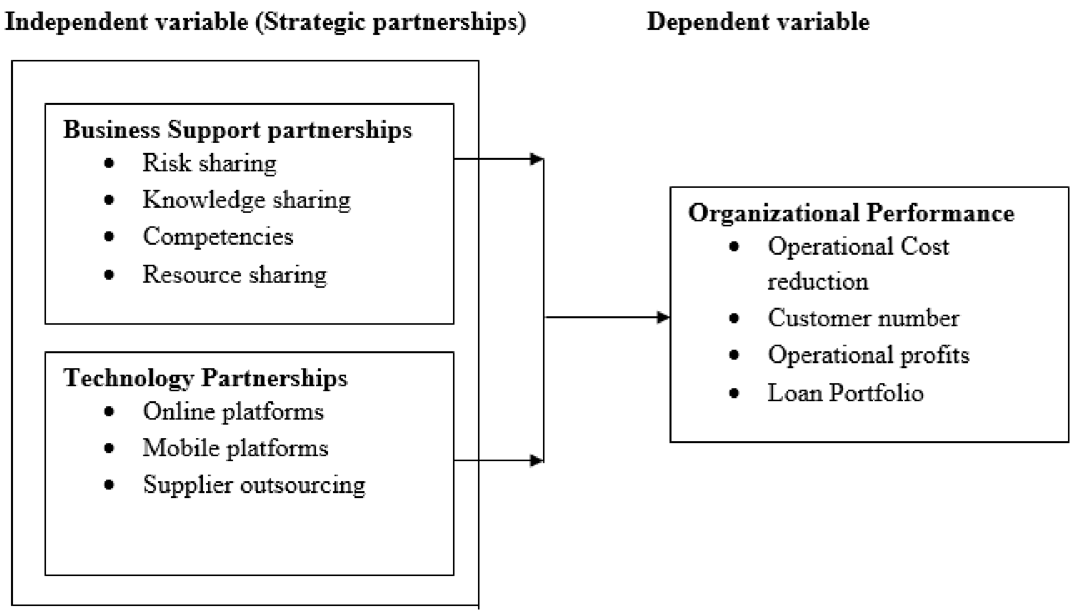

Figure 2.1: Conceptual Framework
Source: Author (2024)

III. Methodology

This section discusses the research design, target population, sample size, data collection instrument and data analysis.

Research Design

This descriptive research design was employed for this research. The design is predominantly used whenever a phenomenon is being examined and described by Kothari, 2014).

Target Population and Sample Size

The study population comprises of people, objects or events that are utilized in analysis and making inference. AFC was the unit of analysis. For this reason, the study targeted the corporation while the unit of observation were staff working in AFC and were drawn from various management levels; top, middle and line managers. Most of these staffare involved in day to day formulation of the strategic management policies consequently they stood a good chance of providing the needed information. AFC has forty eight (48) branches countrywide and but the study focused on the head office in Nairobi. Based on the current population the sample size was 30% (in line with the threshold by Mugenda and Mugenda, 2013) which is 166.

Table 3.1. Target Population and Sample Size

Group	Population	Proportion (%)	Sample size
Top	12	2.3%	4
Middle-level	88	16.3%	27
Supervisors	103	18.7%	31
Operational Staff	347	62.7%	104
Total	**550**	**100%**	**166**

Source: Researcher (2024)

Data Collection Instrument

The data collection employed close-ended questionnaires. The main benefit of close-ended questions is that they are very effective in getting straight responses (Kothari, 2014). Therefore, it was supportive in getting all-inclusive information on the link between strategic partnership and organizational performance of AFC.

Data Analysis

Descriptive and inferential analysis helped in ascertaining the link between strategic partnerships and organizational performance of AFC. The descriptive generated the mean and standard deviation (Kothari, 2014). Further it helped for consequential data presentation to ease construal. SPSS will hence be used. Inferential analysis employedregression to establish the relation between strategic partnerships and organizational performance. This was done using regression analysis. A correlation analysis will also be done to show the strength of relation among a pair of variable. The findings were depicted using tables and figures. To analyze the consequence of strategic partnerships on organizational performance, a linear regression was done. Therefore the model to be used was;

$$\mathbf{Y = \beta_0 + \beta_1 BS_1 + \beta_2 TP_2 + \sum i}$$

Where; Y is the Organizational Performance (dependent). This was measured using cost reduction, improved financing, customer base and profitability.

β_0= constant, B_I, $\beta_{2,}$ =coefficients

$BS_{1,}$and TP_2 represent the independent variables where:

BS_1= Business support partnerships

TP_2 =Technology partnerships

$\sum i$= the error term

The rationale of the model was to evaluate the nexus between strategic partnerships and performance of AFC.

IV. Findings And Discussion

One hundred and sixty six (166) questionnaires were issued to targeted respondents. However, one hundred and forty one (141) were returned duly filled.

Descriptive Analysis

This section presents the descriptive statistics for business support partnerships and technology partnerships.

Business Support Partnerships

The descriptive statistics on business support partnerships are discussed in this section. The findings are as shown in Table 1.

Table 1: Descriptive Analysis on Business Support Partnerships

Statement	Mean	SD
To what level do you agree that the corporation has enhanced risk sharing practices through partnerships with other institutions	4.025	0.446
Through business support partnerships, the corporation has benefitted from enhanced knowledge sharing which has helped in improving organizational performance	4.102	0.599
The corporation engages in partnerships with other institutions by taking into consideration competencies	3.988	0.482
The corporation has benefitted through increase in resource base by partnering with other businesses and institutions in the agriculture sector	4.129	0.437
Business support partnerships has helped in enhancing organizational performance of the corporation	4.201	0.486
Average Scores	**4.089**	**0.490**

Source: Research Data (2024)

From the outcome in Table 1, the participants agreed that the corporation has enhanced risk sharing practices through partnerships with other institutions (M=4.025, SD=0.446). The risk management practices may entail identifying risks common within the industry and agreeing to share the risks with other organizations. The output are in agreement with output from an assessment by Lee (2014) who assessed on the components of strategic partnerships and found that resource and risk sharing is the principal thing shared by businesses in strategic partnership. Moreover, the survey showed that resource and risk sharing had a positive correlation with dynamics inside the business environment. The respondents also agreed that through business support partnerships, the corporation has benefitted from enhanced knowledge sharing which has helped in enhancing performance (M=4.102, SD=.599). The results concur with that from a study by Onje and O1oko (2016) who assessed the nexus among strategic partnerships and performance of Kenya’s banks over the period 2013 through 2014 and found that business support through risk sharing and knowledge sharing significantly determined performance.

From the output in Table 1, the respondents by majority also agreed that the corporation engages in partnerships with other institutions by taking into consideration competencies (M=3.988, SD=.482). From this it can be inferred that AFC takes into partner with other entities by considering its areas of strengths and weaknesses. The findings are in agreement with the Competence based theory developed by Prahalal (1994) and Sanchez and Heene (1996), which states that businesses get inclined towards knowledge acquisition as a means towards retaining and acquiring explicit competencies consequently enabling them to adapt to their business environment. Strategic partnerships hence facilitate knowledge acquisition while allowing competition among businesses at various levels in the value chain. Further as indicated by the mean of 4.129 and SD of 0.437, AFC has benefitted through increase in resource base by partnering with other businesses and institutions in the agriculture sector. This indicate that its business support partnership strategies takes into considerations the resources that the potential partner has and whether this can be harnessed to improve its performance. This outcome is congruent to that from a study by Umar (2020) which found that businesses that support each other using resources are able to improve their organizational performance.

The findings in Table 1 also show that business support partnerships have helped in enhancing organizational performance of the corporation (M=4.201, SD=.486). The output shows that there is a association between business support partnerships and organizational performance of AFC. Based on the average scores (M=4.089, SD=.490), it can be concluded that the participants agreed with various components of business support partnerships as it relates to organizational performance. The outcome are consistent with that from studies by Onje and O1oko (2016) and Lee (2014) which found that business support partnerships help in enhancing organizational performance.

Technology Partnerships

The descriptive statistics on technology partnerships are discussed in this section. The findings are as shown in Table 2.

Table 2: Descriptive Analysis on Technology Partnerships

Statement	Mean	S.D
The corporation has partnered with organizations in telecommunication to provide financial products to its customers through mobile platforms	4.233	0.563
The corporation has been engaging in technology partnerships through supplier outsourcing agreements	4.192	0.392
The corporation has partnered with other institutions through research and development	4.068	0.335
There are partnerships with ICT companies to provide services through the online platforms for the convenience of the customers	4.128	0.430

Technology based partnerships have helped in enhancing organizational performance of the corporation	4.005	0.443
Average Scores	**4.125**	**0.433**

Source: Research Data (2024)

As presented in Table 2, the participants agreed that the corporation had partnered with organizations in Telco sector to offer financial products to its customers through mobile platforms (M=4.233, SD=0.563). The findings imply that just like other financial institutions, AFC has partnerships with telecom companies like Safaricom Ltd to ensure that its customers are able to access their financial products at their convenience. The output are congruent with the findings from assessment by Washington (2020) which found that technology changes quickly and therefore firms should align themselves quickly to the changes and this is enabled by technology partnerships. Further, the respondents agreed that AFC Corporation has been engaging in technology partnerships through supplier outsourcing agreements (M=4.192, SD=.392). Supplier outsourcing helps in saving costs to a company and this leads to improved performance. The findings are congruent with that from a study by Migdadi, Abuzaid and Hujan,(2012) which found that building and establishing certain technologies internally can be very expensive not just in the set up process but also in the maintenance process hence by partnering with those already having the technologies it can help the companies to concentrate on its core business.

With regard to technology partnerships based on research and development, the respondents agreed that AFC has partnered with other institutions through research and development (4.068, SD=.335). Research and development brings about innovation and hence help in enhancing performance. The findings are in agreement with the innovation Diffusion Theory by Rogers (1962), which states that at the centre of innovation is new information technology especially for the potential adopters. Moreover, the respondents agreed that AFC has partnerships with ICT companies to provide services through the online platforms for the convenience of the customers (M=4.128, SD=.430). From this it can be inferred that online services are available to its customers. The results are similar with the findings from a study by Migdadi, Abuzaid and Hujan (2012) which established that the aspects of technological collaborations used by firms include electronic communication and electronic transactions. Finally the respondents concurred that technology based partnerships had enhancedorganizational performance of the corporation (M=4.005, SD=.443). Furthermore based on the average scores (M=4.125, SD=0.433) it is clear that most of the respondents were in agreement with various aspects of technology based partnerships as they relate to performance. This result is similar with a study by Akewshola, Adekule and Adekelan (2018), which found that technology alliances have positive effect on firms' performance.

Regression Analysis

This section covers the output from regression.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Sig. F Change
				.000
1	.926[a]	.857	.848	.000

Source: Research Data (2024)

As illustrated in Table 3, the correlation coefficient (R), is .926 which shows that strategic partnership and performance have a positive and strong correlation. The coefficient of determination (R-square) is .857 which is 85.8%. With adjustment the R^2 is .848 which is to 84.8%. Kothari (2014) states that the adjusted R^2 is useful in the interpretation of percentage change in dependent variable due to variations in predictor variables, because it doesn't overestimate the variations. Hence from the results in Table 3, it can be stated that 84.8% of the changes in organizational performance at AFC are explained by variations in strategic partnerships (business support partnerships and technology partnerships).

Table 4: Regression Output

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% C.I for B	
	B	S.E	Beta			L.B	U.B
(Constant)	-1.906	.889		-2.144	.035	-3.671	-.141
BS	.905	.214	.407	4.233	.000	.481	1.330
TP	.295	.120	.199	2.448	.016	.056	.534
a. Dependent Variable: Organizational Performance							

Source: Research Data (2024)

From the results in Table 4.12, the model becomes;

$$\mathbf{Y = -1.906 + 0.905BS_1 + 0.295TP_2 + \sum i}$$

Where; Y=dependent variable (Organizational performance of AFC, Kenya.)

$BS_{1,}$ and TP_2 represent independent variables hence:

BS_1= Business Support Partnerships

TP_2 =Technology Partnerships

$\sum i$= the error term

As shown in Table 4, it is apparent that without the application of strategic partnerships at AFC, organizational performance significantly declines by 1.906 times. The p value of 0.035 shows that the decline of organizational performance due to lack of strategic partnerships is significant. This indicates that strategic partnerships affect organizational performance of AFC. The findings are congruent with that from a study by Fowowe (2017) which found a significant and positive relationship between strategic partnerships and performance.

The first study objective was to assess the effect of business support partnerships on organizational performance of AFC. From the outcome a unit increase in the utilization of business support partnerships increases organizational performance significantly ($r=0.905$, $p<.05$). This outcome is congruent with past studies done. For instance a study by Onje and O1oko (2016) on associationbetween strategic partnerships and banks performance over the period 2013 through 2014 indicate that business support through risk sharing and sharing on knowledge had a significant effect on performance. Umar (2020) established that strategic partnerships have a positive and significant effect onfirms' performancein Nigeria.

The second objective established the impact of technology related partnerships on organizational performance of AFC. From the findings in Table 4, a unit improvement in technology partnerships increases organizational performance significantly ($r=0.295$, $p<.05$). A study by Migdadi, Abuzaid and Hujan (2012) on joint technology and organizational performance in Saudi Arabia found that partnerships through technology has a significant influence on organizational performance as it enhances efficiency. A study by Akewshola, Adekule and Adekelan (2018) on the link between strategic partnership and performance of firms operating in service industry found a positive relationship. Washington (2020) also explains that technology partnerships have become essential for the success of a business as it offers access to markets, assets, skills, knowledge and operational scalability that would otherwise not have been possible if a business relies on its traditional capabilities.

V. Conclusions And Recommendations

This section discusses the study's conclusions and recommendations based on the findings.

Conclusion

The first objective aimed at examining the effect of business support partnerships on organizational performance. From the findings, the study concludes that business support partnerships are exercised by AFC through risk sharing practices, knowledge sharing, resource sharing and competencies. The study further concludes that business support partnerships have a significant influence on organizational performance in that its application leads to increased organizational performance.

The second objective aimed at examining the effect of technology partnerships on organizational performance of AFC. From the findings, the study concludes that technology partnerships at AFC are exercised through supplier outsourcing agreements, use of mobile platforms and use of internet platforms. Additionally technology based partnerships have a significant and positive influence on organizational performance of AFC.

Recommendations

The study recommends that AFC should establish business support partnerships with financiers that offer grants as it will save them from high interest rates that come from most financial institutions. This will help in reducing the finance and operational costs and hence be able to improve on profits. Secondly, given that AFC is operating in a highly competitive environment, it should establish technology partnerships that are research and development oriented. This will enable it to augment their products and be able to improve on their customer base. Finally, the study recommends that while engaging in technology partnerships AFC should consider using more of outsourcing since setting up technology systems can be expensive both in terms of the initial cost and long term costs. This will enable the corporation to concentrate on its core business.

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