INFLUENCE OF STRATEGIC LEADERSHIP PRACTICES ON ORGANIZATIONAL PERFORMANCE: SURVEY OF SELECTED COMMERCIAL BASED PARASTATALS IN KENYA

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A Thesis Submitted to the School of Business and Economics in Partial Fulfillment of the Requirements for the Conferment of the Degree of Masters in Business Administration (Strategic Management) of Kenya Methodist University

DECLARATION AND RECOMMENDATION

Declaration

Sign:

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DEDICATION

This thesis is dedicated to my beloved wife Ferian and my children Rihanna, Necie and Reign for encouragement, and support during my studies.

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ABSTRACT

The commercial parastatals are allowed by the constitution to charge for various services and goods provided to the public but at a reasonable price so as to fund the government operations. That notwithstanding, the performance of Kenyan commercial-based parastatals has consistently been low to a point that in the financial year 2019/2020, the cumulative operational performance was negative. The general objective of this study was to examine the influence of strategic leadership practices on performance of commercialbased parastatals in Kenya. The specific objectives were to examine the influence of strategic planning, strategic direction, strategic control, and corporate communication on the organizational performance among commercial-based parastatals in Kenya. Further, the strategic leadership theory, contingency theory, and balanced scorecard theory were applicable to this study. Notably, the study used a descriptive research design to collect data on a target population of six (6) commercial based parastatals. The respondents were 45 departmental managers and 151 administrative staff. The study obtained the sample size of 40 departmental managers and 110 administrative staff using simple random method. They were issued with closed and open-ended questionnaires. Additionally, the secondary data collection sheet was used to gather information related to sales, customer numbers, profitability and quality of service. Further, pre-test study was conducted at Kenya Airways where 4 departmental managers and 11 administrative staff. Additionally, descriptive analysis, frequency tables and explanation were used to illustrate the results. Further, inferential statistics were be examined using multiple regression and correlation analysis. The conclusions made on strategic planning were that the basis of the parastatals' strategic planning was not supported by any bench marking but rather a specific individual's knowledge and experience. On strategic direction, the management diverted the organization resources to unscheduled things hence ending up mis-using the resources and causing ineffectiveness in the operations. On strategic control, there was lack of support from the government and inadequate funding of the strategies due to poor resource provision by the government. On corporate communications, the deeper details on aspects such as policy formulation processes were hardly known to the staff. The study recommends that on strategic planning, there should be developed processes of strategic planning which are well documented by the management and have a policy. On strategic direction, there should be implementation of tough regulations by the government agencies like EACC of various legal punishments to corrupt staff. On strategic control, the various parastatal managers should lobby for more funds through other legal ways such as fund raising and competitions such as marathons among others within their jurisdiction. On corporate communication, the government through ministry official should develop policies on the extent that the junior civil servants should be allowed in the decisionmaking process such as policy formulation.

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LIST OF ABBREVIATIONS

CEOs Chief Executive Officers

CHE Commission of Higher Education

COMESA Common Market for Eastern and Southern Africa

CVM Competing Values Model

GDP Gross Domestic Product

GOK Government of Kenya

HR Human Resource

HSD Human Settlement Department

ICT Information and Communication Technology

IMF International Monetary Fund

KAA Kenya Airport Authority

KBC Kenya Broadcasting Corporation

KEMU Kenya Methodist University

KPA Kenya Ports Authority

KPLC Kenya Power and Lighting Company

KRC Kenya Railways Corporation

LAO Local Apparatus Organization

NACOSTI National Commission for Science, Technology, and Innovation

OECD Organization for Economic Co-operation and Development

PSC Public Service Commission

SM Strategic Management

SMART Specific, Measurable, Attainable, Realistic and in an agreed Timeframe

SLR Systematic Literature Review

SLT Strategic Leadership Theory

SPSS Statistical Package for Social Sciences

UN United Nations

UNCTAD United Nations Conference on Trade and Development

USA United States of America

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The capacity of a leader ability to expect, visualize, and preserve versatility, as well as to enable everyone else to develop meaningful change is defined as strategic leadership. Organization leaders generate new justifications for the institutional to thrive in a chaotic business environment with the help of strategic leadership. Further, strategic leadership aligns an institution with effective plan development that produces competitive returns and also influence creation of strategic intent and mission.

Strategic leadership is one of the structures that organizations have identified as impeding the efficient implementation of strategy. Among the activities associated with strategic leadership include determining the strategic direction, establishing institutional limits, successfully managing the institution's resource pool, maintaining a productive institutional tradition, and emphasis on ethical conduct.

Strategic leaders are responsible for guiding their organizations through a growth strategy and sense of direction. This is a result of their interactions with significant stakeholders like clients, vendors, unions, and government representatives. Strategic leaders act as the organization's reflection hence expected to lead by example. Further, achieving strategic control is only achievable in the four components such as desired strategic outcomes, strategic actions, and systems for monitoring development (Public Service Commission-Kenya [PSC], 2019).

1.1.1 Strategic Leadership Practices

Strategic leadership refers to management's capacity to develop the justifications for the institution's survival (World Bank, 2021). In bid of developing ways that could be used, leader apply various leadership skills such as openness, appropriate communication, problem-solving, ability to allocate duties to others, and passion for the assigned tasks. Therefore, strategic leadership practices are all the attributes that a leader capitalizes such as planning, offering direction, control and communication in bid of improving performance of a parastatal (Organization for Economic Co-operation and Development [OECD], 2020). Therefore, strategic planning is the process where managers are able to spell out the vision and pinpoint the various steps to be taken in form of goal attainment to achieve it (Alosani et al., 2020). Strategic direction includes various operational levels of commercial parastatals organizations that are employed to implement specific programs (Xanthopoulou et al., 2022). Strategic control is the tool to monitor the development and implementation of key schemes and targets (Mabai & Hove, 2020). Corporate communication is interpreted as a structure for disseminating information (Amadu & Anyarayor, 2022). There have been major developments made on strategic leadership practices by both developed and developing nations.

In developed nations, government parastatals have equipped their leaders on how to provide a framework for their vision and objectives that will enable it attain the said vision; parastatals are encouraging their staff to pay attention to specific goals and adapt to change management (Vedel & Kokshagina, 2021). There has been formulation of clear strategies that increase competitive capacity of parastatals through motivating staff to enroll for higher learning to develop skills and competencies (Kim et al., 2019). There has been strict

adherence to developed strategies has enhanced the integrity of public offices and proper use of resources since every program's budget has been well planned to minimize losses and embezzlements (Ninan et al., 2019).

In developing nations, there have been able to coordinate the internal and external political, social, cultural and economic environments for the greater good of the public (OECD, 2020). South Africa government boasts of immense financial stability and wealth created by the public institutions due to continuous investments in areas such as digital economy (International Monetary Fund [IMF], 2021; United Nations Conference on Trade and Development [UNCTAD], 2019). In ICT dockets, different level of managers has been able to communicate better through horizontal and vertical channels of communication in the institutions. This has in turn increased operations efficiency and overall performance among its institutions (UNCTAD, 2019). These developments have enabled the public institutions to improve their performance and remain competitively profitable which has remained a huge problem among the Kenyan public institutions.

According to Ng'ang'a et al. (2023), there has been poor monitoring and evaluation of strategies whereby there is lack of a clear way of tracking the progress of the strategies. According to Kibos (2019) the government institutions performance has been affected due to unnecessary expenses incurred as they try to please different needs from stakeholders. Additionally, there has also been increased conflicts of interest among the strategy formulators such that the suggested strategies are meant to favor their needs rather than the nation's (Munyi & Atieno, 2021).

1.1.2 Organization Performance

A definition provided by Armstrong (2017) indicates performance as the history of results generated during a specific time period for a particular job function or activity. Additionally, organizational performance, as per Richard et al. (2013) is determined by how well an organization really performs in comparison to its projected objectives and targets. Three distinct areas of the firm's outcomes are included in organizational performance: business results (profit, asset returns, investment returns commodity market performance and shareholder return.

Organization performance was taken to mean as the aptitude of a government institution to attain desired outcome in a specific activity over a specific time period. Performance in a government institution was measured by considering sales, customer numbers, improved internal business process, learning and development (Georger et al., 2019). The idea of how a government institution has been the voluntary association of productive resources comprising of social, material, and financial assets. These attributes are incorporated to achieve a common goal which is essential in understanding how to improve organizational performance through value creation. Government institutions have been experiencing issues that have affected in one or another their performances.

Globally, in America, there have been low resources to facilitate the implementation of planned strategies (United Nations [UN], 2020). In a state such as Arizona, parastatals have been engulfed with excess bureaucracy in decision making whereby the chain of commands must come from the management to be deemed as viable and no any other way. In California, there have been political interference whereby inexperienced board members

are appointed to head the parastatals as a way of rewarding loyalists (Hartnell et al., 2019). The management of parastatals has also been accused of coming up with unrealistic control strategies which end up becoming ineffective (Simon, 2019).

In Europe there has been low work morale among the staff which causes them not take strategies formulated seriously (Alamri, 2019). In Sweden, there have been cases of low funding to procure reliable systems and networks for communication (Jimoh et al., 2019). In England, there has been limited accountability on the kind of contribution that the communication has on decisions relating to governance (Hsieh et al., 2019).

In Asia, there has been lack of commitment to implemented directional strategies. In a nation such as North Korea, the performance of the parastatals has been limited due to socio-political influence such that decisions made on strategies have to follow what the president want rather than what the constitution says (Johanson & Vakkuri, 2020). In China many parastatal staff have left employment due to unrealistic targets set by the government as way of competing with western nations (Kim, 2019). In Japan, there has been reported cases of lack of feedback from management when information is requested by operations staff leading to uninformed decision making among the employees (Songling et al., 2018).

Regionally in South Africa, there is frequent leaking of information from top management to staff or external parties. According to Kabeyi (2019), lack of induction of new staff particularly on communication has caused employees in Lesotho to increase making costly work-related errors since they do not know who or how to ask for assistance.

In West African nations such as Nigeria, there have been limited communication policies such that basic etiquette is not adhered to hence scaring investors away (Dakuku, 2021).

There have been low strategic directions on innovations among the parastatals in Ghana such that manual documentation takes ages before a task is done (Olson et al., 2019). There have been reported cases of resistance to change by civil servants particularly in Mali related to strategic control. Further there has been poor coordination between management and operations staff due to formulation of strategies that suppress the staff and inconsiderate to them such as poor training on assignments.

In East African nations such as Uganda, there has been lack of clear objectives of what each party in the parastatal is supposed to achieve and when. In Tanzania, government institutions have experienced performance related challenges due to unqualified staff and misappropriation of funds (UNCATD, 2018). This is because the qualified staff take advantage of ignorance of other staff in understanding strategies hence ending up to stealing from the public institutions' coffers.

In Kenya, according to Munyi and Atieno (2021), there have been lack of effective supervision hence the staff start to underperform and becoming non-accountable. Additionally, Adilu (2022) suggested that as a result of inflation, the cost of implementing strategies had become costly. Further, Anyarayor (2022) also complained that parastatals have been facing cash crunch and high levels of corruption from both the management and the staff.

1.1.3 Commercial-based Parastatals in Kenva

Commercial-based parastatals are government institutions which provide goods and services at a fee but the majority of their shares are controlled by the state (World Bank, 2021). There are forty-six institutions of such nature and whose revenue accounts for

fourteen percent of the Gross Domestic Product [GDP] in Sub-Sahara Africa and 3.5 percent in Kenya (The National Treasury of Kenya, 2021). That notwithstanding, there have been neglect of monitoring and control on strategies that require accountability of resources and expenditures (Gachugu et al., 2019). As a result, there have been careless spending which has reduced the profitability of the institutions (Orito, 2021). Additionally, there has been poor planning and implementation of strategies hence ending up with costly and abrupt decisions that tend to attract losses such as high provision of debtors of the institutions (Kibos, 2019).

1.2 Statement of the Problem

The government provides various services to its citizen through various ministries as required by the constitution. The ministries are supposed to offer public services through commercial and non-commercial parastatals. Therefore, commercial parastatals are allowed by the constitution to charge for various services and goods provided to the public but at a reasonable price. The income generated enables the government to fund its operations further and hence able to solve daily life problems of its citizen.

That notwithstanding, the performance of Kenyan commercial-based parastatals has consistently been low to a point that in the financial year 2019/2020, the cumulative operational performance was negative (World Bank, 2021). Kenyan state corporations like Kenya Railways net profit declined by Kshs 9,484,000 million in 2020 as compared to Kshs18,213,000 million profits in the year 2019 (World Bank, 2021). Further, Kenya Airport Authority, KPLC, and Kenya Ports Authority made losses of Kshs -2,764,000, Kshs -3,245,000 and Kshs -5,708,000 respectively in 2019.

The low performance was partly attributed by increase in expenditure that some of the parastatals were incurring. An increase in expenditure was mainly attributed to poor strategies established by the management on planning and control of income. Additionally, the management of commercial parastatals have also failed to offer strategic direction on how operations should be conducted by its staff. As a results, the staff were bombarded with ever changing policies and strategies, hence any effort to seek clarification from the management was met by poor communication systems.

Therefore, failure to find a solution on the problem of low performance of parastatals will lead to complete paralysis of their operations hence closing down. As a result, basic amenities such as power, shipment, air travel, and availability of products among others will decline leading to illegal supplies of similar goods and services which poses danger to Kenyan citizens at large. The danger could be in form of health issues, loss of property, loss of life, loss of businesses opportunities and employment.

Past studies have assessed the influence of various strategic leadership practices on performance. Studies such as Rainy (2021) complained of excessive bureaucracy but did not ascertain to what extent had it extended to operations. Others such as Adilu (2022) and Bakhit (2017) complained on information leakage and poor planning concerns in the parastatals but did not specify the policy framework in place to curb the vice or various government support towards performance. Further, Umar et al. (2020) pointed gaps of strategies not improving performance when implemented but failed to incorporate the necessary actions that should be taken incase strategies fail. Additionally, Alosani et al. (2020) used cross-sectional approach which limited it in assessment of the relationship between strategic planning and performance over long-time.

Locally studies such as Gaturu et al. (2017), Guuru et al. (2022), Mailu et al. 2022, Munyao et al. (2020) explored various strategic leadership practices such as control, communication, planning and direction respectively. Nevertheless, very few studies have examined how various strategic practices affect the performance of commercial based parastatals. This therefore creates a gap to examine the influence of strategic leadership practices on performance of commercial based parastatals in Kenya.

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of this study was to examine the influence of strategic leadership practices on organizational performance: Survey of selected commercial-based parastatals in Kenya.

1.3.2 Specific Objectives

- To examine the influence of strategic planning on the organizational performance among commercial-based parastatals in Kenya.
- To evaluate the influence of strategic direction on the organizational performance among commercial-based parastatals in Kenya.
- iii. To investigate the influence of strategic control on the organizational performance among commercial-based parastatals in Kenya.
- iv. To explore the influence of corporate communication on the organizational performance among commercial-based parastatals in Kenya.

1.4 Research Hypotheses

The study will be guided by the following hypotheses:

H₀1: Strategic planning had no significant influence on the organizational performance among commercial-based parastatals in Kenya.

H₀2: Strategic direction had no significant influence on the organizational performance among commercial-based parastatals in Kenya.

H₀3: Strategic control had no significant influence on the organizational performance among commercial-based parastatals in Kenya.

H₀4: Corporate communication had no significant influence on the organizational performance among commercial-based parastatals in Kenya.

1.5 Significance of the Study

The study would offer empirical data to Kenya's commercial parastatals, particularly the management teams so they can better comprehend and get solutions on how to improve their organizational performance and strategic leadership techniques. The study would offer information to the government and stakeholders about organizational performance and strategic leadership that would support Kenyan development.

The research broadened the amount of academic information already available in the field of strategic management. The study identified additional research areas that could be taken into account by other researchers and add to the body of knowledge already known about strategic management doctrine. The study was valuable to academics and researchers since it suggested areas for more research that might be taken into account by future researchers

and added to the body of information already known about strategic leadership and organizational success.

The study would offer chances for policymakers to change regulations governing strategic leadership and organizational success. The research findings would offer policymakers in Kenya realistic issues affecting current regulations hence the need to alter the ones relating to knowledge management, supporting organizational knowledge, and promoting corporate entrepreneurship for performance improvement.

The general public would also benefit from the study since the main purpose of any government was for the greater good of the public. Therefore, by understanding how they were performing, it would enable them avail themselves in public participation forums to ask tough questions on what was happening with the parastatals. The losses could be as a result of corruption scandals hence able to hold culprits accountable.

The private organizations would also understand their competitors' operations and what was needed to provide more standard goods and services at a specific market price. This would enable them re-adjust their price levels to ensure that the public benefits similar way as they would with the government.

The study would also benefit international bodies such as Common Market for Eastern and Southern Africa [COMESA] by providing information on how the government institutions were performing hence a clue of the economic situation in the nation of Kenya. This would in turn affect the supply and demand of the products from the nation.

1.6 Scope of Study

The study looked into the influence of strategic planning, strategic direction, strategic control and corporate communication on organizational effectiveness in Kenya's parastatals with a commercial base. Departmental managers and administrative staff of the commercially based parastatals in Kenya were the target audience. Data was collected using open-ended questionnaires and the study conducted over a six-month period from October 2022 to March 2023.

1.7 Limitations and Delimitations of the Study

The study had some limitations that some of the participants were concerned about having their identities revealed. The identity of an individual was be disclosed in order to ensure that participants shared information. Restriction ascribed to the workers' demanding jobs or busy schedules serving as participants continued to exist. In order to provide enough time, the researcher extended the data collection period. The individuals were attentively watched throughout this time.

Participants had regularly shown fear of and caution around the investigator, therefore it was assumed that they were concerned about the number of details they were expected to provide without bias. By providing the replies with the required assurances and referencing the correspondence from Kenya Methodist University, these concerns were allayed. Since confidentiality was such a delicate subject, it caused some problems. Nonetheless, the researcher reassured the participants that the information was only used for the stated reason.

1.8 Assumptions of the Study

The study assumed that the respondents would provide truthful information regarding how various strategic leadership practices affecting the performance of the parastatals. Therefore, the required approvals such as authorization of the data collection by the parastatals were also assumed to be accorded without any delays. Additionally, it was also assumed that there was a board of management in the sampled population which was responsible in formulating strategic decisions such as planning, direction, control and corporate communication.

1.9 Definition of Terms

Commercial-based Parastatals

These are government institutions which provide goods and services at a fee but the majority of their shares are controlled by the state (World Bank, 2021).

Corporate Communication

This is interpreted as a structure for disseminating information (Amadu & Anyarayor, 2022).

Organization Performance

This is the ability of a government institution to produce results in a specific activity over a specific time period (Georger et al., 2019).

Strategic Control

The tool to monitor the development and implementation of key schemes and targets (Mabai & Hove, 2020).

Strategic Direction

This is defined as various operational levels of commercial parastatals organizations that are employed to implement specific programs (Xanthopoulou et al., 2022).

Strategic Leadership

Strategic leadership refers to management's capacity to develop the justifications for the institution's survival (World Bank, 2021).

Strategic leadership Practices

They are all the attributes that a leader capitalizes such as planning, offering direction, control and communication in bid of improving performance of a parastatal (OECD, 2020).

Strategic Planning

This is the process where managers are able to spell out the vision and pinpoint the various steps to be taken in form of goal attainment to achieve it (Alosani et al., 2020).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section contains an overview of the literature, focusing on the conceptual and theoretical frameworks as well as the hypotheses that underpin the subject. A synopsis of the literature is also provided, along with a critique of the existing theoretical literature on strategic leadership practices and research gaps.

2.2 Theoretical Review

An extensive theoretical literature on strategic change leadership and worker motivations was provided in this area. The strategic leadership theory, contingency theory, and balanced scorecard theory were applicable to this study. Strategic Leadership Theory [SLT] guided strategic planning and direction variables. Contingency Theory guided corporate communication variable of the study. Balance Score Card Theory guided strategic control variable

2.2.1 Strategic Leadership Theory

Strategic Leadership Theory [SLT] guided strategic planning and direction variables. It was coined by Hambrick and Mason (1984) who revealed that the upper echelons strategic leadership concept was outshined by studies around the primary influences of the major engagement on institutional results and the social makeup and profile of the senior leadership (Hambrik & Pettigrew, 2001). Two differences between the words "leadership theory" and "strategic leadership theory" were also highlighted by Hambrik and Pettigrew.

On the one hand, they contended that even as the strategic leadership concept dealt with studies on senior leadership, the theory dealt with leadership across all levels. On the other hand, leadership research was looked at from a variety of angles and focuses mainly on the interaction between leaders and followers. Strategic leadership focused on the way the dominant coalition of the firm influenced the strategic process of organizational learning rather than the qualities of the relationship amongst the leadership and the subject (Yukli, 2006).

Effective top managers had very different roles and actions than middle managers. The majority of earlier studies solely focused on smaller unit management and used it to other managerial levels (middle or lower) (Yukli, 2006). Basing on Davies and Davies (2004), short-term and prolonged goals conflict, dynamism and bureaucratic tendencies remained key towards successful strategic leadership. The ability in persuading individuals to openly undertake determinations with the ability of improving an institution's prolonged existence and at the same time realizing set short-term economic goals was desirable.

Change visions with enduring capacity for performance change were a requirement for effective strategic leadership. So, towards understanding the sophistication when it came to change. It was important the leadership acknowledged tension among change and stability. Based on Boal and Schultz (2007), it was helpful to think of an institution as a sophisticated and flexible system supported by strategic leadership that provided the balance among stability and uncontrollable disorder in order to understand how strategic leadership affected an organization. This definition highlighted the pervasive and central problem in management as a topic that, success relied on an organization's leadership's

capacity to take advantage of its existing capabilities while concurrently investigating fundamentally new competencies (Schein, 2010).

2.2.2 Contingency Theory

Contingency Theory guided corporate communication variable of the study. Contingency theory of leadership was proposed by Fiedler in 1967. The effectiveness of the leader was thought to be influenced by three crucial situational dimensions that had been identified. Relationships between a leader and his or her followers indicated how much trust they placed in the latter which was attained through communication systems in place. Also, it took into account the leader's beauty and the typical allegiance that was exhibited to the leader. Position power was the authority that came with holding a position of leadership. It could include the usual rewards and penalties for the job; the formal power the leader has based on their position in the administrative structure; and the support they obtained from their subordinates and the entire organization. After years of discussion, studies revealed, the majority of managers in today's workplace believed a specific leadership style was effective in all circumstances. There had been a perception that managers acting as compassionate leaders, for instance, could not guarantee of successful outcomes in every circumstance. A single leading issue in big institutions occurred the moment managers underwent promotion basing on strictly their earlier work without considering likely future growth, the institution entirely was rendered ineffective.

2.2.3 Balanced Score Card Theory

Balance Score Card Theory guided strategic control variable. It was developed by Kaplan and Norton (1993) who revealed that managers had long recognized that financial indicators like operating profit or return on investment were insufficient to accurately

gauge an organization's effectiveness. Non-financial measurements had to be included to gain a more comprehensive picture of the performance. The choice of measures had an impact on managers' actions as well. The chosen actions had to be consistent with the business's plan. Financial metrics had the drawback of reporting on the past without offering suggestions for the future (Kaplan & Norton, 1993). Based on Kaplan and Norton (1993) the indicators had to be picked from the financial, customer, internal process, innovation and learning dimensions. The management had to stay focused on them and not have too much to follow while simultaneously viewing the company from four different angles by selecting a small number of measurements. The many policies kept the business from being overly blinkered in its pursuit of fast, short-term earnings while overlooking the long-term development (Kaplan & Norton, 1993) The chosen measures had to follow from the firm's strategic objectives, which emanated from the company vision.

Clarifying the selection of the measures was the balanced scorecard's initial improvement. Kaplan and Norton said unequivocally in their 1993 study that the measures had to be derived from business strategy. It was mentioned but not specifically talked about in their 1992 study. The balanced scorecard had to take into account cause-and-effect relationships and as a result, the organization implementing a balanced scorecard had to research the factors that influenced specific outcomes in order to create a mix of outcome measures and performance drivers. This offered two advantages which were the outcome metrics which showed how effectively operational changes were being put to use, allowing for bottom-line results. Secondly performance drivers offered early warnings and acted as indications. In order to improve overall perspectives and the indicators selected at all perspectives, especially those related to internal processes that were more closely correlated with

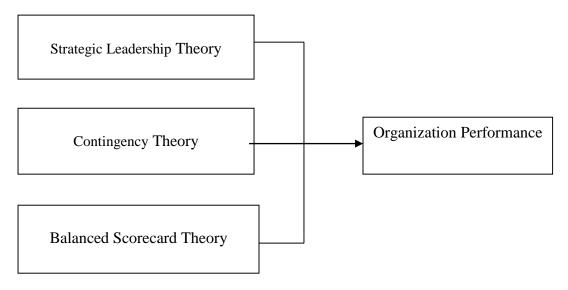
employee satisfaction and productivity, Kaplan and Norton's model was based on the fact that improving employee formation and using an accurate incentive's policy, something that was rarely used at Spanish universities, would initiate an iterative process. This was particularly significant from a financial standpoint because increasing cost effectiveness and productivity resulted in an increase in public administration investments. Therefore, this led to an improvement in the finances of the department or service. The University's finances as a whole had to improve if this scenario were to apply to all of its departments and services.

The BSC had limitations of its own. The various ideas that sprung up around the BSC notion were the focus of the criticisms leveled at the idea. It was first claimed that the idea was not brand-new. This was because long before the BSC was developed, the French, for instance, employed the tableau de Bord, a widely recognized notion that was related to the BSC. Also, it was contested that BSC could be applied to all kinds of businesses. The management style, which was primarily concerned with the managers' role in the strategy implementation process, was one of the biggest obstacles to adopting the balance score card in strategy implementation.

However, this criticism did not affect the study since the Balanced Scorecard was not a weapon for imposing a top-down strategy or a whip for reprimanding employees. It was essentially a tool that enabled individuals to both contribute to the strategy-making process, develop goals and metrics that indicated the initiatives taken by their business area to support the larger company strategy. Figure 2.1 indicated the theoretical framework of the study.

Figure 2.1

Theoretical Framework



Source: Author (2023)

2.3 Empirical Review

Previous studied ever done on the study's independent variables, which include strategic planning, strategic direction, strategic control, and corporate communication are included in this part.

2.3.1 Strategic Planning and Organization Performance

Strategic planning is the process where managers are able to spell out the vision and pinpoint the various steps to be taken in form of goal attainment to achieve it (Alosani et al., 2020). When performing the task of laying out strategies, the managers ensures that they forecast and develop operational plans obtained by bench marking with what others have achieved and once satisfied, the resources are allocated (George et al., 2019).

Forecasting involves identifying both the current and future needs and opportunities through which plans are laid on how they will be sorted and implemented respectively (Odera & Jonyo, 2020). Operations plans are the desired causes of action that an institution desires to use. Benchmarking involves assessing and measuring practices and comparing them (Johnsen & Reid, 2022). Resource allocation entails the process through which the management accord material and non-material aspects to agreed plans (Johnsen & Reid, 2022). The aspect about strategic planning was discussed at length by various authors.

In Brazil, Drago et al. (2023) investigated how institutional performance was affected by dynamic capabilities strategic planners. Systematic Literature Review [SLR] was adopted which covered planning conduct and development of knowledge. In relation to this, Drago et al. (2023) used hundred and eighteen articles whose content ranged from 2006-2021. The results revealed that the dynamic capabilities of strategic planners influenced positively and increased the competitive intensity of the organization with other institutions. However, Drago et al. (2023) relied on secondary data which is often prone to biases on authors' opinions rather than the reality. Additionally, the study admitted that the dynamic capabilities of planners did not cover marketing, IT, supply chain and research departments.

Notably, Biondi and Russo (2022) examined how Italian public universities' performance management was affected through integration of strategic planning. The study interviewed various mangers in charge of academic administration and also analyzed 3-year university planning documents, budgets and reports. The university being examined were located in Northern, southern and center regions. Therefore, Biondi and Russo (2022) noted that the allocation of resources in the three universities was different based on strategic decisions

the management had made and what they considered priority. That notwithstanding, the study included managers in senior and middle level management. The lower-level staff were not interviewed which hampered a clear interpretation of the strategic planning policies cycles in the institutions.

A book by Johnsen and Reid (2022) documented on how strategic planning was linked to performance of agencies affiliated with government. The book narrated that previously government agencies anticipated of future environment, aligned their 'good strategies' based on what they thought the future will be like and later assessed whether the performance of the agencies had improved or not. During this period, performance was necessarily not taken to be more important as compared to pre-determined environment assessment. Nevertheless, after radical changes in economic and political environment happened in 1970's and 80', it became difficult to develop strategies based on one factor such as environment but rather include all uncertainties in performance.

In America, George et al. (2019) analyzed 87 associations from 31 empirical studies in a meta-analysis to determine whether strategic planning enhances organizational performance. The study used articles published in social sciences citation index which was later subjected to random-effects meta-analysis. Notably, George et al. (2019) discovered that strategic planning had a favorable, moderate, and substantial effect on organizational performance. According to a meta-regression analysis, formal strategic planning was the best way to measure strategic planning and has the most beneficial influence on organizational performance when performance is measured as effectiveness. However, the choice of using articles and not reports posed a challenge of forming arguments based on personal opinions of the authors of the document rather than facts.

In Dubai, Alosani et al. (2020) explored how strategic planning affected performance of police agencies. The study used survey questionnaires to collect information from 150 staff at Dubai police agencies. Fifty-five respondents failed to answer the questionnaires hence resulting to 63% response rate. According to Alosani et al. (2020), strategic planning affected positively the performance of Dubai police but was rarely used. This is because, the decision makers on resource administration were the royal family which ruled based on the wisdom of the prince rather than amicable strategies in bid of improving performance.

In Nigeria, Oludele (2021) assessed how healthcare institutions' performance was impacted by strategic planning. The study was descriptive in nature and it targeted 50 staff in Nigeria's health institutions where 30 returned the questionnaires. According to Oludele (2021), planning involved frequent appraisals of vision, mission, values, and organizational environment to determine the various cropping issues that could lead to improvement or complete changes in strategies. Therefore, strategic planning had positive influence on performance. That notwithstanding, Oludele (2021) did not reveal how the 50-health staff that were targeted were sampled.

Still in Nigeria, Umar et al. (2020) evaluated the performance of institutions in public sector in relation to adopted strategic planning process. The study revealed that large institutions had adopted various known strategic planning processes which boosted their performance. The strategic planning process in question included beginning and settling on a specific strategic planning process; acknowledging organizational mandates; reviewing the vision and mission statements; environmental assessment; pinpointing the problems affecting previous strategies; develop new or improve previous strategies to offer

solutions to the identified problems; review and adopt the strategic plan; enhance the institutional vision; develop check and balances on the implementation of the strategies; and consistently review of the implemented processes to ensure they improve performance. Notably, Umar et al. (2020) did not provide the procedures to be followed once an assessor discovers that the implemented strategies had minimal or no impact on performance. Additionally, the timelines of assessment of implemented strategies were not revealed.

In Kenya's private universities, Odera and Jonyo (2020) examined the impact of strategic leadership on organizational performance. This correlational study used a positivist approach to methodology. The seventeen universities that were not government affiliated in Kenya, made up the study population. All of the population's members participated in a census procedure. The responses to a structured questionnaire were used to analyzed data. Therefore, Odera and Jonyo (2020) findings on the first research question revealed that organizational performance was significantly predicted by organizational mission and vision human capital development. Therefore, since the study was done on private universities, there is need to explore the influence that strategic leadership act such as planning has on performance of commercial based parastatals

Further, Njoroge (2018) investigated how strategic planning affected the Central Business District of Nairobi event planning companies. Data from a questionnaire designed to achieve the study's goals was used in the analysis. In order to examine quantitative and qualitative data using content analysis, descriptive statistics were used. From the findings, it was categorically determined that strategic planning is key towards improving institutional processes in a way that reduces internal expenditure.

Additionally, Bakhit (2017) examined the impact of strategic planning on the performance of higher education institutions implementing it on the Blue Nile University in the period between 2013 and 2015. In doing so, it employed a descriptive, analytical, and historical technique. This is because the study is based on data and information from secondary sources. A pre-selected sample of the Blue Nile University study population received a questionnaire. The study came to the conclusion that planning, at all of its levels, types, and phases, affects how well higher education institutions operate. the people in it. The responses to a standardized questionnaire were used to gather data. However, Bakhit (2017) did not consider the various government support that had been issued to Blue Nile University to improve its performance.

2.3.2 Strategic Direction and Organization Performance

Setting the path of a company through the creation of a vision, mission, core values, and objectives/goals is one of the main duties of strategic leaders (Ng'ang'a, 2023). A leader can increase performance by creating a strategic plan that unifies the activities, attitudes, and values of stakeholders, management, and staff in support of the organizational objective (Odita & Bello, 2015). Additionally, the management could motivate the employees to follow the mission; make viable decisions to support the vision; prepare and align budgets to attain goals; and offer resource management to improve the value of the organization (Xanthopoulou et al., 2022). The aspect about strategic direction was discussed at length by various authors.

Notably in Nigeria, Umar (2020) reviewed on how strategic alliances affected performance of organizations. To achieve this, the study reviewed five theories such as resource based-

view, transaction theory, knowledge-based view, resource dependency theory, and social capital theory. According to the Umar (2020), as long as an organization's management provided a clear strategy on direction on course of action, the staff and other stakeholders automatically followed suit with less resistance hence leading to increased productivity. The only challenge came in when every stakeholder was required to provide suitable strategic directions on course of action. Additionally, Umar (2020) indicated that as long as trust was cultivated in a well-coordinated system and resources provided, it led to excellence, team spirit, open communication and agreements. Nevertheless, Umar (2020) did not examine the weaknesses of the five theories reviewed.

In Nairobi, Mailu and Kariuki (2022) explored on how non-governmental institutions' performance was affected by the strategies implemented by the leadership. Among the objectives examined strategic direction was one of them. Further, the target population was 636 finance departmental heads of 159 NGOs. They were sampled using stratified method to obtain 244 respondents who were issued with questionnaires. According to Mailu and Kariuki (2022), strategic direction offered by the leadership had a positive influence on performance. However, innovation and customer satisfaction were minimally supported.

Additionally, Ng'ang'a et al. (2023) examine how the performance of Kenyan tourism agencies were affected by strategic direction. The study targeted to collect data from management and operations staff who comprised of 420. The respondents who actually took part in the study were 328. Therefore, Ng'ang'a et al. (2023) established that the operations staff were involved in process formulation while the managers set the direction. However, it was established that there was less training offered to improve strategic direction implementation among the operations staff.

Additionally, Munyao et al. (2020) looked at how strategic direction affected the success of Kenyan theological training schools run by the Africa Inland Church. Data were gathered from management, staff, and third-year students at A.I.C. theological training schools in Kenya using both open-ended and closed-ended questionnaires. Therefore, Munyao et al. (2020) found that A.I.C theological training institutions in Kenya performed better when given a strategic direction. The report made a recommendation for top administrators of Africa Inland Church theological training institutes to be strategic as they lead their businesses into a challenging economic climate. Nevertheless, Munyao et al. (2020) did not include first year, second year and fourth year students who could have been instrumental in the topic.

Further on Muthaa (2018) looked into how strategic directions affected how well the Meru technical training institutions performed. The research design for the study was a cross-sectional descriptive survey. Data collection involved the use of questionnaires. Frequencies, percentages, averages, regression analyses, and other descriptive and inferential statistics were used to analyze the data, which was then presented in the form of tables and figures. The study found that technical training institutes' performance was significantly impacted by the customer focused strategic direction. However, Muthaa (2018) indicated that collaboration dimensions had minimal influence on performance without providing substantive reasons

2.3.3 Strategic Control and Organization Performance

Strategic control is the tool to monitor the development and implementation of key schemes and targets (Mabai & Hove, 2020). The goal of strategic control methods is to influence managerial behavior and the environment in which business units operate (Johnson &

Scholes, 2018). It enhances organizational synergy and provides value when establishing and shaping the overall risk management, defining the guidelines for interaction of the environment evaluation, setting benchmarks on market research, and evaluating the set work plan's performance. When the results of a strategy are several years distant, organizations use strategic control to direct activities.

Employees must be imaginative and creative, but managers should ensure that their innovation ultimately serves the organization by using strategic control approaches. Strategic control procedures do in fact ensure that organizational strategic plans are implemented, thus it is critical that the board of directors and top managers are aware of the planned reality. Strategic planning procedures were emphasized in the past as a factor in excellent organizational performance. What organizational results must be attained, however, is decided and communicated through strategic control procedures. The aspect about strategic control was discussed at length by various authors.

Notably, Han and Hong (2019) evaluated how Federal government's performance is affected by accountability. The study assessed three areas such as staffing, evaluation of performance and payment from various past studies. The study found out that institutions cultivated accountability on allocated tasks/goals, knowledge sharing, resource provision, and cooperation. Strategic control was enhanced by having performance metrics in place whereby each hired staff was evaluated and if there was satisfaction, bonus payment was done. If there was low satisfaction, job termination was used. That notwithstanding, the weakness on the study conducted by Han and Hong (2019) was the use of secondary data from articles to make conclusions.

Further in Iran, Nafari and Rezaei (2022) explored how performance of public hospitals was affected by various strategies implemented particularly on balanced score cards. The study was cross-sectional in nature whereby 200 hospital staff were included in the study to answer questionnaires. The returned questionnaires were 154 and according to Nafari and Rezaei (2022), the public hospitals ensured that the strategic control measures in place included employee training, reward and compensation. By doing this, the management was able to gain employee loyalty and able to have control over their staff. However, Nafari and Rezaei (2022) did not investigate on various strategic control measures to facilitate employee welfare such that their whereabouts in and out of the hospital were well known and facilitated.

In Greek, Xanthopoulou et al. (2022) examined how culture could affect strategic control measures and performance of public institution. The study used Competing Values Model [CVM] on culture's strength on 424 respondents in the 92 departments in Greek parastatals. The respondents were issued with online questionnaire that they required to answer. The results revealed that culture does not necessarily affect the control and performance of a public institution. However, the findings could be challenged due to the methodology used to collect data. Probably using observation, focus groups or one on one interviews could give different results. This is because, in assessment of culture, words alone could not be used but also how the respondents conduct their day-to-day activities.

In South Africa, Mabai and Hove (2020) assessed elements that causes an increase or a decrease in performance of Human Settlement Department [HSD]. The study's piloting was conducted on 89 respondents who were not included in the main study with a 0.83 Cronbach Alpha Coefficient value. Later on, the main study distributed 72 questionnaires

where 45 were returned by randomly selected representatives of the Eastern Cape department. According to Mabai and Hove (2020), elements relating to environment, culture of the institution, leadership affected performance. The results on culture affecting performance contradicted with Xanthopoulou et al. (2022) in Greek. Additionally, the HSD had developed Specific, Measurable, Attainable, Realistic and in an agreed Timeframe [SMART] objectives that enabled the management see to it that the staff delivered their assigned tasks without fail which led to appropriate control. Nevertheless, Mabai and Hove (2020) discovered that availability of resources was low which most times pushed the staff into poor delivery of their mandates. That notwithstanding, Mabai and Hove (2020) did not reveal the name of the software used to sample respondents to 72 hence the choice to use it was not justified in comparison with the established and peer-reviewed sampling methods in place such as Krejecie and Morgan (1970).

Further in Kenya, Jemesunde and Ng'eno (2022) examined the elements that would cause an employee to be committed to their jobs and how that affected the performance of Huduma centers. The study posed the social exchange theory as the main anchorage and it was descriptive. Sixty Huduma center staff who included both supervisors and operations personnel in Baringo, were selected using census and questionnaires were administered to them. According to Jemesunde and Ng'eno (2022), when the staff were committed to their jobs, performance improved and vice versa. Therefore, the study suggested that the management of Huduma centers should motivate and create friendly working environment as a means of ensuring that the staff remain committed which would eventually see to it that strategic control measures have borne fruits. Nevertheless, Jemesunde and Ng'eno

(2022) conducted a study on only one government institution hence did not have a chance to have a comparative type of study.

Additionally, Riany (2021) explored how the structure of a Kenyan state corporation affected its performance. The study collected data from 189 corporations that were government affiliated, whereby Human Resource [HR] departmental heads were included. Therefore, Riany (2021) sampled 96 corporations using stratified method, Cochran's (1977) formula and later issued questionnaires to the 95 departmental heads, as well as conducting document analysis. The results indicated that how an organization is structured positively affected its performance. That said, Riany (2021) established that the management of most state corporations had not leveraged and optimized key elements. This left a lot of bureaucracy in place hence when the staff felt that they were controlled more that it is required, they developed resistance hence ending up to underperforming. The study by Riany (2021) fell short of ascertaining to what extent had the bureaucracy extended, a question where operation employees of the state corporations could have answered but were not included.

Further, Odhiambo (2017) planned to decide what methodology control meant for how well lodgings acted in Kisumu Province. The particular objectives were to establish the connection between performance and the articulation of strategic outcomes; the description of strategic performance and activities; the definitions of the mechanisms, outcomes, and activities of interventions; also, the foundation of procedure restorative mediation instruments. In the study, a correlational research method was used. Each of Kisumu's ninestar hotels had 45 senior staff members who were used for research. According to this

study, when SO, SA, TP, and IM are stressed, performance improves. Nonetheless, Odhiambo (2017) didn't give the pre-test populace nor legitimize it.

Furthermore, Gaturu et al. (2017) investigated how mission hospitals in Kenya's organizational performance was affected by strategic control, one of the strategies of strategic management. In the past times, government awards and commitments from unfamiliar chapels were given to mission emergency clinics. Mission hospitals, on the other hand, receive very little funding these days. Healthcare costs are going up, and a lot of workers are leaving for other countries. These difficulties have harmed the organizational performance of mission hospitals.

2.3.4 Corporate Communication and Organization Performance

Corporate communication is interpreted as a structure for disseminating information. (Amadu & Anyarayor, 2022). Dissemination of information could arise from both ends such as from the management to staff or from staff to the management. Nevertheless, in the context of commercial parastatals, communication mainly involves passing out information from managerial decisions and policies, employee involvement in the said decisions, communication tactics that involve sharing of information (Chepkosgei et al., 2020). The aspect about corporate communication was discussed at length by various authors.

In Poland, Isnalita (2020) examined how the local government's performance was influenced by use of Information and Communication Technology [ICT]. The study sent seventy-six questionnaires to Local Apparatus Organization [LAO] of East Java Province. Notably, Isnalita (2020) discovered that use of ICT to pass knowledge among the staff

improved the performance significantly. That is, decision made on strategies by the management were communicated effectively through use of email, phone calls, WhatsApp message and text messages to the staff. Communication using ICT enabled the management to send and receive feedback from staff immediately. Additionally, any ambiguous tasks were easily consulted on and solution derived effectively. However, since Isnalita (2020) involved corporate communication, it would have yielded even higher return rate if the study would have used interview and focus groups methods of data collection.

Further in Oti region in Ghana, Amadu and Anyarayor (2022) investigated how devolved government institutions improved employee satisfaction especially due to communication. The study issued questionnaires to 100 staff of the ten departments in the institutions. These departments were education, health, civic education, forestry, environment, information, agriculture, social welfare, water and finance. According to Amadu and Anyarayor (2022), devolved government institutions mainly used face to face, emails, physical meetings of department members, formal discussion held by teams, suggestion boxes and assemblies among others. The study gathered that employees were satisfied with the tools of communication which motivated them to perform better. Nevertheless, Amadu and Anyarayor (2022), complained that communication networks were not coordinated by experts hence resulting to lagging in switching calls when requested, lack of feedback from management when information is requested by operations staff, delayed emails and late memos. However, the study did not specify the identity or the level of management of the sampled population.

Additionally, Adilu (2022) evaluated how Zanzibar's public organizations were performing and hoe they were affected by communication made internally. The study worked on a sample of 150 staff of various Zambian public organizations who were issued with questionnaire where 96 responded. The findings revealed that most government institutions hardly used emails but rather preferred face to face, conferences and mobile phone call. According to Adilu (2022), the issue about poor ICT affected use of emails. Additionally, the various issues faced in communication included, frequent leaking of information from top management to staff and as well as late timing of communication and displeasing internal communication strategy implementation. That notwithstanding, Adilu (2022) did not specify the policy framework in place to curb information leaking by staff. In Zambia, Musheke and Phiri (2021) conducted a study on how communication that is effective led to improved performance anchored on systems theory. Data was collected using questionnaires from 88 respondents who indicated that there was no influence between the management and communication method used but there was a positive influence between effective communication and improved performance. This meant that it did not matter what method the management chose to communicate with but as long as it was effective. The results contradicted Isnalita (2020) on the basis that ICT improved performance since sending information and receiving feedback was an instant phenomenon. Nevertheless, the choice of use of system theory could be challenged on the basis that it concentrates on identifying the problems but developing solutions to the

In Kenya, Munyi and Atieno (2021) documented on menaces facing corporate communication in four universities affiliated with the government. These universities were

problems is hard particularly on policy perspective.

Kenyatta, Laikipia, Rongo Technical University of Mombasa. The target population comprised of 2040 admin staff who were sampled using Yamane (1967) to obtain 334 staff. They were interviewed and also answered questionnaires. According to Munyi and Atieno (2021), the issues included poor communication measurement; lack of accountability on the kind of contribution that the communication had on decisions relating to governance; lack of induction of new staff particularly on communication; limited communication policies, poor funding to procure reliable systems and networks for communication. Therefore, since these issues were related to public universities, there is need to expand the scope of the study and cover commercial parastatals to understand the problems facing them.

Further, a study conducted on International Livestock Research Institute [ILRI] Kenya by Guuru and Adede (2022) on how the strategies of communication influenced the progress of programs in the institution. One hundred and forty-seven staff participated in the study whose nature was descriptive. According to Guuru and Adede (2022), strategies that involved staff participation, results and different channels of communication influenced positively success rate of the programs. However, Guuru and Adede (2022) did not provide any evidence of pre-test of the study's instruments.

Additionally, Chepkosgei et al. (2020) paid attention on how 38 commercial government organizations performed when strategic communication mechanisms were in place. A hundred and forty-five participants sampled using Slovenes formula, took part in the study through answering the questionnaires. From the results, it was clear that when there were strategic communication mechanisms, performance improved. That notwithstanding,

Chepkosgei et al. (2020) did not provide information on the details of the commercial state corporations included in the study.

Further, Husain (2013) made a determination that successful change management greatly relies on the role played by communication in institutions during transitional periods. Forming the major group responsible for this change is the workforce. Institutions ought to tackle the concerns of their workforce so as to give them the motivation to undertake change. For the workforce to develop a sense of responsibility, there should be a reduction of work uncertainty, with a sense of community being nurtured. The workforce thus, will be encouraged to take part in change plans and undertake it since it is beneficial.

An analysis by Kibe (2014) covered the manner communication approaches impacted the efficiency of Kenya Ports Authority [KPA]. It employed a descriptive research design. Those identified for the study undertook 132 surveys. From the findings, there was a demonstration of the value of theoretical and practical levels. The determination was that advocating for any open communication setting will always remain crucial in order to report any positive business outcomes. There is an improvement of performance the moment the workforce has a feeling of comfort in the provision their personal of group input at the workplace.

Within the Kenyan flower industry, an analysis by Bery et al. (2015) covered the effect by workforce communication towards business success. The target group was 2460 participants, and 1888 participated giving a response rate of 76%. The engagement amongst the investigation's variables was analyzed by correlation and regression analysis. The discovery by this work was that communication has a key role in improving

institutional productivity, that as a result translates to positive business outcomes. It was also determined that through communication, there is the promotion of information and views interchange in an institution.

2.4 Summary of Research Gaps

The gaps identified under strategic planning indicated that government agencies hardly took performance to be more important as compared to pre-determined environment assessment. In terms of methodology studies such as Drago et al. (2023) and George et al. (2019) relied on secondary data which is often prone to biases. Others such as Biondi and Russo (2022) did not interview operation staff. Alosani et al. (2020) used cross-sectional approach which limited it in assessment of the relationship between strategic planning and performance over long-time. Others such as Oludele (2021) did not reveal how the 50-health staff that were targeted were sampled nor provided any pre-test study results to determine the reliability of the data collection questionnaires. Other studies like Umar et al. (2020) failed to incorporate the necessary actions that should be taken when implemented strategies had minimal or no impact on performance while others such as Bakhit (2017) did not consider the various government support towards performance.

The gaps identified under strategic direction indicated that generally, there was less training offered to improve strategic direction implementation among the operations staff. Additionally, innovation and customer satisfaction were minimally supported by government entities. Specific studies such as Umar (2020) did not examine the weaknesses of the five theories reviewed. Additionally, Munyao et al. (2020) did not include first year, second year and fourth year students who could have been instrumental in the topic.

Further, Muthaa (2018) indicated that collaboration dimensions had minimal influence on performance without providing substantive reasons.

The gaps identified under strategic control indicated that availability of resources was low which most times pushed the staff into poor delivery of their mandate. Specific studies such as Nafari and Rezaei (2022) did not investigate on various strategic control measures to facilitate employee welfare such that their whereabouts in and out of the hospital were well known and facilitated. Additionally, Jemesunde and Ng'eno (2022) conducted a study on only one government institution hence did not have a chance to have a comparative type of study. Further, Riany (2021) fell short of ascertaining to what extent had the bureaucracy extended, a question where operation employees of the state corporations could have answered but were not included. In relation to methodology, Han and Hong (2019) used secondary data from articles to make conclusions. That notwithstanding, Mabai and Hove (2020) did not reveal the name of the software used to sample respondents to 72 hence the choice to use it was not justified in comparison with the established and peer-reviewed sampling methods.

The gaps identified under corporate communication indicated that communication networks were not coordinated by experts hence resulting to lagging in switching calls when requested, lack of feedback from management when information is requested by operations staff, delayed emails and late memos. Specific studies such as Adilu (2022) did not specify the policy framework in place to curb information leaking by staff. Further, Isnalita (2020) used system theory which could be challenged on the basis that it concentrates on identifying the problems but developing solutions to the problems is hard particularly on policy perspective. In relation to methodology, Anyarayor (2022) did not

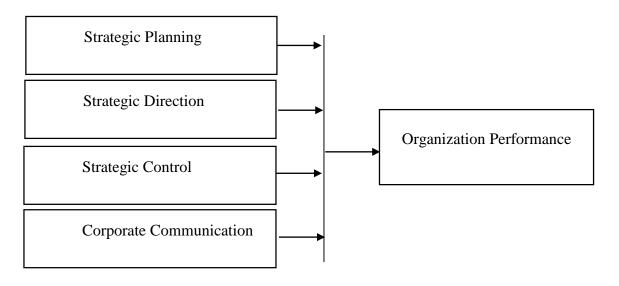
specify the identity or the level of management of the sampled population. Additionally, Guuru and Adede (2022) did not provide any evidence of pre-test of the study's instruments. Further, Chepkosgei et al. (2020) did not provide information on the details of the commercial state corporations included in the study.

2.5 Conceptual Framework

Conceptually, researchers have studied one or two variables of strategic leadership practices, including strategic planning, strategic direction, strategic control and corporate communication. The present study the researcher sought to establish the joint influence of strategic planning, strategic direction, strategic control and corporate communication on performance outcomes in commercial-based parastatals in Kenya as indicated in Figure 2.1.

Figure 2.1

Conceptual Framework



Independent variables

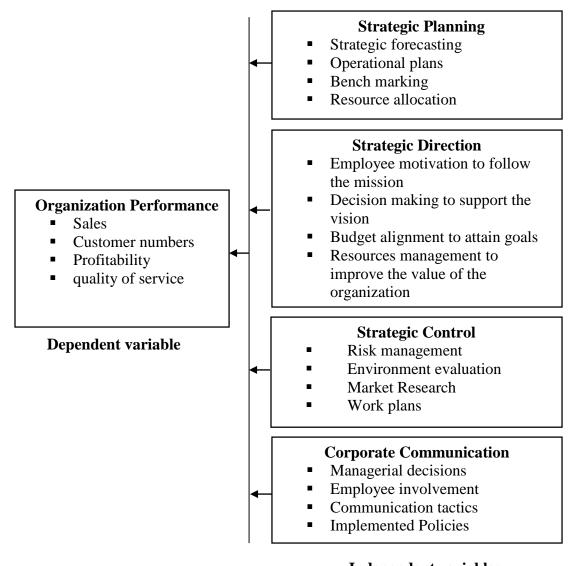
Dependent variable

According to Figure 2.1 the left variables which constitute the independent variables are strategic planning, strategic direction, strategic control, and corporate communication. On the right side, is the dependent variable which is the organization performance.

2.6 Operational Framework

Figure 2.2

Operational Framework



Independent variables

According to Figure 2.2, Organization performance had attributes such as sales, customer numbers, profitability, and quality of service. Strategic planning had attributes such as strategic forecasting, operational plans, bench marking and resource allocation. Strategic direction had attributes such as employee motivation to follow the mission, decision making to support the vision, budget alignment to attain goals, resources management to improve the value of the organization. Strategic control had attributes such as risk management, environment evaluation, market research and work plans. Corporate communication had attributes such as managerial decisions, employee involvement, communication tactics and implemented policies.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

The research approach that was applied to the study is thoroughly explained in this chapter. It clarifies and specifies the study's intended research design, target audience, sampling strategy, sample size, research tools, and data collection and analysis techniques.

3.2 Research Design

A research design is a plan and structure that enables an investigation find answer on a specific topic (Easterday et al., 2018). The plan is the general strategy or schedule for the study. It describes both the framework, arrangement, or configuration of the relationships among the study's variables as well as the strategy of inquiry utilized to gather empirical data on those interactions. The study used a descriptive research design to examine the relationship between strategic leadership practices and organizational performance. As a result, it implied whether an increase or drop in one variable it caused an equivalent rise or fall in the other. The who, what, when, where, and how questions related to the study's research problem were helped by this design. It established whether the independent and dependent variables had a linear relationship (Creswell, 2014).

3.3 Target Population

According to Sileyew (2019), a population is a collection of people or things that share a common trait and that the researcher intends to analyze in order to generalize the results to the target population. The study's target population were six (6) commercial based

parastatals. These were Kenya Railways Corporation [KRC], KenGen, Kenya Broadcasting Corporation [KBC], Kenya Power and Lighting Company [KPLC], Nzoia Sugar Company, and Kenya Ports Authority [KPA]. According to World Bank (2021), these state parastatals made losses and had the highest outstanding debts from the Kenyan government in the financial year 2019/2020 as compared to other commercial based parastatals.

KRC, made a loss of Kshs -24,178,000, with an outstanding debt of Kshs 539, 270,000; KenGen had an outstanding debt of Kshs 87, 904,000; KBC made a loss of Kshs -9,790,000, with an outstanding debt of Kshs 76,034,000; KPLC made a loss of Kshs -2, 983,000, with an outstanding debt of Kshs 49, 238, 000; Nzoia sugar company made a loss of Kshs -3,483,000, with an outstanding debt of Kshs 42, 380,000; and KPA had an outstanding debt of Kshs 37, 386, 000 (World Bank, 2021).

Additionally, these parastatals have been experiencing inconsistency in review of strategies such as the ones related to planning, direction, control and corporate communication. Additionally, there have been poor implementation of the strategies in the operations whereby the middle level management have been having little skills and training on how to go about it. Therefore, the respondents were 45 departmental managers and 151 administrative staff (appendix V). Departmental managers were relevant in the study since they provided information on various strategies that their parastatals had enacted and the timeframe of review of the same. The administrative staff were relevant in the study since they pointed out core reasons why there was a gap between strategies provided by the management and the implementation process resulting to low organizational performance.

3.4 Sampling Technique

Sampling technique is the method used by a study to obtain samples that could be used as representatives of the entire population. The study used Yamane (1967) sampling formular to obtain the sample size of both the departmental managers and administrative staff who were later be selected using simple random method. The sample size of departmental managers and administrative staff was as follows:

$$n = N/(1 + N e^2) = 45/\{1 + 45(.05)0.05)\} = 40 \text{ managers}$$

The sample size of administrative staff will be as follows:

$$n = N/(1+Ne2) = 151/\{1+151(.05)0.05)\} = 110 staff$$

Table 3.2 indicates the distribution of the sample size of the respondents in the sampled commercial based-parastatals.

Table 3.1Sample Size

| Commercial-Based | Departmental | Administrative | Total |
|-------------------------|--------------|-----------------------|-------|
| Parastatals | Managers | Staff | |
| KBC | 5 | 19 | 24 |
| KPLC | 11 | 26 | 37 |
| KPA | 6 | 22 | 28 |
| KRC | 4 | 22 | 26 |
| KenGen | 4 | 11 | 15 |
| Nzoia Sugar Company | 10 | 10 | 20 |
| Total | 40 | 110 | 150 |

3.5 Data Collection Instruments

The methods used to gather information that are helpful in a study are known as data collection instruments (Busetto et al., 2020). The study collected data quantitatively and qualitatively. This was through administering questionnaires to departmental managers and administrative staff and also use of secondary data to measure organization performance (Bryman, 2017).

3.5.1 Questionnaires

The study issued self-administered questionnaires to the managers and administrative staff (appendix II). The questions asked were as a result of gaps discovered from literature reviews of previous studies in the field (Synder, 2019). Questionnaires were the primary method of gathering data because they had a high response rate and allowed respondents to respond to multiple questions at once, which saved time. The questionnaire was closed and open-ended. The study's questionnaires evaluated the responses of the respondents using a five-point Ordinal Likert scale where a scale from 1 to 5 was used to determine whether respondents agreed or disagreed with the claims made about the strategic leadership practice. These were the scale ratings: Strongly Agree which was represented by 5; Agreed which was represented by 4; Neutral which was represented by 3; Agreed which was represented by 2; and Strongly Disagree which was represented by 1. Notably, under each section, there were two questions which aimed at capturing what the respondents thought. This was because each of the participants provided a unique responses and information on the study.

3.5.2 Secondary Data

The secondary data collection sheet was used to gather information related to sales, customer numbers, profitability and quality of service (appendix III). The information was gotten from balance sheets, profit and loss statements, cash flow statements and policy statements. The various reports were for the accounting years 2020 to 2022.

3.6 Pre-test of the Research Instruments

This is the process of issuing the study's questionnaires to a different set of respondents who are not in the main study, as a measure of assessing their reliability and ability of being used in the main study effortlessly. In line with that, pre-test study was conducted at Kenya Airways (Eldoret branch) where 4 departmental managers and 11 administrative staff were issued with the questionnaires. This was line with the recommendations given by Mugenda and Mugenda (2003) on pre-test study to take ten percent of the sampled population. Kenya Airways was selected since it had also experienced performance issues particularly due to ever swindling profitability irrespective of the management practicing strategic leadership practices such as planning, offering direction, control and communicating. The performance had been low to a point that it required the effort of the government to frequently bail them out from operating at a loss. According to Ch-aviation (2023), the government bailed Kenya airways by offering 283 million in 2022/2023 as a way of supporting their loss-making operations.

3.7 Reliability of Instruments

As per Taber (2018) a study measures reliability to consistently ensure that the instrument of collecting data produces the dependable results that can be repeated over time. The

Cronbach's alpha coefficient was used to gauge reliability, whereby it is a gauge of scale dependability and internal consistency, or how closely linked a group of things are to one another. The Cronbach Alpha reliability coefficient had to be at least 0.7 in order to be accepted. According to Taber (2018), when an instrument's result ranged from 0 to 0.69, it was not reliable. However, when an instrument's results ranged from 0.7 to 1, it was reliable.

3.8 Validity of Instruments

The ability of a data collection instrument to measure what it is intended or how definite the study's results are is referred to as validity (Rose & Johnson, 2020). The study measured three types of validity which were face, content and construct (Quintão et al., 2020; Van der Vaart, 2021). The study measured face validity by ascertaining the influence of independent vis a vis the dependent variables (Quintão et al., 2020). The study measured content validity by inquiring questions that were related to strategic planning, strategic direction, strategic control, corporate communication and performance (Surusu & Maslakci, 2020). That is, questions asked were highly guided by indicators of each of the variables. Criterion validity was measured when the results derived after analysis were compared with the results other previous authors had gotten on the same (Rosen & Johnson, 2020). If there was a difference, the study provided an explanation on the same.

3.9 Data Collection Procedures

The researcher got the approvals from the university through an introduction letter. This letter was used to apply for a research permit at NACOSTI. As the researcher waited for the research permit to get approved, there was recruitment of two research assistants. These

two research assistants were based in Mombasa and Trans Nzoia counties. Therefore, the researcher oriented them on the topic of discussion, and confidentiality through an online meeting. Thereafter, the researcher kept in touch with them briefing them on stages at which the research process had reached.

Once the researcher got the research permit, the data collection process began. On the particular day of data collection, the researcher visited KBC, KPLC and KRC main offices in Nairobi. The research assistant in Mombasa County visited KPA headquarters in Mombasa port. The other research assistant in Trans Nzoia County visited Nzoia Sugar Company and KenGen headquarters in the region. The process of data collection all the parastatals began by the researcher and research assistants in respective jurisdiction introducing themselves to the customer care staff. They then requested to meet the manager in charge for request to conduct the study (appendix I). Immediately they met with the managers, they introduced themselves and provided a brief background on the topic at hand.

Once the manager agreed, the researcher/research assistants requested them to be shown where to find the sampled respondents such as departmental managers and administrative staff. After identifying them, the researcher and research assistants requested for their consent to participate in the study. Immediately the consent was issued, the researcher then issued the questionnaires to be filled immediately as they waited. After completion, they collected the filled-in questionnaires and thanked the respondents for their time. Later on, the filled questionnaires were forwarded to the data analyst for analysis. However, in case the respondents rejected to take part, the researcher/research assistants did not force them but rather thanked them for their time.

Thereafter, the researcher inquired from the managers in charge how to get reports such as

balance sheets, profit and loss statements, cash flow statements and policy statements.

Reports such as policy statements were directly issued by the managers but on the other

reports, the researcher was required to access them though the specific institution's

website. Therefore, the researcher used a computer enabled computer to access the website

whereby the reports was downloaded for further analysis.

3.10. Data Analysis and Presentation

To verify the accuracy and consistency of the data entering process, standard metrics were

utilized as controls. Prior to data entry, the surveys were coded using unique identification.

The figures were then be used to confirm any discrepancies. Also, the data was put on

display to check for internal consistency and completeness. Version 23 of SPSS was used

for data analysis (Statistical package for a social scientist). The study first examined

various diagnostic test such as normality, linearity, multicollinearity and autocorrelation.

Additionally, a descriptive analysis, frequency tables and explanation were used to

illustrate the results. Further, inferential statistics were examined using multiple regression

and correlation analysis in bid of answering the study's model. The study's regression

model is shown below:

 $Y = C + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4$

Where:

Y = Organization performance

 βi = Coefficients to be estimated

C= Constant

50

XI= Strategic planning

X2 = Strategic direction

X3 = Strategic control

X4 = Corporate communication

In correlation analysis, the study tested the hypothesis using Karl-Pearson's coefficient method as indicated in Table 3.2.

Table 3.2

Data Analysis Method per Objective

| Hypotheses Statement | Hypothesis Test | Decision Rule |
|---------------------------------|----------------------------|-----------------------------|
| H01: Strategic planning is a | Pearson's coefficient | Reject H01 if P- value ≤ |
| significant positive | of correlation | 0.05 otherwise fail to |
| predictor of organization | -F-test (ANOVA) | reject H01 if P is > 0.05 |
| performance. | -T-test H01: β 1 = 0 | |
| H02: Strategic direction is a | Pearson's coefficient | Reject H01 if P- value ≤ |
| significant positive | of correlation | 0.05 otherwise fail to |
| predictor of organization | -F-test (ANOVA) | reject H02 if P is > 0.05 |
| performance. | -T-test H01: β 2 = 0 | |
| H03: Strategic control is a | Pearson's coefficient | Reject H01 if P- value ≤ |
| significant positive | of correlation | 0.05 otherwise fail to |
| predictor of organization | -F-test (ANOVA) | reject H03 if P is > 0.05 |
| performance. | -T-test H01: β 3 = 0 | - |
| H04: Corporate communication is | s Pearson's coefficient | Reject H01 if P- value ≤ |
| a significant positive | of correlation | 0.05 otherwise fail to |
| predictor of organization | -F-test (ANOVA) | reject H04 if P is > 0.05 |
| performance. | -T-test H01: $\beta 4 = 0$ | - |

Source: Researcher (2023)

3.11 Ethical Considerations

When dealing with respondents during the study process, researchers adhered to ethical standards. The respondents were handled politely and respectfully by being asked to voluntarily engage in the study. An introduction letter and research permit were obtained for this study from the Post Graduate Schools of KEMU and NACOSTI respectively. In order to maintain anonymity, the individuals were referred to as respondents or by gender hence the respondents' identities and names were hidden. The material pertaining to this study served as the basis for the informed consent concept. The researcher got in touch with each volunteer before the study started. The priority was given to acknowledging the work of other researchers in order to reduce plagiarism.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

The fourth chapter details deductions obtained from analysis of collected data. Additionally, it captures the features of the participants as well as their views with regards to the influence of strategic leadership approaches in Kenya's parastatals with a commercial base on organizational performance in Kenya. With regards to ensuring simplicity during the presentation of data, the investigator opted for tables offering a summary of the participants, responses.

4.2. Response Rate

The sampled population of this study was 6 commercial based parastatals in Kenya. The targeted respondents were 40 departmental managers and 110 administrative staff in the commercial based parastatals in Kenya. One hundred and seven (107) out of the 150 questionnaires administered were properly answered and submitted, giving it a desirable score of 71.3% as the response rate. These were 28 managers and 79 administrative staff and notably, Mugenda and Mugenda (2003) advised that as long as the response rate was above 70% it was deemed to be excellent results.

4.3 Reliability Test Results

In determining reliability, Cronbach's Alpha was applied since it accesses internal consistency by ascertaining if specific instruments in a scale indicate a similar construct

validity. An ideal Alpha score ought to be 0.7, (Kothari, 2012). The reliability results are provided in Table 4.1.

Table 4.1Reliability Test Results

| Variable | Cronbach Alpha | No of Item | | |
|--------------------------|----------------|------------|--|--|
| Strategic planning | 0.909 | 15 | | |
| Strategic direction | 0.903 | 15 | | |
| Strategic control | 0.953 | 15 | | |
| Corporate communication | 0.762 | 15 | | |
| Organization performance | 0.867 | 15 | | |

From the detailed Table 4.1 on Cronbach Alpha Coefficient values, strategic planning had 0.909; strategic direction had 0.903, strategic control had 0.953, corporate communication had 0.762, and organization performance had 0.867 on all of the 15 returned pre-test questionnaires. Therefore, it was evident that there was consistency in reliability of the data collection tool since the figures exceeded the ideal score of 0.7 and above. This is because according to Taber (2018), when an instrument's result ranged from 0.7 to 1, it was reliable.

4.4 General Information of the Respondents

The study inquired on the basic details of the participants like gender orientation, job position, age, work experience and schooling levels within the commercial based parastatals in Kenya.

4.4.1 Gender Distribution of the Respondents

The examined the gender distribution of respondents and the results are detailed in Table 4.2.

Table 4.2Gender of the Respondents

| Gender | Frequency | Percentage | | |
|--------|-----------|------------|--|--|
| Male | 60 | 56.1 | | |
| Female | 47 | 43.9 | | |
| Total | 107 | 100 | | |

From the deductions in Table 4.2, male participants were the majority with 60 (56.1%) and the female formed the remaining 47 (43.9%). This meant that commercial based parastatals in Kenya greatly empower women even though the males took a larger share of the workforce. It is also evident that the two thirds gender rule was yet to be actualized in Kenyan government parastatals. Therefore, a report by Point Park University (2021) revealed that females were better communicators in terms of articulating content and frequency, as compared to male. Notably, when the parastatal staff were bombarded with ever changing policies and strategies, any efforts to seek clarification from the management was met by poor communication systems because probably there were few women in the management to facilitate frequent communication to the staff.

4.4.2 Age Brackets of the Respondents

The analysis determined age distributions of the participants as detailed in Table 4.3.

Age Brackets of the Respondents

Table 4.3

| Age brackets | Frequency | Percentage | | |
|--------------------|-----------|------------|--|--|
| 30 years and below | 10 | 9.3 | | |
| 30-34 years | 17 | 15.9 | | |
| 35-39 years | 18 | 16.8 | | |
| 40-44 years | 26 | 24.3 | | |
| Above 45 years | 36 | 33.7 | | |
| Total | 107 | 100 | | |

Table 4.3 indicates that a significant number 36(33.7%) of the participants fell in the age group of 45 years and above. Participants who were 40-44 years formed 24.3% of the population. The minority group were 30 years and below 10(9.3%). The results indicated that most of the top roles within commercial based parastatals in Kenya were taken up by staff aged 40 years and above. Therefore, the results meant that the government parastatals lacked young generation that would come up with similar current strategies that have yielded results in other corporates before to improve organizational performance. As a result, the aged management resulted to implementing the same old strategies that worked 30-50 years ago when digitalization had not taken effect in corporates and expecting them to work during digitalization period. The same results were also established by Biondi and Russo (2022) who revealed that one of the causes of conflict in university management

was as a result of old staff insisting on using old methods of strategic planning that worked before digitalization of the universities.

4.4.3 Working Experience in the Company

Participants had to state their working durations at their current parastatals and are detailed in Table 4.4.

Table 4.4

Working Experience in the Parastatals

| Working Experience | Frequency | Percentage | | |
|--------------------|-----------|------------|--|--|
| Below 5 years | 10 | 9.3 | | |
| 6-10 years | 10 | 9.3 | | |
| 11-15 years | 17 | 15.9 | | |
| 16-20 years | 26 | 24.1 | | |
| 21 years and above | 44 | 41.1 | | |
| Total | 107 | 100 | | |

Deductions from Table 4.4 indicate that 44(41.1%) participants had been in their positions in their respective institutions for 21 and above years. Additionally, 26(24.4%) had served their institutions for 16-20 years. However, 10(9.3%) had severed for 6-10 years and other 10(9.3%) had worked for less than 5 years. Therefore, it was clear that the participants had served their institutions long enough, thus well informed on influence of strategic leadership on organization performance among commercial based parastatals in Kenya. That meant that their insights could be highly regarded just as the findings by Boal and

Schultz (2007) who revealed that work experience boosted strategic leadership to adapt to complex systems. Nevertheless, what brought the bone of contention was how corporates balanced between having experienced staff which was brought about by age and incorporating the younger generation for fresher ideas especially in computerized systems era.

4.4.4 Education level of the Respondents

Study participants had to state personal highest education levels which are detailed in Table 4.5.

Table 4.5

Education Level of the Respondents

| Education Level | Frequency | Frequency | | |
|------------------------|-----------|-----------|--|--|
| Undergraduate | 61 | 57.3 | | |
| Masters | 46 | 42.7 | | |
| Total | 107 | 100 | | |

From the deductions in Table 4.5, 61 (57.3%) of the participants possessed a university degree, and 46(42.7%) had master's degree. Thus, the conclusion is that the participants possessed appropriate level of education to supervise the formulated strategies (departmental managers) and also to articulately see to it that the strategies have been incorporated in the operations of the parastatals with less errors (administrative staff). In support of the findings, Dakuku (2021) pointed out that for the revival of Nigeria's economy, the civil servants had to expand their education levels to update their thinking. The thinking related to how they apply enacted strategies with a focus of excellence.

4.5 Diagnostic Tests

The study measured various diagnostic tests such as normality, linearity, multicollinearity and autocorrelation before analysis. This enabled the study avoid working with irregular and misleading data which would have inaccurate final reports. The diagnostic tests are presented in section 4.5.1 to 4.5.4.

4.5.1 Normality Test

The study measured normality test using Kolmogorov-Smirnov method and the results are described in Table 4.6.

Table 4.6Normality Test

| | | SPP | SDD | SCC | CCC | OPP |
|----------------------------------|-------------------|---------|---------|---------|---------|-------------|
| N | | 107 | 107 | 107 | 107 | 107 |
| Normal Parameters ^{a,b} | Mean | 20.2336 | 21.6636 | 21.4112 | 15.4393 | 19.953 3 |
| | Std. Deviation | 4.56521 | 4.25140 | 4.52238 | 2.94662 | 4.1830 4 |
| Most Extreme Differences | Absolute | .177 | .139 | .120 | .185 | .124 |
| | Positive | .177 | .127 | .120 | .185 | .124 |
| | Negative | 102 | 139 | 116 | 101 | 123 |
| Kolmogorov-Smirnov | Z | 1.027 | 1.134 | 1.246 | 1.118 | 1.287 |
| Asymp. Sig. (2-tailed |) | .112 | .103 | .090 | .117 | .073 |

Table 4.6 reveals that strategic planning had asymp sig. of 0.112; strategic direction had asymp sig. of 0.103; strategic control had asymp sig. of 0.090; corporate communication

had asymp sig. of 0.117; and organizational had asymp sig. of 0.073. Therefore, since all the p-values were above 0.05, the data was normal and had reasonable variations.

4.5.2 Linearity Test

The study also tested linearity and the results are described in Table 4.7.

Table 4.7

Linearity Test

| | | | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|------------|-----------------------------|----------------|-----|----------------|---------|------|
| | | (Combined) | 1274.504 | 17 | 74.971 | 11.499 | .015 |
| | Between | Linearity | 909.109 | 1 | 909.109 | 139.438 | .000 |
| OPP * SPP | Groups | Deviation from Linearity | 365.395 | 16 | 22.837 | 3.503 | |
| | Within Gro | oups | 580.263 | 90 | 6.520 | | |
| | Total | | 1854.766 | 107 | | | |
| | | (Combined) | 1111.089 | 16 | 69.443 | 8.404 | .000 |
| | Between | Linearity | 923.721 | 1 | 923.721 | 111.789 | .053 |
| OPP * SDD | Groups | Deviation from Linearity | 187.368 | 15 | 12.491 | 1.512 | .118 |
| | Within Gro | oups | 743.678 | 91 | 8.263 | | |
| | Total | • | 1854.766 | 107 | | | |
| | | (Combined) | 1301.417 | 17 | 76.554 | 12.313 | .004 |
| | Between | Linearity | 975.263 | 1 | 975.263 | 156.860 | .000 |
| OPP * SCC | Groups | Deviation from Linearity | 326.154 | 16 | 20.385 | 3.279 | .314 |
| | Within Gro | oups | 553.349 | 90 | 6.217 | | |
| | Total | | 1854.766 | 107 | | | |
| | | (Combined) | 651.340 | 13 | 50.103 | 3.872 | .000 |
| | Between | Linearity | 2.027 | 1 | 2.027 | .157 | .693 |
| OPP * CCC | Groups | Deviation from Linearity | 649.313 | 12 | 54.109 | 4.182 | .097 |
| | Within Gro | oups | 1203.426 | 94 | 12.940 | | |
| | Total | | 1854.766 | 107 | | | |

Table 4.7 reveals that strategic planning had a p-value of 0.071; strategic direction had a p-value of 0.118; strategic control had a p-value of 0.314; corporate communication had a p-value of 0.09. Therefore, since all the p-values were above 0.05, the data was considered linear and hence formed a straight line.

4.5.3 Multicollinearity Test

The study also examined multicollinearity test and the results are described in Table 4.8.

Multicollinearity Test

Table 4.8

| | Model | Collinearity Statistics | | | | |
|---|-------------------------|-------------------------|-------|--|--|--|
| | | Tolerance | VIF | | | |
| | (Constant) | | | | | |
| | Strategic Planning | .456 | 2.192 | | | |
| 1 | Strategic Direction | .415 | 2.411 | | | |
| | Strategic Control | .463 | 2.160 | | | |
| | Corporate Communication | .914 | 1.094 | | | |

Table 4.8 indicates that strategic planning had a tolerance of 0.456 and VIF of 2.192; strategic direction had a tolerance of 0.415 and VIF of 2.411; strategic control had a tolerance of 0.463 and VIF of 2.160; corporate communication had a tolerance of 0.914 and VIF of 1.094. These results indicated that strategic planning, strategic direction, strategic control and corporate communications' characteristics were not changed by the organizational performance characteristics.

4.5.4 Autocorrelation Test

The study also examined autocorrelation test suing Durbin-Watson method and the results are described in Table 4.9.

Table 4.9Autocorrelation Test

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin- Watson |
|-------|-------|----------|----------------------|----------------------------|-------------------|
| 1 | .827ª | .684 | .671 | 2.39753 | 1.732 |

Table 4.9 indicates that the influence between strategic leadership practices and organization performance had a Durbin-Watson value of 1.732. Therefore, since the value was between 0 and 2, the study directed that the data was positively correlated.

4.6 Descriptive Statistics of Organization Performance

Organization performance was the dependent variable and had indicators such as sales, customer numbers, profitability, and quality of service. The study measured the variable using secondary data from reports and questionnaires. Table 4.10 provide the results of secondary data.

Table 4.10Secondary Data Results of Organization Performance

| N | Mean | |
|---|-------------|-------------------------|
| 6 | 2.1 | |
| 6 | 4.8 | |
| 6 | 2.5 | |
| 6 | 3.8 | |
| | 6 6 6 | 6 2.1 6 4.8 6 2.5 |

According to Table 4.10, customer numbers and learning had the highest mean of 4.8 and 3.8 respectively. However, sales and profitability had the lowest mean of 2.1 and 2.5 respectively. Therefore, it was paramount that performance when considering the numbers of clients served was very high. Inarguably, the high numbers did not translate to high sales. This was mainly caused by inefficiencies in quality of services that delayed the transactions at hand. The outcome blends sufficiently with World Bank (2021) in such as way that various commercial parastatals profits declined with various proportions. This was a clear indicator that these institutions were having a hard time when making sales.

Further the questionnaire responses are detailed in Table 4.11.

 Table 4.11

 Descriptive Statistics of Organization Performance

| Statements N=107 | 1 | 2 | 3 | 4 | 5 | Mean | SD |
|---|-----------|-------------|-------------|-------------|-------------|------|------|
| There has been an increase in sales in the parastatal | 0 (0%) | 33 (31%) | 23 (21%) | 3 (3%) | 48 (45%) | 3.62 | 1.32 |
| Our organization has enough cash to meet its obligations effectively | 4 (4%) | 85 (79%) | 13 (12%) | 0 (0%) | 5 (5%) | 2.22 | 0.73 |
| The number of clients has been increasing for the last few years | 0 (0%) | 30 (28%) | 26 (24%) | 0 (0%) | 51 (48%) | 3.67 | 1.32 |
| The income earned by our organization is appropriate to cover the costs of running the business | 7 (7%) | 44 (41%) | 13 (12%) | 22 (20%) | 21 (20%) | 3.05 | 1.29 |
| Outstanding loans and fees are dully paid on time | 4 (4%) | 46 (43%) | 16 (15%) | 27 (25%) | 14 (13%) | 3.00 | 1.17 |
| The management motivates the staff to go and get a higher academic qualification | 0 (0%) | 10 (10%) | 15 (14%) | 7 (7%) | 75 (69%) | 4.37 | 1.04 |

Findings from Table 4.11, 75(69%) respondents strongly agreed on the highest mean of 4.37 (SD of 1.04), that the management motivated the staff to go and get a higher academic qualification. Additionally, on a mean of 3.67 (SD of 1.32), 51(48%) respondents strongly agreed that the number of clients has been increasing for the last few years. That notwithstanding, 85(79%) disagreed on a mean of 2.22 (SD of 0.73), that the parastatals

had enough cash to meet their financial obligations effectively. The results meant that the management of the parastatals had played a huge role in encouraging the staff to improve their education and hence became more efficient in their assigned tasks. This brought about productivity in the organization which attracted more number of clients seeking services from them. Nevertheless, the parastatals complained that the work demands were hardly met due to limited cash flows. The main reason of why govenrment organization could be facing is partly due to offering their products and services at standard prices instead of hiking based on inflation like other corporates. Notably, the most outsanding problem was that the available cash from business operations and annual budgetary allocation was not enough to cater for their massive operations within the ever growing nation. The findings are similar to Kibos (2019) who also revealed that cash trapped Kenyan state corporations were significantly paralyzing the implementation of strategies related to operations activities.

The study further inquired in an open question on ways that were used to assess performance in the parastatals. The respondents such as managers indicated that under financial performance, the suggested methods by regulators included liquidity, return on assets and return on equity. Further under service delivery, performance was measured through number of clients served, use of ICT to solve an issue, and timelines used when serving clients. Additionally, the administrative officers indicated that performance was measured using total sales, gross profit and return on capital employed. The same methods of assessing performance were mentioned by studies such as Mabai and Hove (2020) in South Africa who revealed that number of clients served and total sales were major ways.

Other studies like Mailu and Kariuki (2022) in Kenya pointed that timeline used when serving clients was a major aspect in measuring performance.

The second question required the respondents to highlight various rewards given to the outstanding staff in terms of superseding their targets. The managers named salary bonuses, vacations, retreats, shopping vouchers, and cash. The administrative staff indicated that they receive work recognition and job promotions mostly. According to Orito (2021), the main rewards that department staff in transport ministry were mainly job promotions and salary bonuses. Further Vedel and Kokshagina (2021) indicated that recognition at work placed and vacation stood out as rewards for institution that wished to incorporate exploratory strategies in their operations.

4.7 Descriptive Statistics of Strategic Planning and Organization Performance

Strategic planning was an independent variable and had indicators such as strategic forecasting, operational plans, bench marking and resource allocation. The study measured the variable using a questionnaire as detailed in Table 4.12.

Table 4.12

Descriptive Statistics of Strategic Planning

| Statements N=107 | 1 | 2 | 3 | 4 | 5 | Mean | SD |
|--|-------------|-------------|-------------|-------------|-------------|------|------|
| Our operational plans are informed by strategic plans. | 0 (0%) | 53 (50%) | 18 (17%) | 11 (10%) | 25 (23%) | 3.07 | 1.24 |
| Bench marking has always guided our strategic planning decisions | 39 (36%) | 51 (48%) | 0 (0%) | 17 (16%) | 0 (0%) | 2.98 | 1.04 |
| Availability of resource allocation influence employee motivation | 0 (0%) | 16 (15%) | 44 (41%) | 19 (18%) | 28 (26%) | 3.55 | 1.04 |
| Strategic forecasting has significantly informed our strategic planning | 0 (0%) | 8 (8%) | 42 (39%) | 19 (18%) | 38 (36%) | 3.81 | 1.01 |
| The strategic plans formulated by the management are often explained to the operational staff before implementation | 0 (0%) | 45 (42%) | 9 (8%) | 18 (17%) | 35 (33%) | 3.40 | 1.32 |
| The operations staff are allowed to give their opinions on suggested strategic plans | 3 (3%) | 34 (32%) | 27 (25%) | 6 (5%) | 37 (35%) | 3.37 | 1.32 |

Findings from Table 4.12, 38(36%) and 19(18%) respondents strongly agreed and agreed respectively on a mean of 3.81(SD of 1.01), that strategic forecasting had significantly informed their strategic planning. This was closely followed by availability of resource

allocation influenced employee motivation. This question had a mean of 3.55 (SD of 1.04) where 28(26%) respondents strongly agreed and 19 (18%) agreed on the sentiments. However, 39(36%) respondents strongly disagreed while 51(48%) disagreed that bench marking had always guided their strategic planning decisions on a mean score of 2.98 (SD of 1.04). The results indicated that they were practising strategic forcast in planning which made resources available hence motivating the staff. Nevertheless, the basis of their strategic planning was not supported by any bench marking but rather a specific individual's knowledge and experience. Therefore, when the individual at any capacity left the parastatal, the remaining team did not have a clear way of formulating strategies or benchmarking them with other corporates. The deductions concur with Njoroge (2018) who revealed that having a clear strategic plan that can be benchmarked and tested over time was key towards improving institutional processes in a way that reduced internal expenditure due to poor strategic implementation.

The study further inquired in an open question on the necessary actions that were taken when implemented planned strategies had minimal or no impact on performance. The managers revealed that there was a timeline kept on each strategy implementation whereby if it lapsed without any benefits, the strategy was either reviewed or done away with, depending on the cost accrued. The administrative officers mainly indicated that strategies were hardly eradicated but mainly restructured by senior management in another form which was applicable in the business operations. The same was reported by a report by World Bank (2021) whereby a review on the Kenyan parastatals indicated that the process of eradicating a strategic plan was more expensive than reviewing and restructuring it into something else that would be applicable.

The second question required the respondents to explain the ways that the government had supported their parastatals' strategic plans. The managers indicated that the government incorporated experienced staff in the board particularly when formulating specific strategies; and provision of resources such as funding of the strategic plans. The administrative staff revealed that their respective ministry officials always paid surprise visit to their offices to track the implementation process of the strategies and provide various insights on issued faced during the implantation of the same. Notably, Alosani et al. (2020) reported on the same on how Dubai police received immense consultative support from the palace particularly when strategically planning on how to incorporate innovation in the police force.

4.8 Descriptive Statistics of Strategic Direction and Organization Performance

Strategic direction was an independent variable and had indicators such as employee motivation to follow the mission, decision making to support the vision, budget alignment to attain goals, resources management to improve the value of the organization. The study measured the variable using a questionnaire as detailed in Table 4.13.

Table 4.13Descriptive Statistics of Strategic Direction

| Statements N=107 | 1 | 2 | 3 | 4 | 5 | Mea n | SD |
|--|-------------|-------------|-------------|-------------|-------------|----------|------|
| The management manages the organizations resources effectively | 48 (45%) | 50 (47%) | 9 (8%) | 0 (0%) | 0 (0%) | 2.18 | 1.22 |
| Employee are motivated to work by the organizations' vision and mission statements | 0 (0%) | 20 (19%) | 30 (28%) | 31 (29%) | 26 (24%) | 3.59 | 1.05 |
| The is adequate involvement in decision making among the departmental heads | 0 (0%) | 0 (0%) | 0 (0%) | 56 (52%) | 51 (48%) | 4.48 | 0.50 |
| The organization budget is aligned to the strategic goals. | 39 (36%) | 42 (39%) | 23 (22%) | 3 (3%) | 0 (0%) | 2.55 | 1.33 |
| There are trainings offered to improve strategic direction implementation among the operations staff | 0 (0%) | 37 (35%) | 25 (23%) | 34 (32%) | 11 (10%) | 3.18 | 1.03 |
| Innovation and customer satisfaction are supported by your parastatal | 0 (0%) | 24 (22%) | 4 (4%) | 60 (56%) | 19 (18%) | 3.70 | 1.01 |

The findings from Table 4.13 indicate that 56(52%) respondents agreed and 51(48%) strongly agreed on a mean of 4.48 (SD of 0.50), that there was adequate involvement in decision making among the departmental heads. This was closely followed by 60(56%) respondents agreeing and 19(18%) strongly agreeing on mean score of 3.70 (SD of 1.01),

that innovation and customer satisfaction were supported by their parastatal. However, 39(36%) respondents strongly disagreed while other 42(39%) disagreed on a mean score of 2.55 (SD of 1.33), that the organization budget was aligned to the strategic goals with the strategic goals. Additionally, 48 (45%) strongly disagreed and 50 (47%) disagreed on a mean score of 2.18 (SD of 1.22), that the management managed the organizations resources effectively.

These results meant that departmental heads actively consulted with lower rank staff before making decisions such as innovation and aspects related to customer satisfaction. However, there was a problem where the management diverted the organization resources to unstrategised things hence ending up mis-using the resources and causing ineffectiveness in the operations. It was rather sad that the startegic goals were not being achieved because some members on the management thought it wise to divert the resources meant for that purpose to either other areas or actually their own personal projects amounting to embezzlement of funds. Additionally, the findings revealed that some organizations were unwilling to change when strategies demanded change but stick to old methods to serve their personal interests. Similarly Han and Hong (2019) also named diversion and misappropriation of public funds to serve personal interests as one of the hinderances of accountability in American government institutions.

The study further inquired in an open question on the challenges faced by the staff as they followed and implemented strategic directions. The managers on the one hand, indicated that the staff lacked confidence to think on how they could find solutions without necessarily informing the management. The administrative staff on the other hand revealed that there was poor orientation on the strategic directions by the management hence ending

up unrealistic targets on an area they hardly understand. According to Johanson and Vakkuri (2020), the poor coordination between the management and the junior staff regarding the strategies was a major problem not only in Kenya but global nations.

The second question required the respondents to elaborate the measures taken parastatals to improve customer satisfaction. The managers indicated that their institutions introduce a mandatory customer service course to train the staff on etiquette and multiple coordination of customer's demands. The administrative staff revealed that they increased their confidence levels through regular training on their job descriptions such as enrolling for higher education to be in a capacity of serving the customers better. In agreement, Kim (2019) indicated that organizational ambidexterity was being improved through strategic practices such as training and development in various specializations.

4.9 Descriptive Statistics of Strategic Control and Organization Performance

Strategic control was an independent variable and had indicators such as risk management, environment evaluation, market research and work plans. The study measured the variable using a questionnaire as detailed in Table 4.14.

Table 4.14

Descriptive Statistics of Strategic Control

| Statements N=107 | 1 | 2 | 3 | 4 | 5 | Mea n | SD |
|---|-------------|-------------|-------------|-------------|-------------|----------|------|
| Internal and external environment guides project implementation | 0 (0%) | 41 (38%) | 18 (17%) | 36 (34%) | 12 (11%) | 3.18 | 1.07 |
| There are clear risk management to maintain quality of the projects | 0 (0%) | 42 (39%) | 8 (8%) | 44 (41%) | 13 (12%) | 3.26 | 1.11 |
| The organization is guided by work plans | 0 (0%) | 18 (17%) | 12 (11%) | 17 (16%) | 60 (56%) | 4.11 | 1.16 |
| There are proactive risk assessment actions on projects | 0 (0%) | 24 (22%) | 6 (6%) | 56 (52%) | 21 (20%) | 3.69 | 1.03 |
| The resources required by the staff to complete their assigned tasks are always available | 35 (33%) | 36 (34%) | 19 (18%) | 17 (16%) | 0 (0%) | 2.49 | 1.26 |
| The voice of the staff in the parastatal is not considered during decision making by the management | 0 (0%) | 32 (30%) | 9 (8%) | 28 (26%) | 38 (36%) | 3.67 | 1.24 |

The findings from Table 4.14 indicate that 60(56%) respondents strongly agreed and 17(16%) agreed on a mean of 4.11 (SD of 1.16) that, their parastatal's work plans addressed the organization's objectives, targets, indicators, strategies, timelines, monitoring and

budget. Additionally, 21(20%) strongly agreed and 56(52%) agreed on a mean of 3.69 (SD of 1.03) that, they had developed a series of actions to manage risks and issues in the project/ organization. However, 35(33%) strongly disagreed and 36(34%) disagreed on a mean of 2.49 (SD of 1.26) that, the resources required by the staff to complete their assigned tasks were always available. The results revealed that there were clear strategies formulated, the timelines, budgets and how they were to be monitored. Further, the parastatals had also incorporated adequate risk management systems.

Nevertheless, the major issue lied of supporting and inadequate funding of the strategies due to poor resource provision by the government. This meant that in as much as strategies would be formulated, their implementation would be tough since resources were not fully provided hence the projects implemented through phases. According to Johnson and Scholes (2018), the goal of strategic control methods is to influence managerial behavior and the environment in which business units operate. It enhances organizational synergy and provides value when establishing and shaping the overall strategy. However, this requires adequate resources such that major parts of the strategies are factored in when implementing it.

The study further inquired in an open question on how the management assessed the work done by the staff. The managers replied that this was done through score cards, and attained points on work plan. The administrative staff also added that their work was assessed through number submitted reports and number of errors committed in an assigned task. As per Ndevu (2022) findings who also pointed that when managing people, there is need to strike a balance between administering tough discipline measures such as warning letters and demotions vis a vis demotivating the staff hence high employee turnover.

The second question required the respondents to elucidate the discipline measures taken when a staff fails to deliver to the expectation of the management. The management named verbal warning, suspension and transfers. The administrative staff indicated that they faced warning letters, demotions and in most extremes job termination. According to Ninan et al. (2019), management of stakeholders who are outside an institution begins with having powerful internal management systems which have extremes of letting go any unproductive manpower irrespective of their qualifications.

4.10 Descriptive Statistics of Corporate Communication and Organization Performance

Corporate communication was an independent variable and had indicators such as managerial decisions, employee involvement, communication tactics and implemented policies. The study measured the variable using a questionnaire as detailed in Table 4.15.

Table 4.15Descriptive Statistics of Corporate Communication

| Statements N=107 | 1 | 2 | 3 | 4 | 5 | Mea n | SD |
|--|-------------|-------------|-------------|-------------|-------------|----------|------|
| Our organizations vision, values and missions are communicated to employees. | 0 (0%) | 9 (8%) | 21 (20%) | 31 (29%) | 46 (43%) | 4.07 | 0.98 |
| Our organization communicates its future expansion plans with employees | 0 (0%) | 12 (11%) | 16 (15%) | 39 (36%) | 40 (38%) | 3.72 | 1.04 |
| Development of policies is communicated to our employees | 34 (32%) | 57 (53%) | 6 (6%) | 10 (9%) | 0 (0%) | 2.45 | 0.74 |
| Employees are enthusiastic in responding to their roles | 29 (27%) | 31 (29%) | 7 (6%) | 35 (33%) | 5 (5%) | 2.59 | 1.32 |
| Tactics are communicated by managers in ensuring accomplishment of roles | 7 (6%) | 53 (50%) | 14 (13%) | 22 (21%) | 11 (10%) | 2.79 | 1.16 |
| There is a policy in place that restricts information sharing to unauthorized personnel | 0 (0%) | 27 (25%) | 3 (3%) | 54 (50%) | 23 (22%) | 3.68 | 1.08 |

The findings from Table 4.15 indicate that 46(43%) respondents strongly agreed and 31(29%) agreed on a mean of 4.07 (SD of 0.98) that, organizations' vision, values and missions were communicated to employees. Additionally, 40(38%) strongly agreed and 39(36%) agreed on a mean of 3.72 (SD of 1.04) that, the organization communicated its future expansion plans with employees. However, 34(32%) strongly disagreed and

57(53%) disagreed on a mean of 2.45 (SD of 0.74) that, the development of policies is communicated to our employees.

These results meant that most government institutions oriented the staff on their vision, mission, values and objectives. This went to an extent of informing them on any future plans they had related to expansion. However, it was unfortunate that inner details on aspects such as policy formulation processes were hardly known to the staff since there was hardly any communication from the management. The management just communicated on any completed policies ready for implementation. This left out the staff in the dark on the main goal of the policy in the first place. Eventually, this led to resistance hence most polices took more time than required to be adopted or simply not adopted at all by the staff irrespective of the threats from the management. A review by Umar (2020) also pointed that when the junior staff were not involved in major organization functions such as policy and strategy formulation, it led to low strategic alliance which caused an embarrassing low performance on something that could have been easily avoided.

The study further inquired in an open question on the various medium of communication that the management used to pass information to staff. The respondents revealed they mainly relied on emails, phone call, letters and verbal communications. The second question required the respondents to elaborate the challenges the institution faces when trying to modernize their ICT function. The main challenges revealed was low funding to purchase the ICT infrastructure, employee resistance, lack of training, and exposure to cyber insecurities. A study by Husain (2016) made a determination that successful change management greatly relies on the role played by communication in institutions during transitional periods. Forming the major group responsible for this change is the workforce.

Institutions ought to tackle the concerns of their workforce so as to give them the motivation to undertake change. For the workforce to develop a sense of responsibility, there should be a reduction of work uncertainty, with a sense of community being nurtured through training. The workforce thus, will be encouraged to take part in change plans and undertake it since it is beneficial.

4.11 Hypothesis Testing

The study had four research hypotheses which stated that strategic planning had no significant influence on the organizational performance among commercial-based parastatals in Kenya; strategic direction had no significant influence on the organizational performance among commercial-based parastatals in Kenya; strategic control had no significant influence on the organizational performance among commercial-based parastatals in Kenya; and corporate communication had no significant influence on the organizational performance among commercial-based parastatals in Kenya. To determine whether to accept or reject the null hypothesis, the study tested them using Pearson Correlation analysis. The findings are described in Table 4.16.

Table 4.16

Hypothesis Testing Using Pearson Correlation Analysis

| | | SPP | SDD | SCC | CCC | OPP |
|-----|---------------------|--------|--------|--------|-------|--------|
| | Pearson Correlation | 1 | .689** | .638** | 248** | .700** |
| SPP | Sig. (2-tailed) | | .000 | .000 | .010 | .000 |
| | N | 107 | 107 | 107 | 107 | 107 |
| SDD | Pearson Correlation | .689** | 1 | .689** | 201* | .706** |
| | Sig. (2-tailed) | .000 | | .000 | .038 | .000 |
| | N | 107 | 107 | 107 | 107 | 107 |
| | Pearson Correlation | .638** | .689** | 1 | 069 | .725** |
| SCC | Sig. (2-tailed) | .000 | .000 | | .481 | .000 |
| | N | 107 | 107 | 107 | 107 | 107 |
| | Pearson Correlation | 248** | 201* | 069 | 1 | .733 |
| CCC | Sig. (2-tailed) | .010 | .038 | .481 | | .000 |
| | N | 107 | 107 | 107 | 107 | 107 |
| | Pearson Correlation | .700** | .706** | .725** | .733 | 1 |
| OPP | Sig. (2-tailed) | .000 | .000 | .000 | .000 | |
| | N | 107 | 107 | 107 | 107 | 107 |

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

The results from Table 4.16 reveal that the Pearson correlation coefficient was r=0.700** at $\alpha < 0.000$ and 99% significance level for strategic planning; Pearson correlation coefficient was r=0.706** at $\alpha < 0.000$ and 99% significance level for strategic direction; Pearson correlation coefficient was r=0.725** at $\alpha < 0.000$ and 99% significance level for strategic control; and the Pearson correlation coefficient was r=0.733** at $\alpha < 0.000$ and 99% significance level for corporate communication. These findings reveal that there was a positive correlation between strategic planning, strategic direction, strategic control,

corporate communication and organizational performance because all the correlation values were above 0.05. Therefore, the results meant that as a result of poor communication systems whereby the management was not an active participant towards responding to the inquiries from the lower rank staff particularly on changes strategies and policies, performance was negatively affected. The results contradict Adilu (2022) who pointed that when there were stable internal communications, the organization performance improved in Zanzibar's parastatals.

4.12 Multiple Regression Analysis

The study also performed a multiple regression analysis on the influence of strategic leadership practices on organizational performance. The study provided three multiple regression parameters such as model summary, ANOVA and regression coefficients.

4.13.1 Model Summary

The study examined the percentage influence of strategic leadership practices on organizational performance through the model summary. The results are indicated in Table 4.17.

Table 4.17

Model Summary of the Influence of Strategic Leadership Practices on organization Performance

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson | |
|-------|-------|----------|----------------------|----------------------------|---------------|--|
| 1 | .827ª | .684 | .671 | 2.39753 | 1.732 | |

a. Predictors: (Constant), Strategic Planning, Strategic Direction, Strategic Control and Corporate Communication

b. Dependent Variable: Organization Performance

Referring to Table 4.17 the study established the R to be 0.827 while R-square was 0.684 implying that strategic leadership practices had 68.4% influence on organization performance of commercial parastatals in Kenya. The other 31.6% is beyond the factors not explained in this study. The results are in tandem with various authors whose influence between strategic planning by Kabeyi (2019), strategic direction by Munyao et al. (2020), strategic control by (Gaturu et al., 2017) and strategic communication strategies by Chepkosgei et al. (2020) had above 50% influence on performance of their respective organizations.

4.13.2 Analysis of Variance

The general objective of this study was to examine the influence of strategic leadership practices on organizational performance. To measure the influence, the study used ANOVA analysis and the results are presented in Table 4.18.

Table 4.18

ANOVA of the Influence of Strategic Leadership Practices on organization Performance

| Model | | Sum of | df | df Mean Square | | Sig. |
|-------|------------|----------|-----|----------------|--------|------------|
| | | Squares | | | | |
| | Regression | 1268.457 | 4 | 317.114 | 55.168 | $.000^{b}$ |
| 1 | Residual | 586.309 | 103 | 5.748 | | |
| | Total | 1854.766 | 107 | | | |

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Strategic Planning, Strategic Direction, Strategic Control and Corporate Communication

The results indicated that the p-value of the influence of strategic leadership practices was 0.00. This meant that strategic leadership practices had a positive influence on organizational performance. Therefore, the various strategies such as planning, direction, and control had the ability to improve performance when implemented in desirable timelines and communicated to all levels.

4.13.3 Regression Weights Analysis

The study had a model which indicated that:

$$Y = C + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4$$

Where:

Y = Organization performance

 βi = Coefficients to be estimated

C= Constant

XI= Strategic planning

X2 = Strategic direction

X3 = Strategic control

X4 = Corporate communication

The results of regression weights are presented in Table 4.19.

Regression Weights of the Influence of Strategic Leadership Practices on organization Performance

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------------------------|--------------------------------|------------|------------------------------|--------|------|
| | В | Std. Error | Beta | | |
| (Constant) | -3.285 | 1.992 | | -1.649 | .102 |
| Strategic planning | .320 | .076 | .349 | 4.240 | .000 |
| Strategic direction | .280 | .085 | .284 | 3.288 | .001 |
| Strategic control | .296 | .076 | .320 | 3.912 | .000 |
| Corporate communication | .283 | .083 | .199 | 3.418 | .001 |

a. Dependent Variable: Organization Performance

Table 4.19

Table 4.18 indicates that the constant value was -3.285, strategic planning was 0.320, strategic direction was 0.280, strategic control was 0.296, and corporate communication was 0.283. Notably the results meant that one unit XI, X2, X3 and X4 increased or decreased organizational performance by-3.285+0.320X₁+0.280X₂+0.296X₃+0.283X₄. Therefore, when combined, strategic planning, strategic direction, strategic control and corporate communication had a significant influence organization performance. However, when combined only strategic planning was significant. This meant that government parastatals should ensure they capitalize on various aspects such as sharpening strategic forecasting skills, funding operational plans, improving bench marking initiatives and increasing resource allocation on strategic plans. Past studies such as Alosani et al. (2020) also found out that strategic planning was significant and affected organization performance positively.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.1 Introduction

The general objective of this study was to examine the influence of strategic leadership practices on performance of commercial-based parastatals in Kenya. The specific objectives were to examine the influence of strategic planning, strategic direction, strategic control and corporate communication on the organizational performance among commercial-based parastatals in Kenya. The study used a descriptive research design to collect data on a target population of six (6) commercial based parastatals. The respondents were 45 departmental managers and 151 administrative staff. The study used Yamane sampling formular to obtain the sample size of 40 departmental managers and 110 administrative staff who were later selected using simple random method. They were issued with closed and open-ended. Further, pre-test study was conducted at Kenya Airways where 4 departmental managers and 11 administrative staff were issued with the pre-test questionnaires whose responses enabled the study measure reliability and validity.

5.2 Summary of the Findings

The summary of the findings is described based on each objective in section 5.2.1 to 5.2.5.

5.2.1 Organization Performance

According to the questionnaire findings, 75(69%) respondents strongly agreed on the highest mean of 4.37 (SD of 1.04), that the management motivated the staff to go and get a higher academic qualification. Additionally, on a mean of 3.67 (SD of 1.32), 51(48%) respondents strongly agreed that the number of clients has been increasing for the last few

years. That notwithstanding, 85(79%) disagreed on a mean of 2.22 (SD of 0.73), that the parastatals had enough cash to meet their financial obligations effectively.

5.2.2 Strategic Planning and Organization Performance

The questionnaire results indicated that 38(36%) and 19(18%) respondents strongly agreed and agreed respectively on a mean of 3.81(SD of 1.01), that strategic forecasting had significantly informed their strategic planning. This was closely followed by availability of resource allocation influenced employee motivation. This question had a mean of 3.55 (SD of 1.04) where 28(26%) respondents strongly agreed and 19 (18%) agreed on the sentiments. However, 39(36%) respondents strongly disagreed while 51(48%) disagreed that bench marking had always guided their strategic planning decisions on a mean score of 2.98 (SD of 1.04). The Pearson correlation coefficient was r=0.700*** at $\alpha < 0.000$ and 99% significance level indicating a positive correlation between strategic planning and organization performance

5.2.3 Strategic Direction and Organization Performance

The questionnaire respondents who were 56(52%) agreed and 51(48%) strongly agreed on a mean of 4.48 (SD of 0.50), that there was adequate involvement in decision making among the departmental heads. This was closely followed by 60(56%) respondents agreeing and 19(18%) strongly agreeing on mean score of 3.70 (SD of 1.01), that innovation and customer satisfaction were supported by their parastatal. However, 39(36%) respondents strongly disagreed while other 42(39%) disagreed on a mean score of 2.55 (SD of 1.33), that the organization budget was aligned to the strategic goals with the strategic goals. Additionally, 48 (45%) strongly disagreed and 50 (47%) disagreed on

a mean score of 2.18 (SD of 1.22), that the management managed the organizations resources effectively. The Pearson correlation coefficient was r=0.706** at α < 0.000 and 99% significance level indicating a positive correlation between strategic direction and performance.

5.2.4 Strategic Control and Organization Performance

In the questionnaires, 60(56%) respondents strongly agreed and 17(16%) agreed on a mean of 4.11 (SD of 1.16) that, their parastatal's work plans addressed the organization's objectives, targets, indicators, strategies, timelines, monitoring and budget. Additionally, 21(20%) strongly agreed and 56(52%) agreed on a mean of 3.69 (SD of 1.03) that, they had developed a series of actions to manage risks and issues in the project/ organization. However, 35(33%) strongly disagreed and 36(34%) disagreed on a mean of 2.49 (SD of 1.26) that, the resources required by the staff to complete their assigned tasks were always available. The Pearson correlation coefficient was r=0.725** at $\alpha < 0.000$ and 99% significance level indicating a positive correlation between strategic control and performance.

5.2.5 Corporate Communication and Organization Performance

In the questionnaires, 46(43%) respondents strongly agreed and 31(29%) agreed on a mean of 4.07 (SD of 0.98) that, organizations' vision, values and missions were communicated to employees. Additionally, 40(38%) strongly agreed and 39(36%) agreed on a mean of 3.72 (SD of 1.04) that, the organization communicated its future expansion plans with employees. However, 34(32%) strongly disagreed and 57(53%) disagreed on a mean of 2.45 (SD of 0.74) that, the development of policies is communicated to our employees. The

Pearson correlation coefficient was r=0.733** at α < 0.000 and 99% significance level indicating a positive correlation between corporate communication and organization performance.

5.3 Conclusions of the Study

The conclusions on strategic planning were that the basis of the parastatals' strategic planning was not supported by any bench marking but rather a specific individual's knowledge and experience. Therefore, when the individual at any capacity left the parastatal, the remaining team did not have a clear way of formulating strategies or benchmarking them with other corporates.

The conclusions on strategic direction were that the management diverted the organization resources to unscheduled things hence ending up mis-using the resources and causing ineffectiveness in the operations. It was rather sad that the startegic goals were not being achieved because some members on the management thought it wise to divert the resources meant for that purpose to either other areas or actually their own personal projects amounting to embezzlement of funds. Additionally, the findings revealed that some organizations were unwilling to change when strategies demanded change but stick to old methods to serve their personal interests.

The conclusions on strategic control were that there was lack of support from the government and inadequate funding of the strategies due to poor resource provision by the government. This meant that in as much as strategies would be formulated, their implementation would be tough since resources were not fully provided hence the projects implemented through phases.

The conclusions on corporate communication were that the deeper details on aspects such as policy formulation processes were hardly known to the staff since there was hardly any communication from the management. The management just communicated on any completed policies ready for implementation. This left out the staff in the dark on the main goal of the policy in the first place. Eventually, this led to resistance hence most polices took more time than required to be adopted or simply not adopted at all by the staff irrespective of the threats from the management.

5.4 Recommendation of the Study

The recommendation made on based on the conclusion is grouped based on each variable as indicated in section 5.4.1 to 5.4.4.

5.4.1 Strategic Planning and Organization Performance

There should be developed processes of strategic planning which are well documented by the management and have a policy to guide on what should done, who should be consulted and when should that happen in case of eventualities. Further, the management should encourage work mentorship from senior management to junior employees to orient them on management issues. This would help the employees gather relevant skills and knowledge to make strategic decision, when need be, on behalf of the parastatal

5.4.2 Strategic Direction and Organization Performance

There should be implementation of tough regulations by the government agencies like EACC of various legal punishments to any staff irrespective of their job group found guilty of embezzlement of funds must face. Further, low framework staff ought to be engaged with the essential course practice which should be possible by looking for the perspectives

and assessments of the staff on the systems to foster to work on authoritative heading to encourage performance and make the staff to be important for the advancement of the association. There is need to fabricate the skill of the pioneers to expect an essential methodology while coordinating different practices.

5.4.3 Strategic Control and Organization Performance

The various parastatal managers should lobby for more funds through other legal ways such as fund raising and competitions such as marathons among others within their jurisdiction. This would improve the funding of their operations to acceptable limits. Further, the parastatal management should negotiate aggressively with various key ministry officials for an increase of budget allocation.

5.4.4 Corporate Communication and Organization Performance

The government through ministry official should develop policies on the extent that the junior civil servants should be allowed in the decision-making process such as policy formulation. Additionally, there should be an open policy within parastatals to facilitate transparency of management duties to everyone. This would motivate the staff who would wish to understand what was happening in various processes hence less resistance when the same policies are implemented.

5.5 Suggestion for Further Studies

This study focused on influence strategic leadership on organizational performance of commercial parastatals in Kenya. It explored the impact of corporate communication, strategic control, strategic direction and strategic planning. The study therefore proposes future examinations on other outside perspectives, for example, the institutional setting and

kind of industry to give a superior part of these variables. This is on the grounds that interrelated activities are affected by both inner and outside conditions.

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APPENDICIES

Appendix I: Introduction Letter

Solomon Eramram Lerai,

Kenya Methodist University,

Meru – Kenya.

Dear Sir/Madam,

RE: PERMISSION TO CONDUCT ACADEMIC RESEARCH IN YOUR

ORGANIZATION.

I am a master's student in Business Administration (Strategic Management Option) at the

Kenya Methodist University. It is a requirement for student taking this degree to do

academic research in his or her area of specialization as part of fulfillment for the

requirements of the award of this degree.

Therefore, am requesting to carry out a study on "Influence of strategic leadership practices

on organization performance among commercial based parastatals in Kenya". The

information provided will be used for academic purpose only to accomplish academic goal.

I therefore request you to allow me to distribute questionnaires among commercial

Parastatals officials such as department managers and administrative staff.

Yours faithfully

Solomon Eramram Lerai

Reg no: Bus-3-0059-1/2020

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Appendix II: Questionnaire

The information provided will be only for academic purpose. Read carefully and give appropriate answers by ticking or filling the blank spaces. The information will be treated confident.

PART I: GENERAL INFORMATION

| 1. Indicate your gender (Tick one) |] | Male [|] | Female [|] | |
|---|----------|-----------|----------|-------------|---------|---|
| 2. Indicate you job position (Tick o | ne): Ma | mager [|] Admi | nistrative | staff [|] |
| 3. By use of a tick (), please indicar | te the a | ge catego | ory that | applies for | r you. | |
| Below 30 years | [] | | | | | |
| 30 – 34 years | [] | | | | | |
| 35 – 39 years | [] | | | | | |
| 40 – 44 years | [] | | | | | |
| 45 years and above | [] | | | | | |
| 4. Working experience | | | | | | |
| 5 years and below | [] | | | | | |
| 6- 10 years | [] | | | | | |
| 11-15 years | [] | | | | | |
| 16- 20 years | [] | | | | | |
| 21 years and over | [] | | | | | |
| 5. Highest level of education | | | | | | |
| Diploma | [] | | | | | |
| Undergraduate | [] | | | | | |
| Masters | [] | | | | | |

PHD []

SECTION A: INFLUENCE OF STRATEGIC PLANNING AND ORGANIZATION PERFORMANCE

To what extent do you agree with the following statements on strategic planning and organization performance? Key: 5 strongly agree, 4 agree, 3 neutral, 2 disagree, 1 strongly disagree (please put an X as appropriate).

| | Strategic Planning | 1 | 2 | 3 | 4 | 5 |
|----|---|---|---|---|---|---|
| 1. | Our operational plans are informed by strategic plans. | | | | | |
| 2. | Bench marking has always guided our strategic planning decisions | | | | | |
| 3. | Availability of resource allocation influence employee motivation | | | | | |
| 4. | Strategic forecasting has significantly informed our strategic planning | | | | | |
| 5. | The strategic plans formulated by the management are often explained to the operational staff before implementation | | | | | |
| 6. | The operations staff are allowed to give their opinions on suggested strategic plans | | | | | |

- 7. Briefly explain the necessary actions that are taken when implemented planned strategies had minimal or no impact on performance?
- 8. In what way has the government supported your parastatals' strategic plans?

SECTION B: INFLUENCE OF STRATEGIC DIRECTION AND ORGANIZATION PERFORMANCE

To what extent do you agree with the following statements on strategic direction and organization performance? Key: 5 strongly agrees, 4 agree, 3 neutral, 2 disagree, 1 strongly disagree (please put an X as appropriate).

| | Strategic Direction | 1 | 2 | 3 | 4 | 5 |
|----|--|---|---|---|---|---|
| 1. | The management manages the organizations resources effectively | | | | | |
| 2. | Employee are motivated to work by the organizations' vision and mission statements | | | | | |
| 3. | The is adequate involvement in decision making among the departmental heads | | | | | |
| 4. | The organization budget is aligned to the strategic goals. | | | | | |
| 5. | There are trainings offered to improve strategic direction implementation among the operations staff | | | | | |
| 6. | Innovation and customer satisfaction are supported by your parastatal | | | | | |

- 7. Kindly highlight the challenges faced by the staff as they follow and implement strategic direction?
- 8. Elaborate the measures taken by your parastatal to improve customer satisfaction?

SECTION C: INFLUENCE OF STRATEGIC CONTROL AND ORGANIZATION PERFORMANCE

To what extent do you agree with the following statements on strategic control and organization performance. Key: 5 strongly agrees, 4 agree, 3 neutral, 2 disagree, 1 strongly disagree (please put an X as appropriate).

| | Strategic Control | 1 | 2 | 3 | 4 | 5 |
|----|--|---|---|---|---|---|
| 1. | Project definition is guided by evaluation of internal as well as external environment. | | | | | |
| 2. | We develop high quality project environmental information for early identification of strategic risks and their potential impact. | | | | | |
| 3. | Work plans address the organization's objectives, targets, indicators, strategies, timelines, monitoring and budget. | | | | | |
| 4. | We develop a series of actions to manage risks and issues in the project/ organization. | | | | | |
| 5. | The resources required by the staff to complete their assigned tasks are always available | | | | | |
| 6. | The voice of the staff in the parastatal is not considered during decision making by the management | | | | | |

- 7. How does the management assess the work done by the staff?
- 8. Elucidate the discipline measures taken when a staff fails to deliver to the expectation of the management?

SECTION D: INFLUENCE OF CORPORATE COMMUNICATION AND ORGANIZATION PERFORMANCE

To what extent do you agree with the following statements on corporate communication and organization performance. Key: 5 strongly agrees, 4 agree, 3 neutral, 2 disagree, 1 strongly disagree (please put an X as appropriate).

| | Corporate Communication | 1 | 2 | 3 | 4 | 5 |
|----|--|---|---|---|---|---|
| 1. | Our organizations vision, values and missions are communicated to employees. | | | | | |
| 2. | Our organization communicates its future expansion plans with employees | | | | | |
| 3. | Development of policies is communicated to our employees | | | | | |
| 4. | Employees are enthusiastic in responding to their roles | | | | | |
| 5. | Tactics are communicated by managers in ensuring accomplishment of roles. | | | | | |
| 6. | There is an implemented policy in place that restricts information sharing to unauthorized personnel | | | | | |

- 7. Highlight the various medium of communication that the management used to pass information to staff?
- 8. Elaborate the challenges the institution faces when trying to modernize their ICT function?

SECTION F: ORGANIZATION PERFORMANCE

To what extent do you agree with the following statements on organization performance? Key: 5 strongly agrees, 4 agree, 3 neutral, 2 disagree, 1 strongly disagree (please put an X as appropriate).

| | Organization Performance | 1 | 2 | 3 | 4 | 5 |
|----|---|---|---|---|---|---|
| 1. | There has been an increase in sales in the parastatal | | | | | |
| 2. | Our organization has enough cash to meet its obligations effectively | | | | | |
| 3. | The number of clients has been increasing for the last few years. | | | | | |
| 4. | The income earned by our organization is appropriate to cover the costs of running the business | | | | | |
| 5. | Outstanding loans and fees are dully paid on time | | | | | Ì |
| 6. | The management motivates the staff to go and get a higher academic qualification | | | | | |

- 7. Please elaborate the various ways used to assess performance of the institution?
- 8. Highlight various rewards given to the outstanding staff in terms of superseding their targets?

Appendix III: Secondary Data Collection Form

| Secondary data collection form from 2020- 2022: | |
|---|--|
| | |
| Name of the Commercial Paractatal | |

| Variable | | | |
|--|------|------|------|
| | 2020 | 2021 | 2022 |
| Sales | | | |
| Customer numbers | | | |
| Profitability | | | |
| Quality of service as per policy statement | | | |

Appendix IV: Introduction Letter from KeMU



KENYA METHODIST UNIVERSITY

P. O. Box 267 Meru - 60200, Kenya Tel: 254-064-30301/31229/30367/31171 deanrd@kemu.ac.ke

Fax: 254-64-30162

Email:

DIRECTORATE OF POSTGRADUATE STUDIES

March 21, 2023

Commission Secretary National Commission for Science, Technology and Innovations P.O. Box 30623-00100 NAIROBI

Dear Sir/Madam,

RE: SOLOMON ERAMRAM LERAI (REG. NO. BUS-3-0059-1/2020)

This is to confirm that the above named is a bona fide student of Kenya Methodist University, in the Department of Business Administration, undertaking a Master's Degree in Business Administration. He is conducting research on: "Influence of Strategic Leadership Practices on Organizational Performance: A Survey of Commercial Based Parastatals in Kenya".

We confirm that his research proposal has been defended and approved by the University.

In this regard, we are requesting your office to issue a research license to enable him collect data.

tance accorded to him will be appreciated.

Supervisors

CoD, Business Administration Postgraduate Coordinator

Cc: Dean SBUE

Dr. John M. Muchiri (PhD) Director, Postgraduate Studies

Appendix V: NACOSTI Research Permit

