



Strategic Direction and organisational Performance in Government-Sponsored Youth Empowerment organisations in Kenya

***Fredrick Otieno Okongo**, Kenya Methodist University, Nairobi, Kenya

Festus Riungu, KeMU Business School, Kenya Methodist University, Nairobi, Kenya

Susan Nzioki, KeMU Business School, Kenya Methodist University, Nairobi, Kenya

*Corresponding author's email: frednj@gmail.com

ARTICLE DETAILS

History

Revised format: Feb 2024

Available Online: Mar 2024

Keywords

Strategic Direction, Balance scorecard, Kenya Public Sector, Youth Empowerment Agencies, Public Performance.

JEL Classification

M1, M2

ABSTRACT

Purpose: Government-sponsored Youth Empowerment organisations (GSYEOs) are designed to skill, prepare, and empower the youths toward poverty eradication, formal employment, and self-reliance. However, poverty and unemployment among the youths in Kenya seem to be on an onward trajectory, and yet scarce research has been conducted on the influence of strategic direction on the performance of GSYEOs. This study examines the influence of strategic direction and the performance of GSYEOs in Kenya, which is anchored on strategic leadership theory and measured using the Balance Score Card framework.

Design/Methodology/Approach: A descriptive research design was utilized and a random sample of five GSYEOs with a total population of 1089 employees was adopted, and a sample of 109 was derived. Correlation analysis results show that strategic leadership and organisational performance were positively and significantly correlated ($r=0.661$; $P\text{-value} < 0.05$). Results from simple linear regression showed that 43.6% was a good fit for the organisational performance ($R\text{ squared} = 0.436$, $R = 0.661$).

Implications/Originality/Value: The study recommends that GSYEO's leadership encourage strategic direction implementation through adequate budget allocation.



© 2024 The authors, under a Creative Commons Attribution-NonCommercial 4.0

Recommended citation: Okongo, O. F., Riungu, F. and Nzioki, S. (2024). Strategic Direction and organisational Performance in Government-Sponsored Youth Empowerment organisations in Kenya. *Journal of Business and Social Review in Emerging Economies*, 10 (1), 83-96.

DOI: <https://doi.org/10.26710/jbsee.v10i1.2889>

Introduction

Today's business environment is unstable, and this requires good strategic leadership to increase organisational capacity in making sound decisions and good judgments to ensure long-term success and longevity (Chen *et al.*, 2022). In the backdrop of a volatile environment, the public sector must also maintain strong performance to effectively discharge its policy agendas and ensure prudent use of taxpayers' funds in civic duties and services (Stiel, 2022).

Strategic direction is a process an organisation undertakes to determine what kind of character and image it would like to project in the future (Nguruiya *et al.*, 2023). It is what an organisation is trying to do and what it wishes to become eventually. Strategic direction leads to organisational goals (Ireland & Hitt, 2020). Strategic direction determines the company's goals, mission, and objectives.

Hitt *et al.* (1999) argue that strategic direction begins with a strategic leader specifying the vision, mission, and strategic plan to achieve the vision over time. Odero (2023) avers that a vision is a mental picture of a firm's future developed through creative imagination and foresight. Golensky and Hager (2020) argue that once a vision has been set, the organisation's members can take up their respective roles and responsibilities and design or execute the strategy. Papulova (2014) argues that vision gives direction, acts as a reference point, and indicates where a firm is going and possibly why. Vision conveys the organisation's ideals and inspires members, staff, and supporters (Taiwo *et al.*, 2016).

A strategic leader must begin by identifying vision, mission, and strategic goals to achieve over time (Hitt *et al.*, 2016). Once the strategic direction has been established, the organisation leader can influence strategic choices. Vision is a concrete foundation for an organisation's future, which does not change from season to season but solidly paints a vivid picture of the organisation (Darbi, 2019).

In the public sector, strategy is required for effectiveness, competitiveness, and efficient service delivery. However, the public sector is bureaucratic, which sometimes leaves little room for managers to express their intuition, values, and experience, set their own goals, and set priorities that could enable them to make progress in the current era of rapid changes and increased volatility. The stiff nature of bureaucracy does not augur well with the philosophy of strategy, which applies both the principles of science and art (Minja, 2020).

Youth Empowerment

The youngest population in the world resides in Africa, with an estimated 13 percent of the world's population living in sub-Saharan Africa. This number of youths (aged between 15 and 24) is projected to double by 2050 to 840 million (Yingi, 2023). According to Osei-Appaw and Christian (2022), it is estimated that the African continent will have about 50 per cent of the world's population by 2050. However, the continent only contributes 3 per cent to the global GDP.

Article 55 of Kenya's 2010 Constitution guarantees the rights of young people. It requires the government to give them chances to engage in economic life and other aspects of society and find work. The challenges faced by youths go beyond economic empowerment. Despite heightened activities, there has been less conceptual work around youth empowerment, and there is no consensus on indicators that can be operationalised in the youth empowerment domain to measure performance (Goedhuys *et al.*, 2021; MacQuarrie, 2021).

Organizational Performance

Organisational performance can be defined as both financial and non-financial constructs that enable strategic leadership to evaluate the extent of accomplishment of organisational goals (Kaplan & Norton, 1992; Venkatraman & Ramanujam, 1996). organisational performance continues to draw mixed assessments among scholars, with some arguing that it is a subjective and sector matter as there is no one standard construct fit. Santos and Brito (2012) did research in the construction sector with findings that different stakeholders have different perspectives on what constitutes a measure of success, further arguing that traditional performance indicators are financial, product market, and shareholder return, while there are also broader definitions of performance such as customer satisfaction, operations effectiveness, and corporate social responsibility (Richard *et al.*, 2009; Singh *et al.*, 2016).

In the past, the financial perspective was the leading indicator of organisational performance, but, financial

data are historical in nature and give only a single view of the organisation, this research utilizes the Balance Score Card (BSC) as the tool for performance measurement. The BSC attempt to provide answers to four questions they premise are a concern of most enterprises. The being; how do customers perceive us? What must we excel at? Is it possible to continuously improve and create value? And how do relate to shareholders? These four questions have in return provided four variables that can be used to measure organisation efficiency from a BSC approach customer satisfaction; innovation/growth and learning perspective; internal business processes and financial perspective. The use of BSC to measure the performance of a membership club concluded that it was appropriate for a not-for-profit firm (Nigure, 2022). BSC has received much acclaim in industry; according to Chand *et al.* (2005), in 2001, BSC was adopted by 57 per cent of organisations in the UK and by 46 per cent of organisations in the US (Neely *et al.*, 2004). There is no evidence of BSC usage by firms' residents in Africa, and Kenya is no exception (Muchina, 2018). In the United States, about 60% of the Fortune 1000 have adopted Balanced Scorecard at some point, with advantages including simplicity, focus on strategy, and ability to drive alignment (Niven, 2011).

Statement of the Problem

Youth aged 20-24 and 25-29 years recorded the highest percentage of Youth not in Education, Employment, or Training (NEET) at 27.5% and 24.1%, respectively (KNBS, 2019). However, GSYEOs are indicating high levels of success, such as 60,000 placements in jobs and businesses (Micro and Small Enterprises Authority [MSEA], 2022) and the development of over one million entrepreneurs (Youth Enterprise Development Fund, 2020). If the GSYEOs are a success story, why is the Kenyan Government not increasing capacity and resources in the face of what Muia (2023) describes as a “*ticking time bomb*” of unemployment among the youth? This study seeks to discover the role of strategic direction in the GSYEOs and its influence on organisational performance.

Studies of the performance of organisations have mainly focused on profit-making organisations, with studies on non-profit organisations in Kenya being very scarce (Kibara & Kiiru, 2021). Of the studies seeking to discover the impact of strategic leadership on performances in the public sector, none has been found that tackles strategic direction and organisational performance in GSYEOs. Nang’ole and Muathe (2023) argue that there are relatively few studies on strategic leadership in Africa as a whole, and hence an open invite for more studies on the same.

Objectives of the Study

Determining the influence of strategic direction on Government-sponsored Youth Empowerment organisations (GSYEOs) performance.

Hypothesis

Ho: There is no notable relationship between strategic direction and performance of Government-sponsored Youth Empowerment organisations (GSYEOs)

Literature Review

This section discusses theoretical frameworks underpinning strategic leadership and performance and an empirical review based on the same.

Strategic Leadership Theory

This theory was first introduced by Chandler (1962) who emphasized that strategic leaders should be strategic and not operational. However, strategic leadership theory gained prominence from Hambrick and Mason's (1984) upper echelons theory which proposes that underlying knowledge, experience, value, and preferences of top management influence how they respond to the environment. Hambrick and Mason (1984) further argued that leaders need to take a central role as they are accountable for everything that happens in the organisation. Strategic leadership evolved but was grounded by Finkelstein *et al.* (2009) as leadership continued to develop across the world in the face of complex, dynamic environments together

with advancement and disruptions of information technology, there has been a re-think on the part of management on how they can deliver satisfactory value to higher level management.

Empirical Review

Bore and Macharia (2022) aimed to assess how strategic direction affected the ability of faith-based organisations to sustain their financial health. The study used an explanatory research design and was grounded in the positivist research paradigm. In a faith-based organisation, 198 leaders served in the capacities of directors, heads of departments, and heads of units provided the primary data. The study established through multiple regression analysis that determining strategic direction significantly and positively affects the organisation's financial health. The study examined the relationship between strategic direction and financial performance, while the current study examines the influence of strategic direction on organisational performance.

Joyce *et al.* (2022) studied the relationship between strategic planning and the Performance of Telco companies in Rwanda. The result found a positive relationship between performance and strategic planning. Whilst this study examined the influence of strategic planning on performance in the private sector in Rwanda, the current study examines the influence of performance on strategic direction in the public sector in Kenya.

Dowsett (2020) performed longitudinal research over fifteen years evaluating four Australian institutions, the findings demonstrate that some adjustments in a university's strategic orientation can help it rank much higher as well as strengthen its position in the market. The study was longitudinal in nature and conducted in Australian universities, making it conceptually and contextually different from the current study.

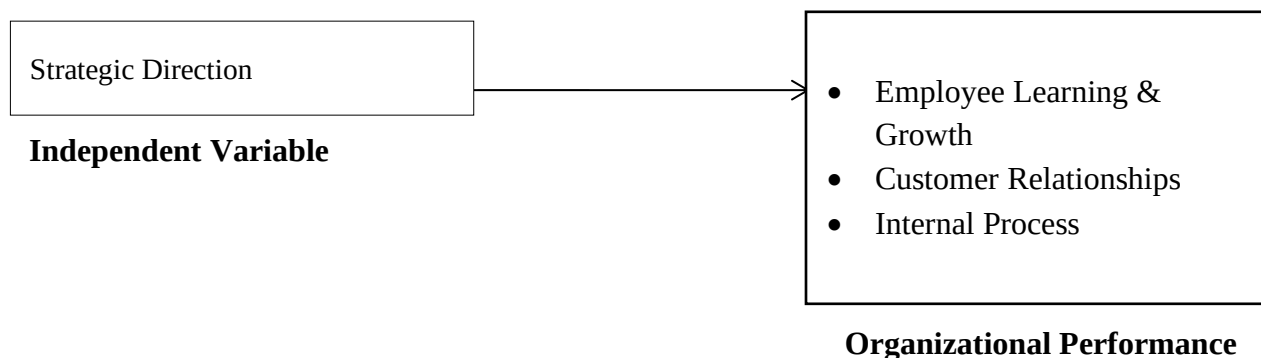


Figure 1.0 Conceptual Framework

Research Methodology

Strategic leadership in GSYEOs was objectively measured by collecting data on four practices of strategic leadership using a validated questionnaire, which was then used to test hypotheses that had been formulated earlier. A positive paradigm was adopted because the researcher intended to observe and measure the phenomenon accurately and did not wish the findings to be influenced by the researcher's subjectivity.

This research adopted a quantitative method because variables and hypotheses were established well in advance of data collection. According to Toyon (2023), through descriptive design, data is collected and observed, then analysed to find trends and patterns. Kothari (2004) argues that descriptive research enables data to be tabulated and analysed, which includes statistical computation such as averages, percentages, and various coefficients as well as probability, sampling, and tests of significance. According to Dubey and Kothari(2022), descriptive research deals with the phenomenon's what, when, where, and how but does not

deal with the why. In this research, the researcher will examine the how and not the why as they seek to determine how strategic direction influences the performance of a public organisation.

The sample frame was identified from a list of government-sponsored youth empowerment organisations on the Kenya Institute for Public Policy Research and Analysis's website (Mokwaro & Nyamu, 2018). A random sample of five government-sponsored youth Empowerment organisations (GSYEOs) was selected.

Table 1
Target Population

Organisations	Target Population
KYEOP/NYOTA	20
HELB	245
AJIRA	192
STATE DEPT OF YOUTH AFFAIRS	598
NATIONAL YOUTH COUNCIL	11
UWEZO FUND	23
TOTAL	1089

Source: HR Departments of respective organisations as of February 2024 (2024)

Stratified random sampling was utilized because the population consisted of groups derived from different Government organisations. The employees of GSYEOs were grouped according to strata based on the programs they work for, a percentage based on the total population was derived and used to calculate a sample from each program (as shown in Table 1).

According to Cooper and Schindler (2006), a randomly chosen sample of about 10% of the population is fairly representative of the population being studied, Mugenda and Mugenda (2003) proposed a sample of not less than 10% of the target population to be sufficient. This study sampled 10% of the population of middle and senior-level management employees of GSYEOs. Therefore, a sample of 109 senior and middle-level employees was selected using 0.10 as the sampling ratio/factor. The sample was proportionately distributed across all five strata of organisations as indicated in Table 1

Table 2
Distribution of employees in each of the GSYEOs

Program Name	Number of employees	Sampling Ratio	Percentage
KYEOP/NYOTA	20	0.10	2
HELB	245	0.10	25
AJIRA	192	0.10	19
STATE DEPT OF YOUTH AFFAIRS	598	0.10	60
UWEZO FUND	23	0.10	2
NATIONAL YOUTH COUNCIL	11	0.10	1
Total	1089		109

Data was gathered by questionnaires, which were self-administered through printed copies and Koboltool. This online platform granted the respondents enough time and flexibility to give responses since the tool could be accessed through mobile devices and computers. The online tool can also collect data offline. At the same time, printed copies were distributed in offices with low internet speed and in board room settings where many respondents could fill them simultaneously. Most questions had pre-defined replies; this enabled high response rates. In this study, 109 questionnaires were administered, and 66 were returned, resulting in a 61% response rate. According to Kihara *et al.* (2016), 60% is good, while 70% is very good. A fairly good response rate was achieved because the tool was administered in print and digital versions.

Table 3
Response Rate

Response Rate	Frequency	Percent (%)
Returned	66	60.6
Not returned	43	39.4
Total	109	100.00

Source: Research Data (2024)

Reliability

Reliability analysis was performed on 11 items that assessed Strategic direction; a Cronbach alpha score of 0.886 and factor analysis of 0.932 were achieved. all three sub-variables that constituted organisational performance had Cronbach's alpha of over 0.7.

Table 4
Reliability tests results

Construct		Cronbach's alpha	Factor Analysis	Sig
organisational Performance	Internal Process	0.922	0.870	<0.001
	Learning and Growth	0.842	0.808	<0.001
	Customer Relationship	0.943	0.860	<0.001
Strategic direction		0.886	0.932	<0.001

Source: Research data (2024)

Descriptive Results for Strategic Leadership

The strategic direction was underpinned by Strategic Leadership theory, which argues that strategic leadership should be able to persuade followers to focus their efforts on accomplishing firm-level objectives through mission, vision, and goals. Chief Executives' ability to determine strategic direction through vision and mission, which brings the whole organisation together, has positively influenced performance, especially when the strategic direction is clear, communicated, and aligned throughout the organisation (Nguruiya *et al.*, 2023).

Table 5
Strategic Direction

Items	D	N	A	MEAN	STD
My leaders have a clear understanding of where the organization is going	2 (3.0%)	4 (6.1%)	60 (90.9%)	4.32	0.727
My leaders have a clear sense of where he/she wants our team/unit to be in 5 years	1 (1.5%)	7 (10.6%)	58 (87.9%)	4.26	0.708
My leaders communicate to me the vision and mission of our department, and organization and where we are going	2 (3.0%)	7 (10.6%)	57 (86.4%)	4.24	0.766
My leaders understand the values of our organization and instil the same in us regularly	3 (4.5%)	7 (10.6%)	56 (84.9%)	4.17	0.796

Our mission is inspiring and relevant to us	2 (3.0%)	6 (9.1%)	58 (87.8%)	4.39	0.782
Our organization has a written mission statement, vision, and strategic plan	1 (1.5%)	3 (4.5%)	62 (93.9%)	4.52	0.728
Our organization's goals and objectives are specific, measurable, and manageable	1 (1.5%)	4 (6.1%)	61 (92.4%)	4.50	0.685
Our top management is too committed to the status quo, and they avoid any perceived risky actions	30 (45.5%)	20 (30.3%)	16 (24.2%)	2.73	1.210
Our organizational goals are current in line with changes in the environment	1 (1.5%)	9 (13.6%)	56 (84.8%)	4.17	0.766
Our leaders have done enough to inspire and motivate us to achieve organizational goals	5 (7.5%)	20 (30.3%)	41 (62.2%)	3.77	1.035

Source: Research data (2024)

The overall composite mean for strategic direction was $M = 4.185$ on a scale of 1 to 5 with a standard deviation of $SD = 0.54$. The aggregate mean ($M=4.185$, $SD=0.54$) suggests that strategic direction is practised in GSYEOs. Strategic direction practices include setting a vision, communicating the vision to employees in a way they can clearly understand and interpret, setting and communicating organisational core values, documenting mission into mission statements, setting clear and achievable objectives, ensuring that the whole organisation is excited, inspired and are working towards the mission.

Descriptive Results for Performance

Dynamic environments, disruptive technologies, and global pressure cause the target of success to keep changing, which means organisations must continue improving their existing services and processes. Innovative and Learning Perspectives determine what the GSYEOs should continue to improve to create value for the youth (Norton & Kaplan, 1992). GSYEOs should create more value for youth, improve operating efficiencies, and launch new services to keep up with the changing environment.

Ivanov and Avasilcăi (2014) argue that organisations must learn that employees are important for their assigned roles, creativity, and ability to develop the latest ideas. The need for employees' knowledge becomes key as innovative technologies and processes come onto the market. According to Mikula *et al.* (2020), Learning and Growth consider sustainability and the capability of employees; the investment to increase the capability of employees is an investment that an organisation needs to undertake. General competencies, skills, technologies, and corporate culture must be addressed. Managers must ensure that their employees understand the organisation's products and services.

Summary of Organisational Performance

Table 5 summarises organisational performance from the Balance Score Card framework, which comprises an internal focus perspective, a customer relationship perspective, and a learning and growth perspective. The combination of all the items was used to measure organisational performance.

Table 5
Summary organisational Performance

Variables	Mean	SD
Internal Focus	3.763	0.82
Learning and Growth	3.624	0.802
Customer Relationship	3.70	0.700
Mean	3.69	0.685

Source: Research data (2024)

Statistical Analysis

A test of regression assumptions was conducted, and results are detailed in Table 6 below;

Table 6
Regression Assumption summary

Test	Outcome	Comments
Normality test	Kolmogorov-Smirnov (KS) and Shapiro-Wilk (SW) statistics test. If the P-value is higher than 0.05 Null hypothesis: Data is equally distributed	All variables were more than 0.05. The null hypotheses, which state that data are normally distributed, was accepted.
	Normal probability plot If data is perfectly normally distributed, all points will lie on the line; the more the data deviates from the line, the more it is not normally distributed	All variables had points on the line with slight deviation
Homoscedasticity	A scatter plot was used. The points or plots do not form a cone shape, but they are scattered above and below the horizontal line, which shows that the data is homoscedastic.	There was a slight deviation from some points along the line, but the deviation was not major
Multicollinearity	The variance inflation factor (VIF) should be less than 5, while the Tolerance value should be far more than 0.100 and much less than 10.	VIF was below 4 for all the variables, and tolerance was lower than 10 and higher than 0.100 for all the variables (Table 9)
Autocorrelation	The Durbin-Watson statistic was used. Value close to 0 or close to 4 shows negative and positive greater autocorrelation, respectively	Autocorrelation is between 2.07 and 2.5 (Table 8). Bobbit (2024) argues that statistic values between 1.5 and 2.5 are considered normal

Source: Research data (2024)

Table 8
KS and SW statistics test result

Variables	Kolmogorov-Smirnov ^a		Shapiro-Wilk	
	Statistic	Sig.	Statistic	Sig.
Strategic direction	.098	.200*	.947	.020
Performance	.123	.201*	.967	.155

*. This is a lower bound of the true significance.

Table 9
Test of Multicollinearity

Variables	Collinearity Statistics
-----------	-------------------------

	Tolerance	VIF
(Constant)		
Strategic Direction	.414	2.417
Performance	.349	2.866

Dependent Variable: Organisational Performance

Simple Linear Regression

Regression analysis results for Strategic Leadership on Performance

The collected data was deemed to have met the threshold for a linear regression model (Table 6). Even though some tests showed deviation from the required threshold, they were not significant enough to warrant a drastic change; additional tests were conducted, such as using statistics and graphics. Therefore linear regression model was used in the study.

Table 10
Correlation coefficient results

Variables	Strategic Direction	Performance
Strategic Direction	1	.661**
Performance	.661**	1

** Statistically significant relationship

Regression analysis investigates the relationship between independent and dependent variables. It is particularly powerful in understanding the predictive power of independent variables on dependent variables so that a researcher can determine their effect on the outcome variable. In contrast, other independent variables are held constant (Dawit, 2020).

$$FY = a + bX + \varepsilon$$

Y= dependent variable, X= independent variable, b= slope of regression line and ε = error term.

The slope of the regression line (b) measures a change of unit for the dependent variable for every unit change in the independent variable. For example, if b=0.5, it means every time X changes by a certain unit, Y will change by 0.5 of that amount. Intercept a indicates the value of Y at the point where X =0.

Table 11
Strategic direction on organisational performance linear model

R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
0.661a	0.436	0.428	0.519	0.436	49.551	1	64	<.001	2.274

a. Predictors: (Constant), Strategic Direction

The relationship between organisational performance and strategic direction is statistically significant as ($p < 0.05$), 43.6% of the change in the organisational performance of GSYEOs can be explained by the regression model ($R^2 = 0.436$, $\Delta R^2 = 0.428$, $F(1,64) = 49.551$, $P < 0.001$). The variation of (56.4%) is explained by other variables. The positive correlation ($r = 0.661$) indicates that organisational performance also tends to increase when strategic direction increases. The analysis showed evidence of a significant effect of strategic leadership on the performance of GSYEOs.

Table 12
ANOVA (F-Test) Analysis for Strategic direction and organisational performance

	Sum of Squares	df	Mean Square	F	Sig.
Regression	13.328	1	13.328	49.551	<.001 ^b
Residual	17.214	64	0.269		
Total	30.542	65			

a. Dependent Variable: organisational Performance

b. Predictors: (constant), Strategic direction

The null hypothesis stated that

H₀₁: *There is no significant relationship between strategic direction and Government-sponsored Youth Empowerment organisations (GSYEOs) performance.* **Table 12 above** indicates that the F-statistic is less than 0.001, which signifies a strong positive relationship between strategic direction and organisational performance. Therefore, the null hypothesis is rejected. The results confirmed that the relationship between strategic direction and performance is statistically significant, and strategic direction can predict the organisational performance of GSYEOs.

Strategic Direction and Organisational Performance

The correlation analysis in Table 11 shows that strategic direction and organisational performance are positively correlated. ($r=0.661$, $p \leq 0.05$), the linear regression shows that the relationship between organisational performance and strategic direction is statistically significant because $p < 0.05$. The result is in line with Odero (2023), whose research on strategic direction and firm performance from the SACCO sector found that setting strategic direction significantly influenced SACCO's performance. The study found that strategic direction explained 5.3% of SACCO's performance, while 94.7% was explained by other variables.

Kungu *et al.* (2020) conducted a study on the effect of strategic direction on the performance of Motor Vehicle Assembly Firms in Nairobi County. They found that strategic direction had a positive and significant effect on the performance of Motor Vehicle Assembly Firms in Nairobi County, with the research's correlation coefficient of ($r=0.623$) coming close to the finding of this research ($r=0.661$). The adjusted R square of the research was 0.732, which indicated that 73.2% of the change performance could be explained by the strategic direction, which is similar to the findings of this research as shown in Table 2.0, where 43.2% of the change in the organisational performance of GSYEOs can be explained by the regression model. The researcher suggested that senior leadership, including the Board and the Chief Executives of motor vehicle assembly firms, should constantly renew the mission and vision statements of the firms in that sector.

Lerai *et al.* (2023) studied the influence of strategic direction on the organisational performance of commercial-based parastatals in Kenya. The research found that there was a significant positive relationship between strategic direction and performance, which is similar to the findings of this result. The researchers found out that the budget allocated for strategic implementation was constantly diverted, misused, and even embezzled with a recommendation that strict policies from regulatory authorities such as the *Ethics and Anti-Corruption Commission* (EACC) be enforced; another recommendation from the researchers was that the management should be agile and allow change instead of being stuck on the old ways of doing things. Building leadership competence and staff involvement in strategic formulation was also recommended.

The findings concur with Munyao *et al.* (2020) who conducted research on the effects of strategic direction on the performance of Africa Inland Church theological training in Kenya, with results showing that strategic direction had a positive effect on the performance of A.I.C theological training in Kenya, with a correlation of $r=0.465$ and $r^2=0.216$, which means 21.6% of variability in performance in the A.I.C training

institutions is explained by strategic direction. This is similar to the findings of this result, where a 43.6% change in the organisational performances of GSYEOs is explained by strategic direction. The researchers recommended that capacity building is required if the theological institution is to thrive and adequately compete amid voracious competition and a dynamic environment. All four aspects of strategic direction, including vision, mission, core values, and objectives, were found to be positively correlated with performance, which calls for leadership with competence in setting strategic direction.

Similar results were found by Ramadhan (2022), who undertook a census study of all 50 insurance companies in Kenya on the effect of strategic direction and performance of insurance companies in Kenya. A simple linear regression model found $r^2=0.6747$, which is similar to the findings of this research, with the model showing that 67.5% of the variability of performance in insurance companies can be explained by strategic direction. The researcher recommended that the management of insurance firms should provide key performance indicators that would enable them to analyse their performances against set objectives.

Recommendation

The study results show that strategic direction is practised in GSYEOs, and the leadership of GSYEOs seems to be aware of the organisation's vision, mission, and value. The leadership seems to know where they would like the organisation to be in the long term; they have communicated the vision and mission to the staff in an inspiring and motivating way. The Government should continue to develop the capacities of the leaders in GSYEOs because the strategic direction is practised in GSYEOs, but youth problems seem to persist, which means there is a likelihood that implementation is not being done accordingly.

References

- Bandawaty, E., Rahayu, A., & Wibowo, L. A. (2020). Performance measurement of Indonesian shariah bank using balanced scorecard approach. *European journal of business and management*, 12(17), 1–11. <https://iiste.Org/journals/index.Php/EJBM/article/view/53125>
- Bobbit, Z., (2024). *How to Perform a Durbin-Watson Test in SPSS*. Statology. <https://www.statology.org/durbin-watson-test-spss/>
- Bore, M. K., & Macharia, I. (2022). International Journal of economics, commerce and Management United Kingdom licensed under creative common strategic leadership practices, environmental factors and financial sustainability of faith-based organisations (vol. 5). <http://ijecm.Co.Uk/>
- Carmeli, A., Reiter-palmon, R., & Ziv, E. (2019). Inclusive leadership and
- Chand, D., Hachey, G., Hunton, J., Owoso, V., & Vasudevan, S. (2005). A balanced scorecard-based framework for assessing the strategic impacts of ERP systems. *Computers in Industry*, 56(6), 558–572. <https://doi.org/10.1016/j.compind.2005.02.011>
- Chand, D., Hachey, G., Hunton, J., Owoso, V., & Vasudevan, S. (2005). A balanced scorecard based framework for assessing the strategic impacts of ERP systems. *Computers in Industry*, 56(6), 558–572. <https://doi.org/10.1016/j.compind.2005.02.011>
- Chandler, A.D. (1962) *strategy and structure: chapters in the history of American enterprise*. MIT Press, Boston
- Chen, H. M., Birasnav, D. F., & Zhang, W. H. (2022). Effect of strategic leadership on performance of manufacturing firms in china. *Journal of strategic management*, 6(3), 1–11. <https://doi.Org/10.53819/81018102t5058>
- Cooper, D.R. & Schindler, P.S. (2014) *business research methods*. (12th ed), mcgraw hill international edition dubey, U. K., & kothari, D. (2022). *Research methodology* (1st ed.). Crc press. <https://www.Perlego.Com/book/3451323/research-methodology-techniques-and-trends-pdf>
- Cooper, D.R. & Schindler, P.S. (2014) *business research methods*. (12th ed), mcgraw hill international edition dubey, U. K., & kothari, D. (2022). *Research methodology* (1st ed.). Crc press. <https://www.Perlego.Com/book/3451323/research-methodology-techniques-and-trends-pdf>
- Darbi, W. P. K. (2019). The impact of mission and vision statements and their potential impact on employee behavior and attitudes: the case of a public but profit-oriented tertiary
- Dowsett, L. (2020). Global university rankings and strategic planning: a case study of Australian

- institutional performance. *Journal of Higher Education Policy and Management*, 1–17. <https://doi.org/10.1080/1360080x.2019.1701853>
- Fatai Alani Lawal, Taiwo, A. A., Agwu, E., & Adegbuyi, O. A. (2016). Strategic Imperatives of Managing Change in Nigerian Financial Institutions. *Social Science Research Network*
- Fatmawati, I., & Fauzan, N. (2021). Building customer trust through corporate social responsibility: the effects of corporate reputation and word of mouth. *The journal of Asian finance, economics, and business*, 8(3), 793–805. <https://doi.org/10.13106/jafeb.2021.Vol8.No3.0793>
- Finkelstein, S., Hambrick, D.C. and Cannella, A.A. (2009) *Strategic Leadership; Theory and Research on Executives, Top Management Teams and Boards*. Oxford University Press, Oxford, 1-451.
- Goedhuys, M., Grimm, M., Meysonnat, A., Nillesen, E. E., & Reitmann, A. K. (2022). Measuring youth empowerment: an illustration using the example of tunisia. *SSRN electronic journal*. <https://doi.org/10.2139/ssrn.4114297>
- Golensky, M. (2020). *STRATEGIC LEADERSHIP AND MANAGEMENT IN NONPROFIT organisations: theory and practice*. Oxford Univ Press Us.
- Golensky, M., & Hager, M. A. (2020). Strategic leadership and management in non-profit organisations: theory and practice. London: oxford university press
- gutterman, A. S. (2023). Founders and organisational culture
- Hadrian, P., Milichovský, F., & Mráček, P. (2021). The concept of strategic control in marketing management in connection to measuring marketing performance. *Sustainability*, 13(7), 3887. <https://doi.org/10.3390/su13073887>
- Hambrick, D. C., & Mason, P. A.(1984). Upper echelons: the organisation as a reflection of its top managers. *The academy of Management Review*, 9 (2), 193- 206
- Hambrick, D. C., & Quigley, T. J.(2014). Toward more accurate contextualization of the CEO effect on firm performance. *Strategic Management Journal*, 35 (4), 473– 491
- Hitt, M. A., Xu, K., & Carnes, C. M. (2016). Resource Based Theory in Operations Management Research. *Journal of Operations Management*, 41(1), 77–94. <https://doi.org/10.1016/j.jom.2015.11.002>
- Hudson, M., Smart, A., & Bourne, M. (2001). Theory and practice in SME performance measurement systems. *International journal of operations & production management*, 21(8), 1096–1115. <https://doi.org/10.1108/eum0000000005587>
- Ireland, R. D., & Hitt, M. A. (2020). Achieving and maintaining strategic competitiveness in 21st century: the role of strategic leadership. *Academy of Management Perspectives*, 13(1), 43–57. <https://doi.org/10.5465/ame.1999.1567311>
- Ireland, R. D., & Hitt, M. A.(1999). Achieving and maintaining strategic competitiveness in the 21st century: the role of strategic leadership. *Academy of Management Executive*, 13 (1), 63 – 72
- Ivanov, C.-I., & Avasilcăi, S. (2014). Measuring the performance of innovation processes: A balanced scorecard perspective. *Procedia - social and behavioral sciences*, 109, 1190–1193. <https://doi.org/10.1016/j.sbspro.2013.12.610>
- Joyce, K., A iravo, M., & Namusonge, G. (2022). Strategic planning and performance of telecommunication companies in Rwanda. *International journal of scientific research and management*, 10(02), 3013–3023. <https://doi.org/10.18535/ijstrm/v10i2.Em01>
- Juliana Bonomi Santos, & Luiz Artur Ledur Brito. (2012). Toward a subjective measurement model for firm performance. *BAR, Braz. Adm. Rev.*, 9(spe), 95–117. <https://doi.org/10.1590/s1807-76922012000500007>
- Kaplan, Robert S; Norton, D. P. (1992). "The Balanced Scorecard-Measures That Drive Performance". *Harvard Business Review* (January-February), PP. 71-79
- Khatun, N. (2021). Applications of normality test in statistical analysis. *Open journal of statistics*, 11(01), 113–122. <https://doi.org/10.4236/ojs.2021.111006>
- Kibara, R. K., & Kiiru, D. (2021). Employee engagement and non-financial performance of national Treasury, Nairobi city county, Kenya. *International journal of business management, entrepreneurship and innovation*, 3(2), 31–48. <https://doi.org/10.35942/jbmed.V3i2.188>
- Kihara, J., Nziguheba, G., Zingore, S., Coulibaly, A., Esilaba, A., Kabambe, V., ... & Huising, J. (2016). Understanding variability in crop response to fertilizer and amendments in sub-Saharan Africa.

Agriculture, Ecosystems & Environment, 229, 1-12.

- KNBS. (2019). 2019 Kenya population and housing census volume III: population distribution by age, sex, and administrative units. Kenya bureau of statistics. Retrieved February 13, 2023, from <https://www.Knbs.Or.Ke/?Wpdmpro=2019-kenya-population-and-housing-census-volume-iii-distribution-of-population-by-age-sex-and-administrative-units>
- Kothari, C. (2004). *Research methodology: methods and techniques* (2nd revised edition). New Delhi: New Age International (P) limited, publishers.
- Kungu, S.M., & Kinyua, G.M. (2020). Analysis of the effect of strategic direction on performance of motor vehicle assembly firms in Nairobi city county, Kenya. *International journal of managerial studies and research*.
- Kungu, S.M., & Kinyua, G.M. (2020). Analysis of the effect of strategic direction on performance of motor vehicle assembly firms in Nairobi city county, Kenya. *International journal of managerial studies and research*.
- Kurzahls, C., Graf-vlachy, L., & K'onig, A. (2020). Strategic leadership and technological
- KYEOP – Kenya Youth Employment Opportunities Project. (2022). Kyeop.Go.Ke. <https://kyeop.Go.Ke/>
- Lerai, S. E., Rintari, N., & Moguche, A. (2023). Influence of strategic direction on organisational performance of commercial-based parastatals in Kenya. *Journal of Strategic Management*, 3(3), 1-7
- Macquarrie, K. L. D. (2021). *Measuring youth empowerment*. DHS working papers no. 179. Rockville, Maryland, USA: ICF.
- Micro and Small Enterprises Authority (MSEA). (2022). Kenya Youth Employment and Opportunities Project (KYEOP), – Retrieved July 25, 2023, from <https://msea.go.ke/kyeop/>
- Mikula, I. Vajdová, P. Koščák and E. Jenčová, (2020). "Learning and growth perspective in balanced scorecard," 2020 new trends in aviation development (NTAD), starý smokovec, slovakia, 2020, pp. 174-178, doi: 10.1109/ntad51447.2020.9379091
- Minja, D. (2020). Strategic Philosophy and Competitive Advantage: Conceptual Understanding and Application in Public Sector Organisations. *East African Journal of Business and Economics*, 2(1), 10–19. <https://doi.org/10.37284/eajbe.2.1.140>
- Mokwaro, & Nyamu. (2018). Review of Government-Sponsored Youth Empowerment Programmes in Kenya (No. 211). <https://kippra.or.ke/wp-content/uploads/2021/02/review-of-government-sponsored-youth-empowerment-programmes-in-kenya-dp211.pdf>. Kenya: KIPPRA Discussion Paper No. 211 2018. Retrieved from <https://kippra.or.ke/wp-content/uploads/2021/02/review-of-government-sponsored-youth-empowerment-programmes-in-kenya-dp211.pdf>
- Muchina, S. (2018). ERP Adoption and Organisational Efficiency- Balance Score Card Approach among Manufacturing SMEs in Kenya. *Business and Management Horizons*, 6(1), 31. <https://doi.org/10.5296/bmh.v6i1.11826>
- Muchina, S. (2018). ERP Adoption and Organisational Efficiency- Balance Score Card Approach among Manufacturing SMEs in Kenya. *Business and Management Horizons*, 6(1), 31. <https://doi.org/10.5296/bmh.v6i1.11826>
- Mugenda, O., & Mugenda, A. (2003). *Research methods: qualitative and quantitative approaches*. Africa Centre for technology studies, Nairobi
- Muia, J. (2023, June 23). "We do not have jobs for you": Gachagua tells graduates to venture into entrepreneurship. Citizen digital. <https://www.Citizen.Digital/news/we-dont-have-jobs-for-you-gachagua-tells-graduates-to-venture-into-entrepreneurship-n322286> [accessed Nov 23 2023].
- Munyao, S.M., Chiroma, N., & Ongeti, W.J. (2020). Effects of Strategic Direction on the Performance of Africa inland church theological training institutions in Kenya. *International journal of scientific and research publications*, 10(3), 352-357. <http://dx.Doi.Org/10.29322/ijsrp.10.03.2020.P9939>
- Nang'ole, C. W. & Muathe, S.. (2023). Strategic Leadership, Strategic Resources Allocation, Strategic Incentive and Performance of Public Secondary Schools in Bungoma, County.Kenya. *Journal of Business and Management Sciences*, 11(4), 229–239. <https://doi.org/10.12691/jbms-11-4-2>
- Neely, A.D.; Kennerley, M.P. and Walters, A.H. (2004) "Performance Measurement and Management: Public and Private", Centre for Business Performance, Cranfield School of Management.
- Ngaruiya, E., K'aol, G., & Njenga, K. (2023). Influence of determining strategic direction on organisation

- performance of pharmaceutical companies in Kenya. *The University Journal*, 5(2), 150–161. <https://doi.org/10.59952/tuj.V5i2.198>
- Ngure, S. W. (2022). The balance score card as a strategic plan monitoring and evaluation tool: A practical approach. *International journal of business ecosystem & strategy* (2687-2293), 4(2), 37-49. <https://doi.org/10.36096/ijbes.V4i2.315>
- Nguruiya, E., K'aol, G., & Njenga, K. (2023). Influence of determining strategic direction
- Niven, P. R. (2011). *Balanced scorecard: step-by-step for government and nonprofit agencies*. John Wiley & sons.
- Njagi, d.M. (2019). Effect of strategic leadership on performance of matatu SACCOS in kisumu county, kenya. Unpublished MBA project. Maseno University, Kenya
- Odero, J. A. (2023). Strategic direction and firm performance: evidence from the SACCO sector. *Sustainable business and society in emerging economies*, 5(1). <https://doi.org/10.26710/sbsee.V5i1.2541>
- Olaka, H. O. (2016). Strategic leadership and implementation of strategy in commercial banks in Kenya. Unpublished PhD thesis. United States International University Africa, Kenya
- Osei-Appaw, A. and Christian, A. . (2022) “The Demographic Dividend As A Pathway To Development: The Role of Fertility and Education in Sub-Saharan Africa. A Narrative Review”, *International Journal of Economics*, 7(1), pp. 76–90. doi: 10.47604/ijecon.1680.
- Papulova, Z. (2014). The Significance of Vision and Mission Development for Enterprises in Slovak Republic. *Journal of Economics, Business and Management*, 2(1), 12–16. Researchgate. <https://doi.org/10.7763/joebm.2014.v2.90>
- Ramadhan, Z. (2022.). *International journal of economics, commerce and management united kingdom strategic direction in leadership and performance of insurance companies in kenya*. <http://ijecm.co.uk/>
- Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). Measuring organisational performance: Towards methodological best practice. *Journal of Management*, 35(3), 718–804. <https://doi.org/10.1177/0149206308330560>
- Santos, J, B. & Brito, L. A. L. (2012). Toward a subjective measurement model for firm performance. *BAR, Braz. Adm. Rev.*, 9(spe), 95–117. <https://doi.org/10.1590/s1807-76922012000500007>
- Singh, S., Darwish, T. K., & Potocnik, K. (2016). Measuring organisational performance: A case for subjective measures, *british journal of management*, 27 (1), 214– 224
- Stiel, C. (2022). *International Public Management Journal* ISSN: (Print) (Online) Journal homepage: www.tandfonline.com/journals/upmj20 Remunicipalization, corporatization, and outsourcing: the performance of public-sector firms after reorganisation. <https://doi.org/10.1080/10967494.2022.2038317>
- Taiwo, A. A., Lawal, F. A., & Agwu, E. M. (2016). Vision and Mission in organisation: Myth or Heuristic Device? *Social Science Research Network*
- Toyon, A. M. (2023). *Introduction to research: Mastering the basics*. <https://doi.org/10.31219/osf.io/jz4wn>
- United nations Development Programme. (2023). Youth empowerment [review of youth empowerment]. <https://www.undp.org/governance/youth-empowerment>
- Venkatraman, N., & Ramanujam, V., (1986). Measurement of business performance in strategy research: A comparison of approaches. *Academy of management review*, 11(4), 801—814
- Yingi, E. (2023). Youth Bulge as a Peacebuilding Opportunity for Africa: The Case of Zimbabwe’s Youth Empowerment Programmes. *Journal of Asian and African Studies*, 002190962311733-002190962311733. <https://doi.org/10.1177/00219096231173392>
- Youth Enterprise Development Fund. (2020). Youth Enterprise Development Fund Strategic Plan. <https://www.youthfund.go.ke/wp-content/uploads/2021/03/YEDF-STRATEGIC-PLAN-2020-TO-2024.pdf>