

**EFFECT OF TRANSFORMATIONAL STRATEGIES ON THE
PERFORMANCE OF PRIVATE SOLAR ENERGY COMPANIES IN KENYA**

LENGEWA BILLY SAVERIO

**A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENT FOR THE AWARD OF DEGREE OF MASTER OF
BUSINESS ADMINISTRATION (STRATEGIC MANAGEMENT OPTION)
AT KENYA METHODIST UNIVERSITY**

SEPTEMBER 2025

DECLARATION

This thesis is my original work and has not been presented for a degree or any other award in any other University.

Signature

Date

.....

.....

Lengewa Billy Saverio

BUS-3-3432-3/2023

This thesis has been submitted for examination with our approval as the university Supervisors.

Signature

Date

.....

.....

Mr. James Mbebe Nzili

KeMU Business School

Kenya Methodist University

Signature

Date

.....

.....

Dr. Mary Mbithi

KeMU Business School

Kenya Methodist University

DEDICATION

I dedicate this thesis to my loving Mum.

ACKNOWLEDGEMENT

I would first like to thank the almighty God who has given me strength and good health when I was coming up with this thesis. Secondly, I am grateful to my supervisors, Mr. James Nzili and Dr. Mary Mbithi, for their guidance when I was coming up with the thesis. Finally, I would like to thank my friends and colleagues who encouraged me while writing this thesis.

ABSTRACT

Performance of private solar energy companies in Kenya is critical for exploiting market opportunities, and driving profitability and sales growth. The purpose of this study was to determine the influence of transformational Strategy on the performance of private solar energy companies in Kenya. The specific objectives were to determine the effect of customer-centric strategy, innovation strategy, strategic staffing strategy, and operational excellence strategy on the performance of private solar energy companies in Kenya. In conducting the study, a descriptive research design was utilized where a total of 1548 middle and low-level managers. Stratified-random sampling technique was used to sample 318 respondents. The gathered data using questionnaires was analyzed using SPSS software. Both descriptive and inferential analyses were applied. Descriptive analysis included mean and standard deviation, whereas inferential analysis involved a binary logistic regression. Findings were presented in tables, whereas the interpretation and discussion of findings were presented in prose through thematic analysis. The findings revealed that proactive customer-centric Strategy had a significant positive influence on performance ($p = 0.001$). Conversely, staffing Strategy showed no significant effect on performance ($p = 0.905$). Companies employing technology innovation Strategy significantly improved performance ($p=0.001$). Operational excellence significantly influenced performance ($p=0.001$). The study concluded that customer-centric Strategy, innovation Strategy, and operational excellence Strategy significantly influenced the performance of solar companies. However, staffing Strategy did not significantly influence the performance of solar companies. Study recommends for adoption of customer-centric Strategy by integrating feedback, offering personalized solutions, and addressing complaints. Firms should embrace innovation Strategy, including adopting new solar technologies and securing intellectual property rights. Integration of smart-grid systems and AI-powered energy management is encouraged for product enhancement. Current staffing Strategy need revision to improve performance, focusing on training, succession planning, and talent retention.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	viii
LIST OF FIGURES	ix
ABBREVIATIONS AND ACRONYMS	x
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study	1
1.2 Statement of the Problem	14
1.3 Study Objectives	15
1.4 Study Hypotheses	15
1.5 Significance of the Study	16
1.6 Scope of the Study	17
1.7 Limitations	17
1.8 Delimitations of the Study	17
1.9 Operational Definition of Terms	18
CHAPTER TWO: LITERATURE REVIEW	20
2.1 Introduction	20
2.2 Theoretical Review	20
2.3 Empirical Review	30
2.4 Conceptual Framework	42
2.5 Operationalization of Variables	44
2.6 Research Gaps Summary	45
CHAPTER THREE: RESEARCH METHODOLOGY	49
3.1 Introduction	49
3.2 Research Design	49
3.3 Target Population	49
3.4 Sample Size and Sampling Techniques	50
3.5 Data Collection Instrument	51
3.6 Data Collection Procedures	52
3.7 Pre-Testing of the Research Instrument	53
3.8 Data Analysis and Presentation	54
3.9 Ethical Considerations	55
CHAPTER FOUR: FINDINGS AND DISCUSSIONS	57
4.1 Introduction	57
4.2 Demographic Statistics	59
4.3 Descriptive Analysis	61
4.4 Assumptions of Regression	84

4.5 Bivariate Regression Analysis	85
4.6 Binary Logistic Regression Analysis	91
4.6 Hypothesis Summary	96
CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS	97
5.1 Introduction	97
5.2 Summary of Findings	97
5.3 Conclusions	99
5.4 Recommendations	101
REFERENCES	104
APPENDICES	113
Appendix I: Introduction Letter	113
Appendix II: Introduction Letter from KeMU to NACOSTI	114
Appendix III: Ethics and Review Board Letter	115
Appendix IV: NACOSTI license	117
Appendix V: Questionnaire	118
Appendix VI: Secondary Data Collection Schedule	123
Appendix VI: List of Private Solar Energy Companies in Kenya	124

LIST OF TABLES

Table 2.1 Research Gaps Summary	45
Table 3.1 Target Respondents Distribution.....	50
Table 3.2 Sample Distribution	51
Table 4.1 Response Rate	57
Table 4.2 Reliability Test	58
Table 4.3 Validity Test.....	59
Table 4.4 Demographic Statistics.....	60
Table 4.5 Descriptive Analysis on Customer-Centric Strategy	61
Table 4.6 Customer Solutions to Complaints.....	63
Table 4.7 Descriptive Analysis on Innovation Strategy.....	66
Table 4.8 Innovations Processes	67
Table 4.9 Descriptive Analysis on Strategic Staffing Strategy	71
Table 4.10 Talent Acquisition in Organizations	72
Table 4.11 Descriptive Analysis on Operational Excellence Strategy.....	75
Table 4.12 Organization's Overall Performance	77
Table 4.13 Descriptive statistics on Performance of Private Solar Energy Companies	79
Table 4.14 Descriptive Statistics Summary	82
Table 4.15 Multi-Collinearity	84
Table 4.16 Hosmer and Lemeshow Test.....	85
Table 4.17 Regression Between Customer Centric Strategy and Performance	86
Table 4.18 Regression Between Innovation strategy and Performance.....	87
Table 4.19 Regression Between strategic staffing and Performance	88
Table 4.20 Regression Between Operational Excellence and Performance	90
Table 4.21 Model Summary.....	91
Table 4.22 Model Classification	91
Table 4.23 Logistic Regression Coefficients	92
Table 4.24 Summary of hypotheses	96

LIST OF FIGURES

Figure 2.1 Theoretical Framework.....	30
Figure 2.2 Conceptual Framework.....	43
Figure 2.3 Operational Framework	44
Figure 4.1 Profit Trends	80
Figure 4.2 Revenue Trends	81
Figure 4.3 Number of Employees Trends	82

ABBREVIATIONS AND ACRONYMS

AI	Artificial Intelligence
ANOVA	Analysis of Variance
BP	Beyond Petroleum
CRM	Customer Relationship Management
E.ON	Energy ON
ERC	Energy Regulatory Commission
ICT	Information and Communication Technology
IPPs	Independent Power Producers
IT	Information Technology
KenGen	Kenya Electricity Generating Company
KMO	Kaiser Meyer Olkin
ML	Machine Learning
MW	Megawatts
NACOSTI	National Commission for Science, Technology and Innovation
NEM	Net Energy Metering
RBV	Resource-Based View
SACCOs	Savings and Credit Cooperative Societies
SPSS	Statistical Package for the Social Sciences
UK	United Kingdom

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizational performance is a critical aspect that determines the success and sustainability of firms operating in dynamic business environments. Performance in organizations is assessed through both financial and non-financial measures, reflecting their ability to achieve strategic goals and deliver value to stakeholders (Anwar & Abdullah, 2021). Financial performance metrics may entail such things as profitability, innovation, and environmental impact. On the other hand, non-financial metrics include market share, customers' satisfaction, and risk management appropriateness, requirement attainment, timeliness, and scope management. These performance indicators enable firms to benchmark against industry peers and assess areas for improvement, ensuring alignment with strategic objectives. Measuring performance is, therefore, an essential component of strategic management, helping firms enhance competitiveness and make informed decisions that drive long-term growth (Alshurideh et al., 2022).

The performance of firms in the energy sector, particularly private solar energy companies, is increasingly gaining attention due to high demand for sustainability. In Kenya, the shift toward renewable energy has been driven by the need for affordable, accessible, and reliable power sources, especially in rural areas with limited electricity connectivity (Olan et al., 2022). Solar energy companies play a vital role in bridging this energy gap by providing households and businesses with alternative power solutions. Their performance is influenced by multiple factors, including market expansion, regulatory policies, and technological advancements. Consequently, firms

must adopt strategies that ensure sustainable growth and operational efficiency while catering to the increasing demand for solar energy solutions (Chatterjee et al., 2023). To remain competitive and improve performance, solar energy companies must embrace transformational strategies that enhance their operational capabilities and customer engagement. Transformational strategies involve fundamental changes in business operations, structures, and market approaches to create a competitive advantage (Wang, 2024). These strategies may include digital transformation, customer-centric innovations, strategic workforce management, and product diversification. Organizations that successfully implement transformational strategies can optimize their processes, improve service delivery, and enhance market positioning. Firms must continuously evolve to keep up with changing consumer preferences and technological advancements (Mungai et al., 2022).

The adoption of transformational strategies is often necessitated by changes in the business environment, including technological advancements, industry disruptions, regulatory requirements, and evolving stakeholder expectations (Ortner et al., 2025). For solar energy companies, the fast-paced innovation in energy technology and the growing demand for off-grid solutions require firms to rethink their operational models. Investing in transformational strategies allows companies to stay ahead of competitors while improving efficiency and cost-effectiveness. Firms that fail to adapt to these industry shifts risk losing their market relevance and falling behind in technological advancements. Therefore, transformational strategies are crucial for navigating complex market conditions and ensuring long-term sustainability (Baptista et al., 2020).

A key aspect of transformational strategies is the ability to leverage technological advancements to enhance business operations. Many solar energy companies are increasingly integrating digital solutions such as mobile payment platforms, smart energy management systems, and data-driven decision-making tools to improve service delivery (Vasilev et al., 2025). These technological innovations not only enhance customer experience but also improve operational efficiency and scalability. By embracing digital business models, firms can achieve seamless integration between physical and digital services, allowing them to meet customer expectations effectively. The ability to adapt to digital transformation has become a significant determinant of success for solar energy firms in Kenya and other developing economies (Ashok et al., 2021).

Furthermore, strategic transformation in solar energy companies involves restructuring organizational frameworks to align with market demands. This may include adopting agile business models, enhancing workforce capabilities, and strengthening customer engagement strategies (Baptista et al., 2020). Companies that prioritize customer satisfaction and innovation tend to perform better in highly competitive industries. As consumer needs evolve, businesses must focus on providing tailored solutions that enhance user experiences. Solar energy firms that invest in strategic staffing, product development, and market research improve their performance. Hence, continuous adaptation through transformational strategies is vital for sustaining business growth (Wang, 2024).

In Kenya, the increasing adoption of solar energy solutions presents both opportunities and challenges for private energy firms. The growing middle-class population, expansion of digital connectivity, and supportive regulatory frameworks

have created a favorable environment for solar energy companies (Ashok et al., 2021). However, firms also face challenges such as market saturation, technological disruptions, and financial constraints. To navigate these challenges, companies must develop comprehensive transformational strategies that enhance performance and foster innovation. By adopting strategic approaches, private solar energy companies can strengthen their market position, drive industry growth, and contribute to sustainable energy solutions in Kenya (Olan et al., 2022).

1.1.1 Global Perspective on Transformational Strategy and Performance of Solar Energy Sector

The use of transformational strategies has helped private Energy Companies in different parts of the world to leverage transformation strategies to achieve a competitive edge. Private Energy Companies in China have leveraged transformational strategies to create a customer-centric business model that appeals to the target customers (Huang et al., 2022). Some of the transformational strategies used by energy firms in China include innovation and technology to reduce the carbon footprint. The companies have invested in wind, solar, and hydropower to address the growing concerns of China's high carbon footprint on the globe. The country has invested in advanced power infrastructure like smart grids and flexible transmissions that integrate renewable energy. Besides, the companies have invested in digitalization sensors and controls to monitor the grid. These sensors can match the demand and the supply of power in the country.

The energy sector in Malaysia has been transformed to align with climate change and technological progress in the sector. Private energy companies have adopted digital innovations to remain competitive and sustainable in the changing consumer

environment. The private energy firms in Malaysia have invested in digital technologies that offer personalized energy management and enhanced customer engagement through digital channels (Vaka et al., 2020). The firms use CRM systems that are customer-centric to provide round-the-clock support and develop value-added services for the customers. These innovative strategies in the energy sector have enabled the firms to create unique value propositions beyond what is offered by traditional firms. Besides, the firms have collaborated with external partners to incorporate new technologies. For instance, the use of enhanced Net Energy Metering (NEM) enables private households and firms to feed excess solar power into the grid (Kitsios et al., 2021).

This method enables both domestic and foreign investors to participate in the procedure. These strategies have helped the energy sector to meet the demand for energy while maintaining high-quality services. Private Energy Companies in the UK have leveraged innovation to offer customer-centric services to their customers (Nolden et al., 2020). The use of AI, for instance, has enabled energy firms to manage their operations and reduce the wastage in the grids. On the other hand, the use of block chains increases transparency in transactions, leading to smarter energy distributions. Top energy firms such as Shell, BP, E. ON, and British Gas have leveraged on Internet of Things to offer customized communications to their customers (Bergman & Foxon, 2020). The use of these technologies has helped the firms to improve their operations.

In Germany, private Energy firms have used transformational strategies to increase performance by identifying the need for change and initiating the changes. These firms use targeted marketing campaigns by leveraging customer data and advanced

analytics to understand the customer's preferences (Karami & Madlener, 2022). The private energy companies have invested in new technologies to digitize their routine practices. This digitalization has been critical in enabling firms to meet the changing customer needs and expectations. Importantly, private energy companies have AI and ML to stay competitive in the current market environment. These new technologies have enabled companies to reduce risks and unlock new revenues by building strong customer relationships.

1.1.2 Africa Perspective on Transformational Strategy and Performance of Solar Energy Sector

The use of transformational strategies has helped private energy companies in South Africa to register better performance. Private energy companies leverage digital technologies and partnerships to streamline processes, enhance their security, and improve the services offered to customers (Bowman, 2020). The Just Energy Transition strategy employed by South African firms seeks to help the country transition towards the provision of clean energy to customers. The new model prioritizes social equity, inclusivity, and transition to minimize the negative impacts on vulnerable communities and deliver equitable power to all (Abdelrazik et al., 2022). The transformational strategies employed by the power companies seek to leverage partnerships to modernize the grid while addressing the social inequalities in power distribution. The companies have also used the partnerships to invest in newer technologies that reduce inefficiencies in the power sector. However, the country faces heavy challenges in its transitions due to its heavy reliance on coal energy, which has been powering its companies. However, the commitment by the South African

government has ensured that there is a level playing field for private and public firms to engage in the transition.

Private Energy Companies in Ethiopia have adopted transformation strategies in their recruitment processes to acquire the best talent in the market. The use of recruitment processes helped these firms to navigate the changing business environment in the Ethiopian market by ensuring that they get the best talent in the market. Private energy firms have leveraged technology-driven talent acquisition models in their staffing and recruitment processes (Ayele et al., 2024). These firms use applicant tracking systems to screen the application process to ensure they get employees who are the best fit for the job. The use of AI-powered resume screening software and data analytics models ensures that companies reduce the time wasted on the hiring process while at the same time increasing the efficiency in the process (Ayele et al., 2021) . The use of transformational business strategies in the recruitment processes has also enabled the local private energy firms in Ethiopia to compete with international firms to get the best-skilled workforce in the country. Besides, the firms have been able to create a strong brand in the market that can attract the top talent in the market.

In Ghana, the use of transformational strategies in the energy sector has enabled energy firms to improve performance and procedures that create unique value propositions for customers. Transformational strategies have enabled energy firms to form partnerships that foster innovation and improve the customer experience (Girma, 2020). For instance, the GCB Bank in Ghana has partnered with local telecommunications companies to enable customers to pay for gas and electricity in the comfort of their homes. The G-Money product, for instance, enables customers to pay for any service using any telecommunication Card. The collaboration between the

energy firms and the Fintechs has played a key role in bridging the gap in energy usage that existed (Gebreslassie, 2022). The growing rise of the Fintech companies in Ghana has forced private energy companies to innovate and improve their service delivery to sustain their market share.

Private Energy firms in Nigeria have embraced transformational strategies to identify customer-centric services that appeal to various customer segments (Gebreslassie, 2022). The major players in the energy sector in Nigeria have had to transform their services from product-centric to customer-centric to remain competitive in the market. The customer-centric service ensures that the energy companies understand and anticipate individual customer preferences and behaviors. The firms have leveraged transformation strategies to build customer-centric services that lead to better customer satisfaction by building trust and offering competitive products. For instance, the use of Bots has helped private energy companies to simulate conversations with humans and answer common questions that customers may have. The use of these technologies has helped improve the customer experience and create unique value propositions that align with specific customer needs (Jeuland et al., 2023).

1.1.3 Local Perspective on Transformational strategy and performance

Transformational strategies have helped Kenyan firms to compete effectively in the market and post better performances. Transformational strategies have been used in such areas as leadership, digital transformation, change management, staff training, and customer satisfaction (Wamalwa, 2023). Private energy firms have employed transformational strategies to change the way things are done in the company. For instance, transformational leadership strategies have helped energy companies to

execute strategies such as idealized influence, inspiration, motivation, and intellectual stimulation, which lead to better performance (Okoth et al., 2024). Besides, transformational leadership strategies have helped energy firms embrace digital transformation and take advantage of the opportunities and the challenges facing them.

Transformational leadership strategies are also associated with change management to enable firms to manage the challenges in the business environment. The energy sector in Kenya has been developing, with the country expected to witness an increase in power by at least 5000MW by 2030 (Magasi, 2021). The country's energy sources have mainly come from hydroelectric power plants that are affected by the climatic changes, forcing the country to seek alternative sources of energy. The government's commitment to liberalize the energy sector has seen it seek thermal power plants that are run by independent power producers (IPPs) and standby diesel power plants that are used in emergencies (Okwata et al., 2022). However, the high demand for power in the country has necessitated the country to seek new investments in renewable energy, leading to growth in geothermal and wind energy. Private energy companies have thus been encouraged to invest in power production to meet the growing power demand.

Transformational strategies in the private power companies in Kenya have become necessary to ensure that the firms achieve their goals of providing power to the citizens. Transformational strategies enable power companies to improve organizational performance, increase sales growth, and increase market share. The Kenya energy sector consists of players operating in the oil and gas, transmission, distribution, and marketing of power. Some of the top players in the energy sector in

Kenya include KenlKobil, National Oil, KenGen, and Kenya Power (Kitur et al., 2020). These companies are engaged in the electric transmission, distribution, and oil and gas sectors. The Kenyan government has been committed to improving power connectivity through the privatization of the sector to encourage foreign investors. The privatization of the sector has also helped decentralize the power distribution while at the same time opening it to innovation and competition.

The privatization of the energy sector has seen the emergence of Independent Power Producers (IPPs) to innovate and help decentralize power (Habeeb & Eyupoglu, 2024). Besides, the Energy Regulatory Commission has helped create an enabling environment for the energy sector to thrive (Lawrason et al., 2023). This agency is responsible for the economic, technical, and regulatory aspects of the electric power, tariff sharing, and licensing of energy companies. Besides, the ERC is responsible for ensuring compliance, settling disputes, approving power purchase, and enforcing contracts.

Customer-centric strategy focuses on placing the customer at the core of the organization's decision-making process. This involves understanding customer needs for renewable energy solutions, offering tailored products, and delivering superior service. This strategy is essential in fostering customer loyalty and satisfaction, which can enhance market share and revenue growth in a competitive industry (Gad et al., 2023).

Innovation Strategy refers to the adoption of creative and technological advancements to develop new products or improve existing services. This could include designing efficient solar panels, storage systems, or affordable financing options. Innovation drives differentiation and competitiveness, helping companies respond to market demands and regulatory changes effectively (Fjeldstad et al., 2020).

Strategic Staffing Strategy emphasizes the importance of acquiring, developing, and retaining skilled personnel aligned with organizational goals. For solar energy firms, it involves hiring employees with technical expertise, training them in emerging technologies, and ensuring effective leadership. A well-executed staffing strategy is critical for maintaining operational efficiency and achieving long-term organizational success. Operational excellence strategy focuses on streamlining internal processes to achieve efficiency, cost-effectiveness, and high-quality outputs. This involves optimizing supply chain management, reducing production costs, and maintaining consistent service delivery. Operational excellence ensures that companies remain competitive and profitable while meeting customer expectations (Kipkorir & Ronoh, 2017).

1.1.4 Solar Energy in Kenya

Solar energy is the use of the energy emitted by the sun to generate electricity and produce heat. It entails using sources that are harnessed using photovoltaic cells that convert sunlight to electricity for home use. The increase in the use of solar energy in Kenya is associated with concerns about climate change and rural poverty alleviation in Kenya (Park, 2021). While environmental concerns and rural development are major driving forces for the use of solar energy in Kenya, the slow connectivity of grid-based power has also necessitated many families to adopt solar energy. The demand for solar energy in Kenya has developed with minimal direct support and moderate input from donors. The market has grown with the use of unsubsidized over-the-counter cash purchases of solar appliances. As such, Kenya is an important case study for market-based energy consumption around the globe.

Private Energy Companies in Kenya have experienced growth in the last few years following the government's intervention to advocate and promote the usage of green energy among the citizens (Magasi, 2021). The government has offered tax incentives on the usage of renewable energy to encourage private companies to invest in the sector. Besides, the vulnerabilities of the hydropower stations to fluctuations in the water levels have forced the major players in the energy sector to consider investing in alternative sources of energy (Okoth et al., 2024). The ready market for energy in Kenya implies that many more private firms seek to meet the demand.

Transformational strategies have helped Kenyan firms to compete effectively in the market and post better performances. Transformational strategies have been used in such areas as leadership, digital transformation, change management, staff training, and customer satisfaction (Takase et al., 2021). Private energy firms have employed transformational strategies to change the way things are done in the company. For instance, transformational leadership strategies have helped energy companies to execute strategies such as idealized influence, inspiration, motivation, and intellectual stimulation, which lead to better performance (Okoth et al., 2024). Besides, transformational leadership strategies have helped energy firms embrace digital transformation and take advantage of the opportunities and the challenges facing them.

Transformational leadership strategies are also associated with change management to enable firms to keep up with the dynamics of the business environment. The energy sector in Kenya has been developing, with the country expected to witness an increase in power generation by at least 5000MW by 2030 (Magasi, 2021). The country's energy sources have mainly come from hydroelectric power plants that are affected

by the climatic changes, forcing the country to seek alternative sources of energy. The government's commitment to liberalize the energy sector has seen it seek thermal power plants that are run by independent power producers (IPPs) and standby diesel power plants that are used in emergencies (Okwata et al., 2022). However, the high demand for power in the country has necessitated the country to seek new investments in renewable energy, leading to growth in geothermal and wind energy. Private energy companies have thus been encouraged to invest in power production to meet the growing power demand.

Transformational strategies in the private power companies in Kenya have become necessary to ensure that the firms achieve their goals of providing power to the citizens. Transformational strategies enable the power companies to improve organizational performance, increase sales growth, and increase market share. The Kenya energy sector consists of players operating in the oil and gas, transmission, distribution, and marketing of power. Some of the top players in the energy sector in Kenya include KenlKobil, National Oil, KenGen, and Kenya Power (Rawashdeh et al., 2021). These companies are engaged in electric transmission, distribution, and the oil and gas sector. The Kenyan government has been committed to improving power connectivity through the privatization of the sector to encourage foreign investors. The privatization of the sector has also helped decentralize the power distribution while at the same time opening it to innovation and competition.

The privatization of the energy sector has seen the emergence of Independent Power Producers (IPPs) to innovate and help decentralize power (Gathenya, 2023). Besides, the ERC has helped private energy firms to operate harmoniously by creating a suitable environment (Rawashdeh et al., 2021). This agency is responsible for the

economic, technical, and regulatory aspects of the electric power, tariff sharing, and licensing of energy companies. Besides, the ERC is responsible for ensuring compliance, settling disputes, approving power purchase, and enforcing contracts.

1.2 Statement of the Problem

Performance of private solar energy companies in Kenya is a critical concern as they face significant challenges despite the growing demand for clean energy and government support for renewable energy adoption. The sector faces several challenges that have impacted its ability to create value for customers. Some of the challenges include high competition within the sector, lack of government support, counterfeit products, and high costs, with 69% of private solar companies operating below their targeted profitability margins (Kenya Association of Manufacturers, 2021). Additionally, solar energy adoption among Kenyan households remains low at 17%, falling short of the government's target of 35% by 2030. Financial constraints affect 43% of these companies, while 36% face operational inefficiencies (Ministry of Energy, 2024).

Existing literature on transformational strategy and performance (Necoechea-Porras et al., 2021), reveals several gaps. Many of these studies focus on developed economies and overlook the unique challenges faced by private solar energy companies in emerging markets like Kenya. Methodological gaps are also evident, with limited quantitative research exploring the relationship between transformational strategy and performance, specifically in the Kenyan manufacturing sector. Furthermore, contextual and conceptual gaps exist as existing studies often focus on non-manufacturing companies or use different variables that do not provide a comprehensive view of transformational strategy practices relevant to private solar

energy manufacturing companies. This study, therefore, aimed to address these gaps by specifically examining the influence of transformational strategy practices on the performance of private solar energy companies.

1.3 Study Objectives

1.3.1 General Objective

To determine the influence of transformational strategies on the performance of private solar energy companies in Kenya.

1.3.2 Specific Objectives

The specific objectives of this study were:

- i. To assess the effect of customer-centric strategy on the performance of private solar energy companies in Kenya
- ii. To examine the effect of innovation strategy on the performance of private solar energy companies in Kenya
- iii. To establish the effect of strategic staffing strategy on the performance of private solar energy companies in Kenya
- iv. To determine the effect of operational excellence strategy on the performance of private solar energy companies in Kenya

1.4 Study Hypotheses

H₀₁: Customer-centric Strategy do not have a significant influence on the performance of private solar energy companies in Kenya

H₀₂: Innovation Strategy do not have a significant influence on the performance of private solar energy companies in Kenya

H03: Strategic staffing strategy does not have a significant influence on the performance of private solar energy companies in Kenya

H04: Operational excellence strategy does not have a significant influence on the performance of private solar energy companies in Kenya

1.5 Significance of the Study

This Study is helpful to the private firms in the energy sector, the government, change management professionals, researchers, and scholars in different sectors.

1.5.1 Scholars

The research adds to the academic literature and the knowledge on transformational Strategy in the private energy companies in Kenya. As such, the results enrich the existing body of empirical literature in the context of transformational strategies. Future researchers can use the current study as a source of empirical literature in their endeavor to enrich the subject.

1.5.2 Companies Management of Private Solar Energy

The findings and the recommendations in this study offer a critical foundation for managers in private energy companies to initiate change management in the sector. The recommendations of the study enable managers to keep up with the demand for clean energy in the country and the globe at large. Companies such as KenGen and Kenya Power can use the recommendations to ensure that they get good returns for their investments in green energy. Other firms in the industry can also get suggestions on how to improve professional practices in implementing strategies.

1.5.3 Policymakers

The study provides recommendations that can be employed by regulators to promote a level playing field for all players in the energy sector. The regulatory bodies can use

the study to make regulations that ensure smooth transition strategies in the country. The regulators can use the insights from this study to support private energy firms during change management by issuing guidelines that support firms on the use of transformation strategies that align with the current energy needs in the country.

1.6 Scope of the Study

The study focused on the private energy companies in Kenya. Specifically, the study examined the influence of customer-centric strategy, innovation strategy, strategic staffing strategy, and operational excellence strategy on performance. The study will include companies that were in operation between 2020 and 2024.

1.7 Limitations

Some of the respondents shied away from giving information to the data enumerators due to the high competition in the energy sector in Kenya, fearing that the data collected could be used by the competing firms to edge them out of the industry. Besides, the study was conducted within a short time, making it hard to determine the long-term impact of transformational strategies on the performance of the solar private companies in Kenya.

1.8 Delimitations of the Study

To overcome the limitations of confidentiality and participants shying away from participating, the researcher produced NACOSTI and an introduction letter from KeMU, encouraging higher participation, and thus a response rate of 91.2% was yielded. Besides, the study conducted a triangulation of both quantitative and qualitative findings to help in overcoming validity issues of the research design. The application of triangulation allows the study to take into account what would ensue in the long term due to the in-depth suggestions by participants.

1.9 Operational Definition of Terms

Customer-centric strategy	refers to an approach where an energy sector companies prioritizes understanding and meeting the needs and expectations of its customers, aiming to drive long-term loyalty and business growth (Rajagopal, 2020).
Dynamic Capability	refers to the ability of solar companies to utilize its resources and drive strategic innovation, ensuring long-term competitiveness and performance (Freitas et al., 2023).
Innovative Strategy	refer to the adoption of novel and creative approaches by solar companies that drive organizational change, enhance performance, and foster competitiveness through product and process improvement to meet evolving market demands and customer expectations (Corcaci & Kemmerzell, 2023).
Operational Excellence	refers to the continuous improvement of within solar companies of processes, systems, and practices within an organization to achieve superior efficiency, quality, and customer satisfaction, while driving innovation and adapting to market changes (Corcaci & Kemmerzell, 2023).
Strategic Staffing	refers to the process of aligning recruitment, selection, and development practices with the long-term strategic goals of solar companies to ensure that the right talent

is in place to drive innovation, change, and organizational growth (Huang et al., 2022).

Transformational strategies refers to high-impact organizational initiatives aimed at driving significant, long-term changes in performance, structure, or culture of solar companies (Corcaci & Kemmerzell, 2023).

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section presents the past empirical literature on transformational strategies and their influence on the performance of firms in different sectors. The study also examined the theories that explain the influence of transformational strategies on performance. Lastly, the section presented a conceptual framework and operationalization of variables that illustrate the relationship between the variables and their sub-variables.

2.2 Theoretical Review

2.2.1 Consumer Perceived Value (CPV) theory

Consumer Perceived Value (CPV) theory explains how customers make decisions based on a trade-off between perceived benefits and sacrifices. Rather than focusing solely on price, CPV emphasizes that customers assess value across multiple dimensions, including quality, convenience, emotional satisfaction, brand reputation, and even broader considerations such as environmental impact. This framework is highly relevant for private solar energy companies, whose products and services must deliver not only functional benefits but also align with evolving consumer expectations around sustainability and energy independence (Blut et al., 2024).

In the solar energy sector, a customer-centric strategy requires firms to actively identify and deliver value propositions that resonate with households, businesses, and communities. According to CPV theory, value is not measured only in monetary savings but also in how well the product meets both tangible and intangible customer needs. For example, when customers invest in solar energy solutions, their evaluation

extends beyond installation costs to include long-term savings on electricity bills, reliability of energy supply, reduction in carbon footprint, and the symbolic value of contributing to a cleaner environment. These multi-dimensional value perceptions strongly influence purchase decisions, customer satisfaction, and loyalty (Chatterjee et al., 2023).

From a functional perspective, private solar companies create value by providing high-quality solar panels, reliable maintenance services, and technologies that guarantee efficiency and durability. Customers perceive functional value in the form of reduced electricity costs, energy independence, and protection against fluctuating grid tariffs. Emotional value is also central—customers often experience pride and satisfaction from adopting renewable energy solutions that reflect responsible citizenship and environmental stewardship (Gad et al., 2023). In rural or underserved areas, solar installations can further generate feelings of empowerment by granting access to affordable and reliable energy, enhancing quality of life and well-being (Azizi & Sas-sen, 2023).

Adopting CPV in a customer-centric strategy means that solar firms must go beyond selling panels and installations; they must provide end-to-end solutions that minimize customer sacrifices while maximizing perceived benefits. This includes offering flexible financing options, ensuring seamless installation, providing warranties, and delivering responsive after-sales service. By reducing perceived risks and inconveniences, companies enhance the overall customer experience, which directly contributes to higher customer satisfaction and loyalty.

2.2.2 Kurt Lewin's Theory of Change

This theory was introduced by Kurt Lewin in the 1940s and explains that change is a planned process in an organization. The theory states that firms engage in a change management process to achieve a desired goal. According to this theory, change management is a three-step process that enables a firm to transit into a better version of itself (Ferede et al., 2024). The theory also explains how firms can use change management to align with the specific needs of the environment. The theory identifies that a firm may experience some resistance to change due to huge investments in the old ways of doing things. As such, employee engagement is critical in enabling firms to break the barriers that come with the status quo (Endrejat & Burnes, 2022).

According to this model, change management occurs in three steps, whereby the first step is unfreezing. The unfreezing of the change management model entails renewing direction and capability to align with the current needs in the market. The unfreezing stage also requires a firm to evaluate the desired change based on the internal and external environment. Knowledge of the environment enables a firm to understand the resources needed to achieve the desired change. In this stage, the firm may have to divert its corporate direction and ensure that it follows a new direction that aligns with the market needs (Ferede et al., 2024). This first step also requires the firm to engage the groups within the firm to ensure they embrace change. Engaging the organizational groups helps to address any resistance to change that may be present in the organization. The unfreezing stage exposes the need for change and identifies the status quo that may be present in the organization (Endrejat & Burnes, 2022).

The next stage is the change process, whereby an organization executes the actual change. In this step, the firm implements the steps that actualize the needed change.

The firm may still experience resistance to change because some of the employees may be uncertain about what the new change brings. Organizational managers have to ensure that all employees adopt new behaviors that are consistent with change. The desired change in the change process heavily depends on this process, implying that managers ought to invest heavily in persuading the employees. Besides, the organization may need to engage the employees to identify innovative ways to deal with any resistance to change in the firm (Miyen & Marnewick, 2023).

The third step in this theory is the Refreezing stage, whereby an organization uses the new change and ensures stability. The main goal of refreezing is to protect the firm against constant change to avoid disruptions. The refreezing process also ensures that the people adopt new ways of thinking and operating. The refreezing state also ensures that the new gains of change will not be ignored or resisted again. The third step helps firms to attain the culture and structure that aligns with the desired change.

The use of Lewin's change model ensured that private energy firms could transition to the need for green energy (Miyen & Marnewick, 2023). The theory identifies the need to engage the employees in the energy sector to avoid any resistance to change. Besides, the theory identified the need for the top management in the energy sector to provide direction for the employees and the junior managers. The top managers and executives will play a crucial role in offering direction to ensure the energy firms can meet the huge demand for clean energy in Kenya. This theory focuses on the importance of planning to ensure that change management is not sabotaged. As such, a lack of planning can have a huge impact on the transformational strategies employed by private energy firms in Kenya. This theory exposes firms to innovative ways to

ensure change management is seamless through employee engagement to identify innovative ways that align with the organizational culture (Magasi, 2021).

Kurt Lewin's Theory of Change provides a strong foundation for understanding how strategic staffing strategies and customer-centric strategies drive transformational change in private solar energy companies. In the unfreezing stage, companies recognize the need to adapt to dynamic market demands and evolving customer preferences, prompting them to attract and develop talent with the right skills through strategic staffing. This ensures the workforce is well-equipped to implement customer-focused solutions. During the change phase, the integration of customer-centric strategies, such as personalized service delivery and enhanced customer support systems, allows companies to build stronger relationships and improve satisfaction. Finally, in the refreezing stage, these changes are embedded into the organizational culture, solidifying a responsive workforce and a customer-first approach as key components of sustained competitive advantage in the solar energy sector (Ayele et al., 2021).

2.2.3 Contingency Theory

This theory was introduced in 1961 and emphasizes that firms can use one approach for all their situations. The theory argues that the structure and management style of an organization should be contingent upon the external environment in which it operates (Ferede et al., 2024). In the context of private solar energy companies in Kenya, where the market is characterized by dynamic shifts in technology, regulatory shifts, and evolving customer needs, the ability to adapt organizational structures is critical for performance. This theory highlights that firms operating in dynamic environments must adopt flexible, adaptive strategies to remain competitive, aligning

well with operational excellence strategies that demand continuous improvement and adaptability (Ortner et al., 2025).

Operational excellence strategies focus on optimizing processes, enhancing efficiency, and minimizing waste to deliver superior value to customers. Burns and Stalker's Contingency Theory supports this by suggesting that firms should adopt more organic structures; flexible, decentralized, and responsive to thrive in volatile environments (Baptista et al., 2020). Private solar energy firms in Kenya can leverage this theory by ensuring that their operational frameworks are agile enough to accommodate market changes, such as fluctuating energy demands, technological innovations, and regulatory requirements. This adaptability ensures that companies can streamline their operations while maintaining high service quality and operational efficiency (Vasilev et al., 2025).

The theory's central premise is that organizations must align their internal processes with external environmental conditions to achieve success. For private solar energy companies, this means adopting operational excellence strategies that prioritize continuous process improvements, cost management, and quality assurance (Ashok et al., 2021). Firms in turbulent markets benefit from decentralized decision-making, allowing faster responses to market demands. This aligns with operational excellence strategies that require constant monitoring, evaluation, and refinement of processes to achieve peak performance and competitiveness (Wang, 2024).

In the dynamic solar energy market, operational excellence involves integrating advanced technologies, optimizing supply chains, and enhancing customer service. Burns and Stalker's Contingency Theory provides a framework for achieving this by emphasizing that firms must remain flexible and responsive to external changes. This

flexibility allows firms to implement innovative operational practices, such as automation, lean management, and continuous improvement programs, essential for sustaining high performance and competitiveness in the energy sector (Ortner et al., 2025). Operational excellence is a major driver for firms aiming to deliver reliable, affordable solar energy solutions to a growing market.

The contingency perspective also underscores the importance of leadership in operational excellence. Leaders in private solar energy firms must foster a culture of adaptability, innovation, and efficiency to achieve operational excellence (Vasilev et al., 2025). By aligning leadership practices with operational goals, firms can enhance their resource utilization, reduce operational costs, and improve service delivery. Burns and Stalker's theory emphasizes that in dynamic environments, leadership must facilitate continuous learning and adaptation, essential components of operational excellence (Rawashdeh et al., 2021).

Furthermore, Burns and Stalker's Contingency Theory highlights that operational excellence is not a static goal but a continuous process influenced by external pressures and internal capabilities. For private solar energy firms, this means continuously evaluating and enhancing their operational processes to meet market demands and regulatory standards (Ferede et al., 2024). Operational excellence strategies such as lean management, Six Sigma, and total quality management align with this theory by promoting constant process optimization and resource efficiency, ensuring that firms remain competitive in a fast-evolving energy market (Bowman, 2020).

Burns and Stalker's Contingency theory offers valuable insights for private solar energy companies in Kenya seeking operational excellence. By emphasizing the need

for organizational flexibility, continuous adaptation, and efficient resource utilization, the theory aligns perfectly with operational excellence strategies. This alignment ensures that firms can navigate the complexities of the solar energy market, achieve high operational performance, and deliver superior value to their customers, ultimately enhancing their competitive edge and long-term sustainability in the industry (Olan et al., 2022).

2.2.4 Dynamic Capabilities Theory

This theory enhances the importance of strategic agility in high-tech firms, but has now been adopted in other sectors, such as the energy sector. According to this theory, a firm can leverage its dynamic capabilities to match the changing demands of the market. The dynamic capabilities may include organizational skills, resources, functional competencies, and the human resource capital that enables an organization to create a unique value proposition for its customers. The dynamic capability has become multi-dimensional as firms seek to leverage various key competencies to remain competitive (Bowman, 2020).

The dynamism in the market implies that firms are faced with threats and opportunities daily. Only firms with dynamic capabilities can discern and take advantage of the opportunities, while those that lack dynamic capabilities end up failing. Dynamic capabilities allow firms to achieve a competitive advantage and improved performance through activities that focus on these capabilities (Azizi & Sassen, 2023). The leaders in any organization play a crucial role in identifying the desired competencies and capabilities when crafting the desired strategies. The firm can then ensure that they have the requisite capabilities required to succeed in the market. Besides, the theory asserts the need for continuous improvement in the

strategy to ensure that a firm remains on course to sustain its competitiveness (Ferede et al., 2024).

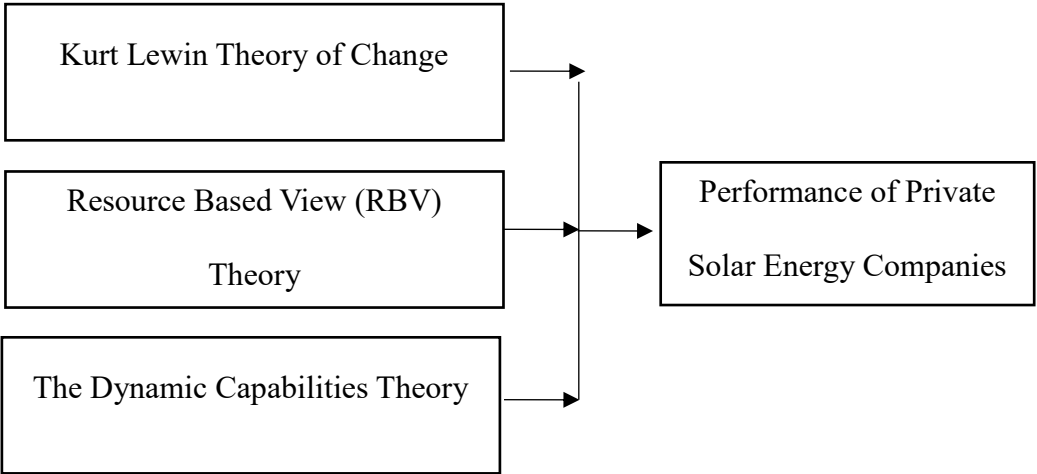
The key role of managers and top executives in the execution of superior capabilities is adapting, integrating, and reshaping the organizational skills and resources. However, evaluating dynamic capabilities as a stand-alone activity may lead to problems. The firm should ensure it considers the happenings in the business environment, the firm's historic strengths and weaknesses, as well as its long-term strategies. The application of dynamic capabilities also requires firms to consider their strategic orientation and product positioning to ensure they align with the market needs. As such, dynamic capability has a huge role in helping firms understand the external environment (Pitelis et al., 2023).

This theory is used in this study because it explains how firms in the private energy sector in Kenya can adapt and use their resources to create a unique value proposition. This adaptation and integration will help the firms to respond to the changing needs in the environment. A firm must be able to scan the external environment, monitor the customers and competitors, and respond to the changes in market conditions speedily. Firms with higher absorptive capability will have a stronger learning ability, enabling them to compete. This theory is used to explain how firms can use their dynamic capabilities to achieve operational excellence by streamlining their processes. Dynamic capability is an essential element in helping firms to develop knowledge based on their assets, thus sustaining a market leadership position (Bowman, 2020). The dynamic capabilities theory is linked to innovation strategies as it is based on a firm's ability to continuously adapt and reconfigure resources to foster innovation. Innovation strategies involve developing new products, services, and processes,

which aligns with the theory's focus on agility and responsiveness to market and technological changes, enabling firms to maintain competitive advantage and enhance performance.

Figure 2.1

Theoretical Framework



2.3 Empirical Review

This section uses past studies on the role of transformational strategies in different sectors of the world. The empirical review explained the influence of customer-centric strategies, innovative strategies, strategic staffing strategies, and operational excellence on the performance of firms. The empirical review helps the designing a research method that aligns with the reviewed literature. Importantly, the section helps the study compare whether the results in this study are the same as other similar studies by other researchers.

2.3.1 Effect of Customer-Centric Strategies on Organizational Performance

The use of customer-centric strategies enables firms to engage in innovative marketing strategies that have a direct impact on financial performance (Osakwe, 2020). This study studied how customer-centric strategies impact micro-sized firms in Nigeria. A survey questionnaire was used to collect the data from the targeted firms, whereby a purposive sampling method was employed. The study noted that competition and technological turbulence are the main determinants of the customer-

centric strategies employed by firms in Nigeria. The study also noted that demand uncertainty does not have any impact on the customer-centric models used by firms. The research concluded that customer-centric strategies not only significantly lead to innovation in marketing strategies but also to financial performance. Since this study was done in Nigeria, this article cannot be used to generalize the use of customer-centric strategies in the private power firms in Kenya. The study focused on different sectors such as IT, Agriculture, and the banking sector, making it hard to generalize the findings on the energy sector.

Another study focused on customers impacts on SACCOs' performance in Kenya (Kavulya et al., 2024). The study targeted 181 SACCOs that are authorized to conduct deposit-taking in the country and have been operating for at least 5 years. The choice of these firms was to ensure that they have adequate knowledge of the market and the role of customer-centric strategies in improving the organization's performance. The respondents included 181 CEOs and business development managers who have been tasked with crafting strategies. The data was collected from the CEOs using questionnaires, whereby both open and closed-ended questions were asked. Data was also obtained from SACCO employees and the senior staff. A descriptive analysis method was used to collect data; whereby multiple regression models were used to show the relationships. The results reveal that customer-centric strategies have a positive impact on the performance of SACCOs in Kenya. The study recommends the need for SACCOs to invest in customer-centric strategies to stay competitive in the highly competitive financial sector in Kenya. Although this study was done in Kenya, the results cannot be used to make generalized conclusions on the role of

customer-centric strategies in the performance of private energy firms. The study was done in another sector, which presents a contextual gap.

Another study Kenya examined the influence of customer-centric strategy on the financial performance of Deposit-taking SACCOs in Nairobi. The study employed a descriptive research design, whereby a cross-sectional approach was employed (Mutuku et al., 2024). The study targeted 174 SACCOs, whereby 174 respondents targeted. The data was collected using questionnaires, after which it was analyzed using descriptive and inferential statistics. The research used SPSS to code and analyze the data, after which the results were revealed using tables, diagrams, charts, and figures. The results revealed that customer-centric strategies have a positive impact on financial performance. Importantly, the study revealed that firms that have prioritized customer-centric strategies are more likely to achieve improved financial outcomes than those that do not. This study was done in the banking sector, implying that its results cannot be used to make generalized conclusions in the private energy firms.

Another study in Kenya examined the influence of customer-centric service strategies on the performance of private universities in Kenya (Kuria, 2021). The study was anchored on customer service theory, assimilation theory, and attribution theory. Importantly, the study exploited how firms can leverage customer-centric strategies in customer acquisition, service delivery, customer acquisition, and customer retention in privately owned universities in Kenya. A descriptive cross-sectional approach was employed in the data collection, whereby 170 employees were targeted. A sample size of 120 respondents was used based on a random sampling technique. The data was collected using questionnaires on Google Forms. The researcher used

SPSS in the data collection, whereby both inferential and descriptive statistics were analyzed.

The results revealed that customer-centric strategies have played a crucial role in the success rate of private universities in Kenya. Importantly, the study noted that the customer-centric strategies used by the universities include service delivery, customer retention, and customer acquisition strategies. The study concluded that most of the private-owned universities pay more attention to the delivery of improved customer recovery plans. While this study was conducted in Kenya, it was done in academic circles, which have different regulatory and operational frameworks compared to the energy sector. Thus, the results from this study cannot be used to make generalized findings on the impact of customer-centric strategies in private energy firms in Kenya. A study in Austria examined the role of customer-centric transformation design on organizational performance and identity change (Soklaridis et al., 2024). Specifically, the study examined the main reasons that prevent firms from transitioning towards customer-centric strategies. The study focused on Austrian IT service providers in the public sector. A descriptive research design was used to collect the data using questionnaires to target the respondents. The data was analyzed using SPSS and presented in tables, charts, and figures. The study also used a qualitative research design to identify the key themes of strategy, leadership, processes, and technology. The study used strategy and culture as the intervening variables in this study. The study noted that the use of customer-centric strategies has a positive impact on organizational performance. The main blockers for the execution of customer-centric strategies include communication styles, human capital, and a lack of compatibility with new technologies. The study recommended the need for managers to address the

blockers of customer-centric strategies in their organizations. The main research gap of this study is that it was done in a developing country, which has a different regulatory and economic environment, which offers a contextual gap. As such, the results of this study cannot be used to make generalized conclusions about the current research.

2.3.2 Effect of Innovation Strategies on Organizational Performance

Studies have shown that innovation strategies have a positive and significant impact on the organization's performance. Innovation strategies have been shown to lead to better quality, operational efficiency, and market performance. A study in Kenya examined the influence of innovation strategies on organizational performance by using Telkom Kenya as the case study (Otioma, 2023). The research used a descriptive research design to establish how innovation strategies impact the performance of Telkom Kenya. The research used several theories in its study: the open innovation theory, the creative destruction theory, the resource-based view, and the disruptive theory. The data was collected using semi-structured questionnaires, whereby 40 employees working in Telkom Kenya were interviewed. The data was analyzed using SPSS, and the results were presented using charts, tables, and figures.

The results revealed that process innovation and administration strategies have a positive impact on organizational performance. The study recommends the need for firms to focus on administrative innovation and process innovation to enable their firms to sustain a competitive advantage. Process innovation enables firms to improve their product and service quality through investment in technologies, effective branding, and improvement in sales processes. The main limitation of this article is that it focuses on Telkom, which is a publicly owned company. Telkom operates under

a different regulatory framework than the private energy firms, implying that the results from this study cannot be generalized.

A study in Kenya evaluated the influence of innovation strategies on organizational performance in Isiolo County Hospital (Kools & George, 2020). The study employed the open innovation strategy to collect data and draw conclusions on the topic. A descriptive research design was employed in the study, whereby a target population of 200 employees was targeted, after which a sample of 80 was selected. A random sampling strategy was employed from the health management committee, supply chain officers, ICT officers, departmental heads, and supervisors. The researcher used open and closed-ended questionnaires in the data collection. The results revealed that process innovation strategies have a positive impact on the organization's performance. The study concludes that Isiolo Hospital should invest in innovation strategies to enable it to keep up with the demands of healthcare in the county. The main limitation of this study is that it was done in the healthcare setting, which is different from the private energy sector in Kenya. As such, the findings of this study cannot be used to make generalized conclusions on the role of innovation strategies in the performance of private energy companies in Kenya.

A study in Kenya examined the effect of strategic innovations on organizational performance in Kwale County (Soomro et al., 2021). A descriptive survey design was employed in the data collection. A target population of 104 employees was used to identify the manufacturing firms in Kwale County. The data was collected using structured questionnaires, whereby both closed-ended and open-ended questions were employed. SPSS was employed in the data analysis, whereby the results were presented in tables, charts, and figures. The findings revealed innovation strategies

have a positive and significant impact I the manufacturing firms in Kwale County. The study recommends that firms ought to benchmark against the best technologies in the industry to ensure they can keep up with the competition in the industry. However, this study was done in the healthcare sector in Kwale County, which implies that it cannot be generalized in the case of private energy firms in Kenya due to the contextual gap.

Another study in Nigeria examined the impacts of innovation strategies on the performance of water packaging firms in Nigeria (August, 2021). The research used a cross-sectional research design whereby the study targeted 118 water packaging firms. The data was analyzed using both quantitative and qualitative analysis. SPSS version 27 was used to analyze the data, whereby the results were presented in tables, charts, and figures. The results of the study revealed that higher levels of innovation strategies lead to better performance. The study recommended the use of innovative strategies in water packaging to increase profits and increase the number of potential and prospective customers. The main limitation of this study is that it was done in Nigeria, which has different legal and economic regulations from Kenya. Besides, the study was done in a water packaging company, which has a different environment compared to the private energy firms in Kenya. As such, the results cannot be used to conclude the effect of innovation strategies on the performance of private energy firms in Kenya.

A study that was done in Kenya studied the impacts of innovative strategies on the performance of Tea firms in Kenya (Cheruiyot & Litunya, 2024). Specifically, the study evaluated the role of product innovation, technology innovation, process innovation, and market innovation strategies on the performance of Finlay firms. The

study employed a descriptive research design in the methodology. The respondents consisted of 150 staff from the senior and junior staff. The data was collected using questionnaires, whereby SPSS software was used in the data analysis. The research used descriptive and inferential statistics, after which the results were presented in figures and tables. The study revealed that there is a positive relationship between innovation strategies and the firm's performance. The research recommends the need for process innovation, product innovation, and market innovation strategies in the tea sector to enable Finlay to sustain its competitive edge in the market. The main limitation of this study is that it was done in the tea sector, which offers a contextual gap. As such, the results cannot be used to make generalized conclusions on the role of innovative strategies in the performance of privately owned energy firms in Kenya.

2.3.3 Effect of Strategic Staffing Strategy on Organizational Performance

Strategic staffing plays a crucial role in improving organizational performance and ensuring that firms get the best talent in the market. Several researchers have sought to examine the effects of strategic staffing on organizational performance. A study examined the effects of strategic human resources on organizational performance (Sahoo, 2021). The research used an extensive literature review from past studies as the data methodology. The literature review helped the researcher draw descriptions and conclusions that can be applied in any firm. The results show that human resource practices such as strategic staffing have a positive effect on the organization's performance. Strategic staffing can be a source of sustainable advantage to a firm as it enables firms to create value for the customers. The main limitation of this study is that it focused on strategic human resource management on organizational performance. As such, the results in this study cannot be used to make a generalized

conclusion on the effect of strategic staffing on the performance of private energy firms in Kenya.

A study evaluated the role of strategic staffing on organizational performance. The article uses a meta-analysis of 87 correlations from 31 empirical studies (Walker et al., 2024). A random-effects meta-analysis was employed to identify the relationships between strategic staffing and performance. A systematic literature review was used to identify articles on strategic human resource practices. The results reveal that strategic staffing has a positive impact on performance. The study also notes that firms that use strategic staffing can create an innovative culture that enables them to create a competitive advantage in the market. The study recommends the need for strategic staffing to enable firms to keep up with the demands of the competitive landscape in the market. However, this study was done in the manufacturing sector, implying that the results cannot be used to make generalized conclusions on the effect of strategic staffing on the performance of the private energy firms in Kenya.

A study also in Kenya evaluated the role of strategic staffing on the performance of oil and marketing companies in Kenya (Mohamed & Muathe, 2020). The study was founded on the resource-based theory, knowledge-based theory, dynamic capability theory, and stakeholder theory. A descriptive research design was employed to establish the relationship between staffing and the performance of the oil marketing firms. The study's population consisted of 31 oil marketing firms in Kenya, where the management employees of the firms were targeted. A sample size of 143 respondents was given the questionnaires for the data collection. The primary data was collected using questionnaires, while the secondary data was collected using articles, journals, and books. The quantitative data was analyzed using SPSS software, which ensures

that the relationship between the variables was identified. The qualitative data was analyzed using inferential statistics through multiple regressions. The results revealed that strategic staffing techniques have a positive impact on the performance of oil marketing firms in Kenya. The study recommends the need for the communication of strategic vision and mission to the prospective employees to ensure the strategic staffing process is successful. This study was conducted in the oil marketing firms in Kenya, implying that it offers useful insights on the effects of strategic staffing on the performance of private energy firms in Kenya.

A study examine the impacts of strategic staffing on the performance of IT firms in Kenya (Kilika, 2020). This study used the task-technology fit theory, efficient structure theory, and resource-based theory. The study employed a descriptive research design in the research methodology. A population of 144 respondents was targeted in the data collection, whereby a stratified sampling technique was used to select the research sample. The respondents consisted of managers, supervisors, and team leaders from 3 telecommunication firms in Kenya. A sample size of 44 respondents was selected, whereby both primary and secondary data collection tools were used. The data was collected using structured questionnaires, whereby both open-ended and closed-ended questions were employed. The data was analyzed using regression analysis, while the content analysis was used on the qualitative data to identify thematic frameworks for the open-ended questions. The data was presented using SPSS using tables and charts. The results revealed that strategic staffing helps IT firms get the best talent in the market. Importantly, the study explains that strategic staffing has enabled firms to create a competitive edge in the highly competitive industry. However, this study was done in the IT sector and does not address the effects

of strategic staffing on the performance of private energy firms in Kenya. As such, the results from this study cannot be used to make a generalized conclusion about the research.

2.3.4 Effect of Operational Excellence Strategy on Organizational Performance

Operational excellence is associated with better organizational performance in different sectors. Past studies have shown that operational excellence leads to better customer satisfaction and better performance. A study which examined the effects of operational excellence on the performance of automobile marketing firms in Nigeria (Moktadir et al., 2020). The study's population consisted of 197 automobile firms in Nigeria whereby a sample of 130 was used. The research used a simple random sampling to identify a sample size of 264 respondents. The data was gathered using a questionnaire survey from the respondents. A simple regression model was used to analyze the data and present it in tables and charts. The results showed that operational excellence has a strong and positive impact on customer satisfaction. Firms can use operational excellence to increase sales through customer satisfaction, which in turn leads to better performance. The study recommends the need for operational excellence in the automobile firms to reduce wastage and ensure better profits in the firm. The limitation of this study is that it was done in Nigeria, which has a different economic and political system from Kenya. Thus, the results cannot be used to conclude the effect of operational excellence on the performance of private energy firms in Kenya.

A similar study in Kenya explored the effects of operational excellence on organizational culture in the banking sector (Bataineh et al., 2024). The research used a pragmatic research approach whereby both quantitative and qualitative techniques

were used. The study employed the dynamic capability theory and the resource-based theory, and the data were collected from 278 respondents. The respondents were from different management roles in the banking sector, whereby semi-structured questionnaires were used. The data was analyzed using SPSS for the quantitative data, while the qualitative data was analyzed using regression analysis and ANOVA. The regression analysis showed a positive relationship between operational excellence and the organization's performance. The study reiterates the need for strategic investments in operational excellence to enhance a firm's performance, however, this study was done on the tier 2 banking sector, implying that it cannot be used to make generalized conclusions on the effect of operational excellence on the performance of privately owned energy firms.

A study explored the effect of operational excellence on the performance of insurance firms in Kenya. The study used customer-centric strategies, innovation strategies, development capabilities, and agility as the dependent variables (Otieno, 2021) . The study used growth and market share to determine the firm's performance. The study used the dynamic capability theory, the Deming theory, and the economic development theory. The study targeted all the insurance firms in Kenya, whereby a census sampling technique was employed. A sample size of 44 firms was identified, whereby the top managers were selected for the study.

The data was collected from both closed-ended and open-ended questions from 106 managers in the insurance firms. The study was analyzed using descriptive and inferential statistics to identify the role of operational excellence on performance. The research revealed that insurance firms use customer-centric strategies to offer services that focus on customer needs and expectations. The study also noted that the insurance

firms are continuously innovating their products and the product mix to improve their services to customers. However, this study focused on the insurance firms in Kenya, implying that its results cannot be generalized to the private energy firms in Kenya. Besides, the study's variables include agility and product innovation, which are different from the variables used in the current study.

Besides a study focused on the impact of operational excellence on customer satisfaction in the service industry in Kenya (Okoth et al., 2024). Specifically, the study examined how firms can use operational excellence to improve customer satisfaction by incorporating operational excellence into their strategy. The study used a descriptive research design, whereby a cross-sectional survey was used. The study's target population consisted of 250 customers whereby 115 were employees and 6 directors. A stratified sampling technique was used to identify the sample size from the target population. The data was collected using questionnaires and observation methods. The data was analyzed using quantitative methods such as bar charts and pie charts to analyze the data. SERVQUAL was used to identify the service quality used by organizations to improve customer satisfaction. The results revealed that operational excellence improves the performance of the service industry in Kenya. However, this study uses operational excellence, lean methodology, and customer satisfaction as its variables, which are different from the variables of the current study. As such, the results from this study cannot be used to make generalized findings on the operational excellence of the private energy firms in Kenya.

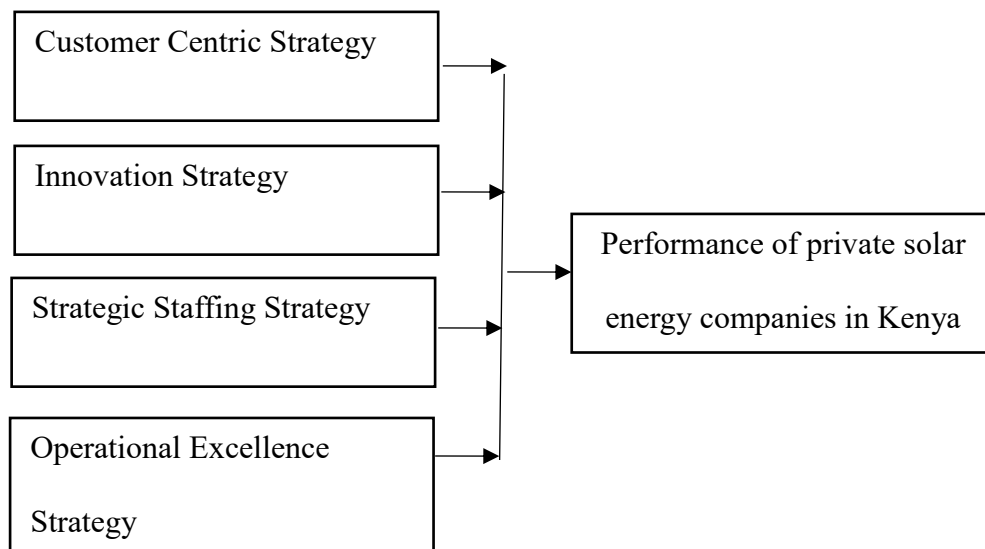
2.4 Conceptual Framework

A conceptual framework is a visual representation or diagram that illustrates the relationships between the key variables in a study. It outlines how the independent

variables are theorized to influence the dependent variable, serving as a guide for the research process. In this study, the independent variables, customer-centric strategies, innovation strategies, strategic staffing strategy, and operational excellence strategy are expected to have a significant impact on the dependent variable, which is the performance of private solar energy companies in Kenya.

Figure 2.2

Conceptual Framework



Source: Author (2025)

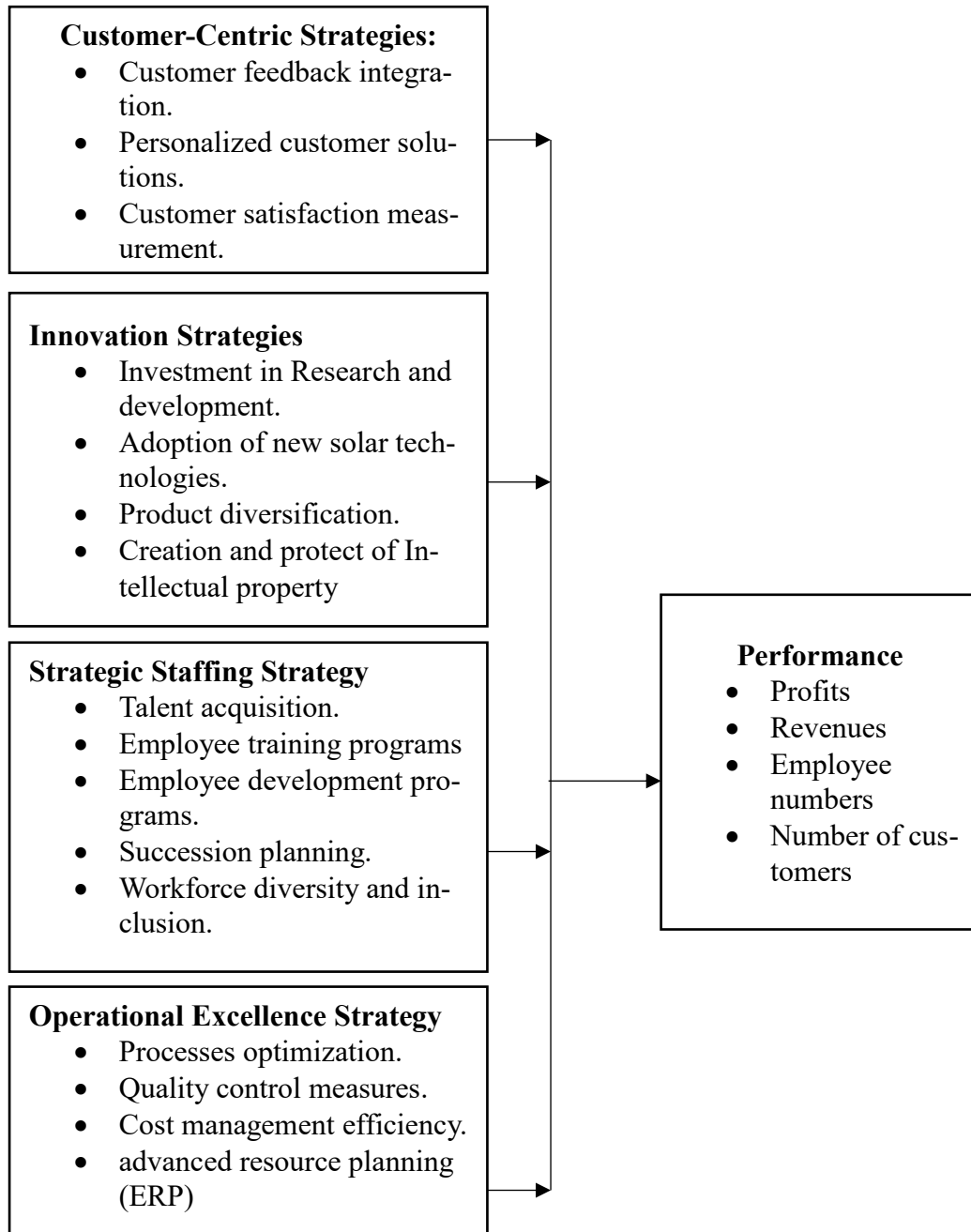
2.5 Operationalization of Variables

Independent Variables

Dependent Variable

Figure 2.3

Operational Framework



Source: Author (2025)

2.6 Research Gaps Summary

Table 2.1

Research Gaps Summary

Author(s)	Title	Findings	Gaps Identified	How Gaps Were Filled
Kabiti (2022)	The Effect of Human Resource Management Practices on the Performance of Road Construction Projects in Kenya	HRM practices such as recruitment, training, and employee engagement positively impact project performance.	Limited focus on only one region of Kenya (Nairobi).	Expanded the study to include a wider geographical scope across Kenya to ensure regional variation was considered.
Osakwe (2020)	Human Resource Management Practices and Project Performance in Road Construction Projects	Positive relationship between training, communication, and performance in road projects.	Insufficient exploration of challenges faced by HRM practices within road construction projects.	Focused on identifying specific HRM challenges within the road sector, including resource constraints and a lack of training facilities.
Kavulya et al. (2024)	Strategic Human Resource Management and Its Effect on Project Performance in Kenya	Strategic HRM practices lead to improved road construction project performance.	Limited data on how strategic HRM is implemented within KURA projects.	Detailed how strategic HRM practices are implemented in KURA projects, including leadership and training systems.
Mutuku et al. (2024)	Impact of Human Resource Management on Road Construction	HRM practices enhance performance through motivation, skill	The study primarily focused on employee satisfaction without	Addressed external factors such as government regulations, economic

	Projects in Kenya	in development, and efficient project execution.	considering the external challenges.	conditions, and market competition that affect HRM implementation.
Kuria (2021)	Influence of Resource-Based View on Project Performance	Effective use of organizational resources positively impacts road construction project performance.	The relationship between resource utilization and project performance was not fully explored.	Focused on how resource allocation, especially human and financial capital, directly affects project outcomes in the context of road construction.
Soklaridis et al. (2024)	Effect of Strategic Resource Management on Project Performance	Resource management practices, including finances and materials, significantly contribute to project outcomes.	Lacked an examination of non-financial resource factors in project performance.	Included non-financial resources such as technology, skilled labor, and government policy impacts to provide a broader view of resource management.
Otioma (2023)	Resource Management Practices and Road Project Performance in Nairobi	Resource management practices, such as timely allocation of resources, contribute to road project success.	No in-depth exploration of resource shortages and inefficiencies in the Kenyan road construction sector.	Investigated the impact of resource shortages and inefficiencies, particularly regarding labor and materials, on project completion timelines.
Kools and George (2020).	Impact of Resource Management on Road Project Success in Kenya	Proper resource management, especially planning and human resource allocation, is key to	Lack of focus on the specific role of human resources in project success.	Focused on how human resources, including training and morale, contribute to better project

		successful road projects.		execution and completion.
Cheruiyot and Litunya (2024).	Influence of Human Resource Management on Road Construction Project Performance	HRM practices such as recruitment, training, and employee motivation have a strong positive effect on project success.	Limited focus on the interaction between HRM practices and other strategic elements, like financial resources.	Explored the interaction between HRM practices and financial resource allocation to provide a more holistic view of project performance.
Otioma (2023)	The Role of Human Resource Management in Enhancing Road Project Performance	HRM practices such as leadership development and employee training lead to higher project efficiency.	Did not address the impact of poor HRM practices on road project delays or failures.	Added case studies that focused on poor HRM practices and their effect on road construction delays, providing a balanced view of HRM's role.
Kools and George (2020)	Strategic Human Resource Practices and Project Performance in Kenya	Strategic HRM practices contribute positively to the on-time delivery and cost efficiency of road projects.	Focused mainly on successful projects, neglecting the impact of HRM practices on project failures.	Included analysis of failed projects and how HRM practices could have mitigated those failures, offering practical insights into HRM improvement.
Soomro et al. (2021)	The Impact of Resource Management Practices on Road Project Performance	Resource management practices such as budgeting, scheduling, and material control enhance project performance.	Did not explore the correlation between resource management and road safety outcomes.	Investigated how proper resource management directly affects road safety and how this can improve project outcomes.

August (2021)	The Role of Human Resource Practices in Enhancing Road Construction Performance	HR practices that focus on skill development and team building contribute to road project success.	Lack of focus on how external factors like community involvement affect project outcomes.	Included a section on how community engagement and local workforce inclusion can improve project performance, providing a more holistic approach.
Mohamed and Muathe (2020)	Exploring HRM Practices and Project Performance in Road Construction	Employee engagement, regular training, and leadership development lead to improved project performance.	The study focused mainly on large-scale projects, without exploring small-scale projects or variations.	Added insights on small-scale road construction projects and how HRM practices were scaled to suit smaller, localized projects, improving the applicability of findings.
Moktadir et al. (2020)	Human Resource Practices and Their Influence on Road Construction Success	Effective communication, employee recognition, and team collaboration improve project outcomes.	The study was limited to one aspect of HRM, excluding the influence of financial resource management.	Provided a deeper dive into the role of financial management alongside HR practices in boosting project success.
Otieno (2021)	The Influence of HRM Practices on Project Delivery in the Kenyan Road Construction Sector	HRM practices, including clear leadership and training programs, enhance the on-time delivery of projects.	Lack of data on how HRM practices affect cost overruns in road projects.	Included a cost analysis section that examines how HRM practices help control or mitigate cost overruns, improving project budget adherence.

Source: Author (2025)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter shows the research design of the study, the target population, sample and sampling techniques, data collection instruments, and data collection methods. The chapter also presented the ways through which data was analyzed and presented. Lastly, the chapter presents ethical practices observed in carrying out the study.

3.2 Research Design

To approach a study, a researcher is supposed to come up with ways of answering important questions that also assist in achieving objectives and solving the underlying problem (Creswell & Creswell, 2021). In particular, the study adopted an ex-post research design. This approach is appropriate because it allows the researcher to examine the relationship between the independent variables and the dependent variable, identifying patterns and correlations (Takona, 2024). An ex-post design is suitable for analyzing the degree to which transformational strategies correlate with the firm performance of private solar companies in Kenya, to provide detailed insights into the current practices and their effects without altering the natural environment of the participating companies.

3.3 Target Population

The population of the study as a whole refers to a group of individuals, events, or objects that possess similar attributes that fit a specification (Huntington-Klein, 2021). There are 12 private solar companies registered in Kenya (Ministry of Energy, 2024). The study targeted middle-level managers and low-level managers who are predominantly involved in decision-making processes in these solar companies. A preferred target population should be accessible, easy to make follow-ups, and time

and money resources should be available (Takona, 2024). There are 1548 employees in both middle and low-level/operations management working in the departments of finance (232), marketing (464), technical department (615), and human resource departments (232) in 12 private energy companies in Kenya. A census of 12 private companies was included in the study because of its manageable size, with no need for sampling. The target population is presented in Table 3.1.

Table 3.1

Target Respondents Distribution

Position in organization	Population Size
Finance officers	232
Technical officers	615
Marketing/Sales officers	464
Human resource officers	232
Total	1548

Source: Deloitte (2025)

3.4 Sample Size and Sampling Techniques

In any study, a researcher must think of the cost of the project as well as the available time. The two limitations guided the principal investigator in using a sample to understand the perceptions of the population (Creswell & Creswell, 2021). A sample should be adequate and representative of the entire population so that a biased opinion on the report is not crafted in the study. This study applied a stratified-random sampling technique through the use of the Taro Yamane formula, which is applied as follows:

n=

$$N/[1+N(e^2)]$$
.....equatio

n 3.1

where n represents the sample size, N represents the population, whereas e represents a margin of error in sampling.

$n = 1548 / [1 + 1548(0.05 * 0.05)] = 317.86$, which was 318 to the nearest whole number.

Table 3.2

Sample Distribution

Position in Organization	Population Size	Ratio	Sample Size
Finance officers	232	0.15	48
Technical officers	619	0.40	127
Marketing/Sales officers	464	0.30	95
Human resource officers	232	0.15	48
Total	1548	1.000	318

Source: Author (2025)

3.5 Data Collection Instrument

In a study, several instruments can be used to gather primary data; the most common ones include focus group discussions, interviews, and questionnaires. This research used questionnaires to capture the data needed. Questionnaires are mainly used in studies because they are easy to apply and their ability to collect data within a short time as well as the diversity of responses (Panos & Boeckler, 2023). The questionnaire for the current study comprised six sections with the first section seeking to collect data on the demographic characteristics of the respondents including gender composition, age of participant, position in the organization, and experience; the second section of the study covered customer-centric Strategy, the third section concentrate on innovation Strategy, the fourth section emphasize on strategic staffing strategy, the fifth section was on operational excellence strategy whereas the sixth section sought to collect data on the performance of private solar companies. The questionnaire had closed-ended questions as well as Likert questions to rate the extent

to which the respondents agreed with the statement that was provided, whereby 5= strongly agreed, 4= agreed, 3= neutral, 2= disagreed, and 1= strongly disagreed.

3.6 Data Collection Procedures

In a bid to collect data that was used in coming up with the thesis report, the researcher engaged three assistants who were trained before the collection of the data on ethical concerns that needed to be upheld during the exercise, the importance of the whole exercise of collecting data such as the goals of the research and the desired quality and principles to collect data that meet quality assurance as desired by the principal investigators. One week before the data collection exercise began, the principal investigator wrote a letter to the managing directors of the private companies, requesting them to allow their middle and low-level managers to participate in the study.

Upon visiting the premises of the respondents, the research assistants introduced themselves to the respondents to seek consent as well as explain the importance of the undertaking. Upon being permitted to collect data, the researchers issued the questionnaire to the respondents and asked them to fill it out within two weeks. The questionnaires were hand-picked from the participants. Physically administering the questionnaires allows for more interaction with the participants to ensure that only the intended participants are included (Panos & Boeckler, 2023). During the data collection period, participants who did not avail themselves physically were asked to participate online through a questionnaire that was administered through Google Forms.

3.7 Pre-Testing of the Research Instrument

A pilot test is undertaken to ensure that the instrument for the data collection is flawless and therefore satisfactory in collecting the data (Panos & Boeckler, 2023). A pilot study is carried out as a rehearsal for the actual survey to establish whether the study is reliable and valid (Takona, 2024). A recommend for use of a pilot size (equal to 10% of the sample size), therefore, the study piloted 32 respondents in the study but their responses were not included in the final findings.

3.7.1 Validity of the Instrument

The research validity is the degree to which the instrument can measure or capture the desired output or responses. Validity for the instrument was captured through both face and construct validity (Creswell & Creswell, 2021). Face validity was ascertained by giving 32 questionnaires to the staff in the private solar companies, enabling the researcher to find out whether he obtained any meaningful responses from the respondents, and the researcher improved on the wording of the questionnaires as well as corrected issues of ambiguity, if present, based on the results. The researcher was also helped by research practitioners in the university, conversant with transformational strategy in improving the questions asked in the questionnaire. Besides, the study achieved construct validity through the use of Bartlett tests and Kaiser-Meyer-Olkin (KMO) tests; any value below a score of 0.7 on any given item through KMO tests was dropped as an unfit measure/item in the questionnaire.

3.7.2 Reliability of the Instrument

The other aim of conducting a pilot is to test the reliability of the questionnaire, usually referred to as the internal consistency test (Takona, 2024). The test was done

to achieve internal reliability through a Cronbach score of above 0.7. As a rule of thumb, a Cronbach score that was above 0.7 was considered reliable.

3.8 Data Analysis and Presentation

Upon collecting adequate responses from the participants, the principal investigators sorted the responses, coded, and entered each questionnaire at a time for actual analysis using the Statistical Package for Social Sciences (SPSS). Descriptive statistics were conducted on mean, standard deviation, frequencies, and percentages. Conducting descriptive statistics helps in the identification of patterns such as data centralization or dispersion of data around the mean (Panos & Boeckler, 2023).

Step two of data analysis involved conducting inferential analysis, which involved testing hypotheses through regression analysis. Conducting inferential analysis helps a researcher to reveal the independent variables with a significant effect on the dependent variable (Creswell & Creswell, 2021). A binary logistic regression model of the following form was used,

$$\text{Log } Y (P/1-P) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4$$

Where P represents the odds of a high business performance, whereas (1-P) represents the probability/odds of a low performance. Therefore, the performance of the solar energy companies was Log Y (the proportion or ratios of the odds of high against low performance).

The beta coefficients (B₁-B₄) represent the coefficients of the independent variables on the dependent variable. X₁ represents customer-centric strategy; X₂ represents innovation strategy; X₃ represents strategic staffing strategy, and X₄ represents operational excellence strategy.

3.8.1 Diagnostic Tests

Before the binary logistic regression analysis, the study conducted diagnostic tests to determine whether the assumptions of the regression model had been violated including Goodness-of-Fit of a Logistic Regression Model using Hosmer and Lemeshow Test and also Normality Test.

Tests for Multi-Collinearity

Multi-linear regression model assumes that the independent variables are independent as such. Instances where independent variables are not fully independent result in multicollinearity problems. To test for multi-collinearity, the study applied the value inflation factor and the correlation analysis. The value inflation factor score runs between 1 and 10 for variables that do not suffer multi-collinearity; however, values outside the threshold reveal the presence of multi-collinearity.

Goodness-of-Fit of A Logistic Regression Model

Using Hosmer and Lemeshow Test, p-values above 0.05 is an indication of good fit for a logistic regression model.

3.9 Ethical Considerations

Ethical considerations protect the rights, welfare, and dignity of the participants and also maintain the integrity of the research process (Ellis-Barton, 2018). There are several ethical considerations in research, including informed consent, confidentiality and privacy, minimizing risks and harm, and protecting intellectual property throughout the research (Creswell & Creswell, 2021).

Informed consent is important in research because the respondents should be made aware of the possible risks, the purpose of the research, the procedures, and their rights before voluntarily participating in the study. The researcher provided written consent

that the participants signed, indicating that they are aware of the research procedure and purpose of the study and that they have voluntarily participated. The researcher also anonymously identifies respondents so that the identities of the respondents are not revealed to boost trust and increase participation.

The researcher also put in all necessary efforts to ensure that at all times during the study, physiological or social harm was minimized to enhance the well-being of the respondent. The researcher used a language that is polite and professional to avoid causing any harm during the data collection stage. Additionally, the researchers also submitted the research authorization bodies, such as NACOSTI, for an evaluation of the ethical practice to promote responsible research where participants are protected and compliance with ethical guidelines is upheld.

CHAPTER FOUR: FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presented the findings of the study, which was guided by the four research objectives: customer-centric Strategy, innovation strategy, strategic staffing strategy, and operational excellence strategy. Both Descriptive and inferential analyses are presented in Chapter four. Findings were presented on both descriptive and inferential statistics.

4.1.1 Response Rate

Table 4.1 presents the response rate of the study, highlighting the number of participants who responded versus those who did not.

Table 4.1

Response Rate

Response Attained	Frequency	Percentage (%)
Responded	290	91.2%
No-response	28	8.8%
Total	318	100%

Source: Author (2025)

A total of 290 respondents submitted their answers from a pool of 318 targeted participants, which yielded an exceptional response rate of 91.2%. The remaining 28 participants (8.8%) did not respond. The high response percentage demonstrates that participants showed both interest and reliability regarding the collected data. The research findings show higher credibility because they effectively represent the target population.

4.1.2 Validity and Reliability of Research Instrument

Table 4.2 presents the results of the reliability analysis using Cronbach's Alpha to assess the internal consistency of the research instrument.

Table 4.2*Reliability Test*

	Cronbach's Alpha	N of Items
Customer-Centric Strategy	0.881	4
Innovation Strategy	0.856	4
Strategic staffing strategy	0.895	5
Operational excellence strategy	0.831	4
Performance of private solar energy companies	0.923	4

Source: Author (2025)

The reliability scores range from 0.831 to 0.923, indicating strong internal consistency for all constructs. Customer-Centric Strategy (0.881), Innovation Strategy (0.856), Strategic Staffing Strategy (0.895), and Operational Excellence Strategy (0.831) all exceed the acceptable threshold of 0.7, confirming their reliability. The Performance of Private Solar Energy Companies has the highest reliability (0.923), indicating a strong consistency in measuring the construct. These results suggest that the research instrument is highly reliable for data collection, ensuring that the findings derived from the instrument will be consistent and dependable. Table 4.3 presents the results of the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity.

Table 4.3*Validity Test*

KMO and Bartlett's Test		Customer -Centric Strategy	Innovation Strateg y	Strategic staffing strategy	Operational excellence strategy	Perf orm ance
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.822	0.786	0.874	0.743	0.859
Bartlett's Test of Sphericity	Approx. Chi-Square	611.528	632.818	893.417	531.574	881.126
	df	6	6	10	6	6
Sig.		0.000	0.000	0.000	0.000	0.000

Source: Author (2025)

The KMO values range from 0.743 to 0.874, exceeding the acceptable threshold of 0.6, indicating that the sample is adequate for factor analysis. Bartlett's Test of Sphericity is significant ($p < 0.05$) for all variables, confirming that the correlation matrix is not an identity matrix and that the dataset is suitable for factor analysis. These findings validate the research instrument's construct validity, demonstrating that the items measure their intended concepts effectively.

4.2 Demographic Statistics

Table 4.4 presents the demographic characteristics of the study participants, including gender distribution, job positions, and years of experience in their current roles. Collecting demographic information, such as gender, job positions, and experience, is essential in understanding how these factors might influence the study outcomes. Demographics help to ensure the sample is representative and allow for subgroup analysis.

Table 4.4*Demographic Statistics*

Demographic Statistics		Frequen cy	Perce nt
Gender Of Participant	Female	134	46.2
	Male	156	53.8
Position in the organization	Finance Manager	74	25.5
	Human Resources Manager	80	27.6
	Marketing and Sales Manager	70	24.1
	Production and Distribution Manager	66	22.8
Experience in the organization	Less than 5 years	72	24.8
	Between 6 and 10 years	70	24.1
	Above 11 years and below 15 years	86	29.7
	Above 15 years	62	21.4

Source: Author (2025)

The gender distribution indicates a nearly balanced representation, with 156 males (53.8%) and 134 females (46.2%), ensuring diverse perspectives in the study. Regarding job positions, the Human Resources Managers (27.6%) formed the largest group, followed by Finance Managers (25.5%), Marketing and Sales Managers (24.1%), and Production and Distribution Managers (22.8%). This distribution highlights broad managerial representation across key functional areas in the organization. Work experience data reveals that 29.7% of respondents have 11–15 years of experience, making them the largest group, followed by 24.8% with less than five years, 24.1% with 6–10 years, and 21.4% with over 15 years. This range of experience ensures insights from both seasoned and relatively new managers, enhancing the study's reliability.

4.3 Descriptive Analysis

The study conducted descriptive statistics on the Likert scale. Descriptive analysis included analysis of the four independent variables (customer-centric strategy, innovation strategy, strategic staffing strategy, and operational excellence strategy in addition to the dependent variable (performance of private solar energy companies). The data collected from the Likert scale was coded numerically (e.g., 1 for Strongly Disagree, 5 for Strongly Agree) to facilitate the calculation of statistical measures such as mean, mode, and standard deviation. This transformation enabled us to compute descriptive statistics, including the mean and mode for each response category. The standard deviation was also calculated to measure the spread of responses. The mode is especially useful to identify the most common response among participants, highlighting key trends in the data

4.3.1 Customer-Centric Strategy

Table 4.5 presents findings on the implementation of customer-centric Strategy in organizations.

Table 4.5

Descriptive Analysis on Customer-Centric Strategy

Indicator	Disa- gree	N	Agree	M
We have integrated a Customer feedback loop into a customer management approach.	9.7% (28)	26.9 % (78)	63.5% (184)	4
We have pursued Personalized customer solutions.	8.3% (24)	27.6 % (80)	64.1% (186)	4
We conduct surveys to measure the extent of Customer satisfaction with our solar and services.	8.9% (26)	30.3 % (88)	60.7% (176)	4
We have a very effective complaint resolution.	10.4 % (30)	24.1 % (70)	65.6% (190)	4

Source: Author (2025)

The responses indicate a strong commitment to integrating customer feedback, pursuing personalized solutions, conducting customer satisfaction surveys, and ensuring effective complaint resolution. The mode for all indicators is 4 (Agree), suggesting that most respondents perceive these strategy as being actively implemented.

Regarding customer feedback integration, 9.7% of respondents disagreed, 26.9% were neutral, and 63.5% agreed that their organization incorporates customer feedback into its management approach. This highlights that while feedback is valued, its full integration might still have room for improvement. Personalized customer solutions also received positive feedback, with 8.3% disagreeing, 27.6% neutral, and 64.1% agreeing that their organization actively pursues tailored solutions to meet customer needs. This response indicates that personalized customer solutions are widely seen as a priority for most organizations.

Customer satisfaction surveys were reported as a common practice, with 8.9% disagreeing, 30.3% neutral, and 60.7% agreeing that their organization measures satisfaction levels. The neutral responses suggest that while surveys are conducted, their effectiveness or frequency might require improvement for better impact. Additionally, effective complaint resolution was acknowledged by 10.4% who disagreed, 24.1% who were neutral, and 65.6% who agreed that their organization has a strong mechanism for handling complaints. These responses indicate that while many organizations feel confident about their complaint resolution process, there's still some room for improvement in handling customer issues.

Similar findings were given that a customer-centric strategy focuses on placing the customer at the core of the organization's decision-making process. This involves understanding customer needs for renewable energy solutions, offering tailored products, and delivering superior service. This strategy is essential in fostering customer loyalty and satisfaction, which can enhance market share and revenue growth in a competitive industry (Gad et al., 2023).

Table 4.6

Customer Solutions to Complaints

		Frequen cy	Percent (%)
The main approach to offering customers solutions	Customize d	204	70.3
	Standardiz ed	86	29.7
Ways of handling customers' complaints	In-person	58	20
	Online	24	8.3
	Phone	208	71.7

Source: Author (2025)

The findings indicate that 70.3% of respondents prefer customized solutions, while 29.7% use standardized approaches, suggesting a strong emphasis on tailoring services to individual customer needs. Regarding complaint handling, 71.7% of organizations primarily use phone communication, while 20% address complaints in person, and only 8.3% rely on online platforms. This highlights the importance of direct interaction in customer service, with phone calls being the dominant method for resolving issues efficiently.

4.3.1.1 Thematic Analysis on Customer Centric Strategy

Customers' Complaints Handling in an Organization

Customer complaints handling plays a pivotal role in shaping customer-centric Strategy, directly influencing customer satisfaction and brand loyalty. Many solar energy companies in Kenya have adopted structured complaint resolution mechanisms, integrating advanced Customer Relationship Management (CRM) systems and dedicated customer service teams to streamline responses. Moreover, some organizations leverage real-time feedback mechanisms through digital platforms, allowing for immediate issue tracking and resolution. A recurring theme in customer feedback is the emphasis on swift resolution, as companies recognize that delayed responses can erode customer trust. One respondent emphasized this commitment, stating, "We have a dedicated complaints resolution unit that acknowledges customer grievances within 24 hours and follows up with actionable solutions within 48 hours." Such proactive measures demonstrate an industry-wide shift toward enhancing customer satisfaction through efficient service recovery initiatives.

Despite these structured approaches, challenges persist in fully optimizing complaint resolution mechanisms. Resource constraints remain a significant hurdle, leading to delays in addressing customer concerns, especially during peak service periods. Furthermore, inadequate staff training on customer engagement and conflict resolution exacerbates inefficiencies in the complaints handling process. Additionally, while digital platforms provide real-time tracking, some firms struggle with integration due to technical and financial limitations. These challenges underscore the

need for continuous investment in employee training, improved resource allocation, and the adoption of more sophisticated digital tools to ensure seamless and efficient complaint resolution. By refining these processes, solar energy companies can strengthen their customer relationships and enhance overall organizational performance.

According to another study customer-centric strategy play a crucial role in improving financial performance and customer satisfaction. The study on Nigerian micro-sized firms found that companies implementing effective complaint resolution mechanisms enhanced customer loyalty and built a competitive edge (Osakwe, 2020). Similarly, another study demonstrated that customer-centric strategies positively impact SACCO performance in Kenya by ensuring fast complaint resolution and personalized customer engagement (Kavulya et al., 2024). However, as noted in the responses, demand uncertainty does not significantly impact customer complaint strategies (Osakwe, 2020).

4.3.2 Innovation Strategy

Table 4.7 presents findings on the adoption of innovation strategies within organizations. The responses assess investment in research and development, adoption of new solar technologies, diversification of product offerings, and intellectual property protection.

Table 4.7*Descriptive Analysis on Innovation Strategy*

Indicator	Disa- gree	N	Agree	M
Our organization has invested in Re- search and development.	13.7 % (40)	33.1% (96)	53.1% (154)	3
Our organization has adopted new solar technologies.	20.0 % (58)	24.8% (72)	55.1% (160)	4
Our organization has diversified solar product offerings.	14.4 % (42)	32.4% (94)	53.1% (154)	3
Our organization has come up with new processes and designs that are protected as intellectual property.	11.0 % (32)	20.0% (58)	68.9% (200)	4

Source: Author (2025)

Investment in research and development received mixed responses, with 13.7% of respondents disagreeing, 33.1% remaining neutral, and 53.1% agreeing that their organization invests in R&D. The mode of 3 (Neutral) suggests that investment levels may not be substantial or fully optimized. Regarding the adoption of new solar technologies, 20.0% disagreed, 24.8% remained neutral, and 55.1% agreed (with 31.7% strongly agreeing). The mode of 4 (Agree) indicates a general inclination toward adopting innovations in solar technologies.

For product diversification, 14.4% disagreed, 32.4% remained neutral, and 53.1% agreed that their organization has diversified solar product offerings. The mode of 3 (Neutral) suggests that efforts toward diversification are moderate. Finally, in terms of new processes and intellectual property protection, 11.0% disagreed, 20.0% remained neutral, and 68.9% agreed that their organization has developed new processes and protected designs as intellectual property. The mode of 4 (Agree) highlights a strong commitment to protecting innovations and intellectual property.

Scholars in agreement with the findings when they postulated that innovation involves the adoption of creative and technological advancements to develop new products or improve existing services, which could include designing efficient solar panels, storage systems, or affordable financing options. Innovation drives differentiation and competitiveness, helping companies respond to market demands and regulatory changes effectively (Gad et al., 2023).

Table 4.8

Innovations Processes

Statement		Freq uency	Per cent
How many more products have you created in the last five years	1	156	53.8
	2	68	23.4
	3	42	14.5
	4	24	8.3
Where would you place your organization in the technology adoption status/phase	Early Adopter	204	70.3
	Late Adopter	66	22.8
	Non-Adopter	20	6.9
Type of innovation your organization has come up with in the recent past	Breakthrough innovation	50	17.2
	Ordinary innovation	14	4.8
	Technological innovation	226	77.9
	Multiple Products	60	20.7
Product offering range	Single Product	230	79.3
Have you joined new markets or existing markets with new products or existing products	No	46	15.9
	Yes	244	84.1

Source: Author (2025)

Regarding product creation over the last five years, 53.8% of respondents indicated that their organization introduced one new product, while 23.4% developed two

products, and only 8.3% created four or more products. This suggests a focus on incremental product innovation rather than extensive diversification.

In terms of technology adoption, 70.3% classified their organization as early adopters, while 22.8% identified as late adopters, and 6.9% as non-adopters. This highlights a strong inclination toward embracing technological advancements at an early stage. Regarding innovation types, 77.9% of respondents indicated their organizations have implemented technological innovation, while 17.2% focused on breakthrough innovation, and 4.8% on ordinary innovation. This emphasizes a commitment to technology-driven advancements. When analyzing product offerings, 79.3% reported having a single product, while 20.7% offer multiple products. This suggests that most organizations specialize in a core offering rather than diversifying. Finally, 84.1% of respondents stated that their organizations have entered new markets or expanded within existing ones, indicating a strong growth and expansion strategy.

4.3.2.1 Thematic Analysis on Innovation strategy

New technologies adopted in production, market, or customer service

The adoption of digital solutions in solar energy production, market expansion, and customer service has been widely recognized by industry players. Most respondents acknowledged that integrating technology has significantly enhanced operational efficiency and customer experience. Moreover, organizations have increasingly embraced data-driven decision-making, leveraging digital tools to optimize their energy distribution and market reach. One respondent shared, "*We recently integrated AI-driven analytics into our energy distribution model, optimizing power allocation based on consumer usage patterns.*" This shift towards automation and artificial

intelligence underscores the industry's commitment to enhancing efficiency and customer satisfaction.

Additionally, financial technology has played a crucial role in simplifying customer transactions, improving accessibility, and expanding market penetration. Many companies have adopted mobile payment platforms, enabling seamless transactions for customers across different regions. One respondent stated, *"We use mobile payment integrations such as M-Pesa to facilitate transactions, making it easier for customers to purchase and pay for solar energy services."* This integration of digital financial solutions has not only improved convenience for customers but also boosted revenue collection efficiency for solar companies. Furthermore, it highlights the importance of financial inclusivity in ensuring broader adoption of solar energy solutions.

Despite these advancements, companies continue to face notable challenges in fully leveraging technology to its maximum potential. A major concern highlighted by respondents is the high cost associated with adopting and maintaining advanced digital solutions. Many firms, particularly smaller enterprises, struggle with the financial burden of acquiring cutting-edge technologies and keeping pace with rapid technological advancements. Moreover, investment in digital tools often requires significant capital expenditure, making it difficult for organizations with limited financial resources to implement large-scale digital transformation initiatives.

Furthermore, the shortage of skilled personnel remains a critical obstacle to the successful adoption and utilization of new technologies. Respondents emphasized that while digital tools such as AI and mobile payment integrations are promising, their

effectiveness is often hindered by a lack of technical expertise among employees. This supports the Likert findings, which indicated that although technology adoption is steadily improving, its full utilization remains constrained by workforce limitations. Moving forward, addressing these technical expertise gaps through targeted training programs and industry collaborations will be essential in ensuring the long-term success of innovation Strategy in the solar energy sector. Another study concurred that process and administrative innovation significantly impact organizational performance. The case of Telkom Kenya revealed that digital transformation, mobile integrations, and AI applications drive efficiency (Otioma, 2023). Similarly, a study found that technological innovation leads to better performance in the tea sector, aligning with the respondents' mention of AI and mobile payment systems (Cheruiyot & Litunya, 2024). However, as indicated high costs and resistance to new technologies limit full adoption. This corresponds with respondents' concerns about financial constraints preventing wider technology use (Kools & George, 2020).

4.3.3 Strategic Staffing Strategy

Table 4.9 presents findings on strategic staffing Strategy in organizations, focusing on talent attraction, staff training, employee development, succession planning, and diversity and inclusion.

Table 4.9*Descriptive Analysis on Strategic Staffing Strategy*

Indicator	Disagree	N	Agree	M
Our organization attracts talented staff in the industry.	6.2% (18)	15.9% (46)	78.0% (226)	4
Our organization trains its existing staff.	4.2% (12)	20.7% (60)	75.1% (218)	5
Our organization offers employee development programs.	4.9% (14)	29.7% (86)	65.5% (190)	4
Our organization has succession planning for its staff to ensure no position remains vacant.	6.2% (18)	15.9% (46)	77.9% (226)	4
Our organization ensures the inclusion and diversity of hires.	4.8% (14)	33.1% (96)	62.0% (180)	3

Source: Author (2025)

Regarding talent attraction, 6.2% of respondents disagreed, 15.9% remained neutral, and 78.0% agreed (including 35.9% strongly agreeing) that their organization attracts skilled staff. With a mode of 4 (Agree), this suggests that organizations actively seek talent, with a positive reception of their recruitment efforts.

Staff training received the highest consensus, with 4.2% disagreeing, 20.7% neutral, and 75.1% agreeing (including 37.9% strongly agreeing) that their organization prioritizes training. The mode of 5 (Strongly Agree) indicates a strong commitment to employee skill development.

For employee development programs, 4.9% disagreed, 29.7% were neutral, and 65.5% agreed (including 31.7% strongly agreeing) that their organization offers such programs. The mode of 4 (Agree) demonstrates a structured approach to career growth, which is widely recognized by employees.

Succession planning was acknowledged by 6.2% who disagreed, 15.9% who were neutral, and 77.9% who agreed (with 37.2% strongly agreeing) that their organization

ensures no positions remain vacant. The mode of 4 (Agree) highlights proactive workforce planning.

Finally, 4.8% disagreed, 33.1% were neutral, and 62.0% agreed (including 31.7% strongly agreeing) that their organization promotes diversity and inclusion. However, the mode of 3 (Neutral) suggests that diversity efforts could be further enhanced, as some respondents remain uncertain about the effectiveness of these initiatives.

Overall, the findings indicate strong staffing strategy, with room for improvement in fostering inclusivity. Mintzberg et al. (2020) were in agreement with study findings when they argued that strategic staffing strategy emphasizes the importance of acquiring, developing, and retaining skilled personnel aligned with organizational goals well-executed staffing strategy is critical for maintaining operational efficiency and achieving long-term organizational success.

4.3.3.1 Talent Acquisition in Organizations

Table 4.10 presents findings on the main source of talent acquisition in organizations.

Table 4.10

Talent Acquisition in Organizations

Main source of talent acquisition	Frequency	Percent
External	50	17.2
Internal	240	82.8
Total	290	100

Source: Author (2025)

The majority (82.8%) of respondents indicated that their organization primarily relies on internal recruitment, while only 17.2% source talent externally. This suggests a strong preference for promoting existing employees, emphasizing internal career growth, familiarity with company culture, and reduced hiring costs.

4.3.3.2 Thematic Analysis on Strategic Staffing Strategy

Respondents were asked to explain how their organization ensures that it has the best employees to do the job. Respondents revealed that they ensured that organizations have the best employees for the job as a fundamental aspect of strategic staffing Strategy in the solar energy sector. Many respondents emphasized the importance of rigorous recruitment processes in selecting highly skilled and competent employees. Moreover, companies prioritize continuous learning by implementing structured training programs that equip employees with the latest industry knowledge and skills. One respondent highlighted this commitment, stating, *"We conduct rigorous recruitment processes, followed by continuous training programs to upskill our workforce and ensure they stay ahead in the industry."* By investing in employee development, companies not only enhance productivity but also foster a culture of innovation and adaptability.

Additionally, employee well-being emerged as a key consideration in staff retention Strategy. Organizations recognize that attracting and retaining top talent requires more than just competitive salaries. Instead, they focus on holistic approaches, such as offering attractive remuneration packages, professional development opportunities, and a conducive work environment that supports career growth. One respondent noted, *"Our Company invests in employee well-being, offering competitive remuneration and career growth opportunities to retain top talent."* This approach not only boosts employee satisfaction but also strengthens organizational commitment, leading to improved performance and reduced turnover.

However, despite these strategic initiatives, challenges persist in maintaining a stable workforce. A significant concern raised by respondents is the high employee turnover

rate, largely attributed to competitive poaching within the solar energy industry. As companies seek skilled professionals, employees often receive lucrative offers from rival firms, making retention a challenge. This industry-wide competition for talent underscores the need for organizations to implement robust retention Strategy, including career advancement programs, mentorship opportunities, and performance-based incentives.

Furthermore, these staffing-related concerns align with the Likert findings, which indicated that employee motivation levels were moderate, suggesting there is room for improvement. While organizations have made strides in enhancing recruitment and retention practices, more needs to be done to address turnover and ensure long-term employee engagement. Strengthening organizational culture, fostering a sense of belonging, and continuously recognizing and rewarding employee contributions could play a pivotal role in improving motivation levels and enhancing workforce stability in the solar energy sector.

The literature supports the notion that strategic staffing positively influences performance. Fore-instance a study in the oil marketing sector in Kenya and found that effective recruitment and training were critical to competitive advantage (Mohamed & Muathe, 2020). Similarly, through meta-analysis, found that strategic staffing creates an innovative workforce, improving firm performance (Walker et al., 2024). However, a study noted in their study on IT firms in Kenya, high employee turnover due to industry competition remains a major challenge, aligning with respondents' concerns about losing trained employees to competitors (Kilika, 2020).

4.3.4 Operational Excellence Strategy

Table 4.11 presents findings on operational excellence Strategy within organizations, focusing on process optimization, control measures, cost minimization, and advanced resource planning.

Table 4.11

Descriptive Analysis on Operational Excellence Strategy

Indicator	Disagree	N	Agree	M
Our organization ensures process optimization.	7.6% (22)	23.4% (68)	68.9% (200)	5
Our organization has control measures on production and process.	11.0% (32)	15.9% (46)	73.1% (212)	5
Our organization ensures the minimization of operations and administration costs.	15.9% (46)	30.3% (88)	53.8% (156)	4
Our organization applies advanced resource planning practices such as ERP.	6.2% (18)	20.0% (58)	73.8% (214)	4

Source: Author (2025)

Regarding process optimization, 7.6% of respondents disagreed, 23.4% remained neutral, and 68.9% agreed (including 37.2% strongly agreeing) that their organization ensures operational efficiency. With a mode of 5 (Strongly Agree), this indicates a strong commitment to optimizing processes and improving overall efficiency.

For control measures on production and processes, 11.0% disagreed, 15.9% remained neutral, and 73.1% agreed (with 48.3% strongly agreeing). This makes it the most highly rated indicator, suggesting that organizations prioritize stringent monitoring and control mechanisms to enhance quality and operational efficiency.

Regarding cost minimization in operations and administration, 15.9% disagreed, 30.3% remained neutral, and 53.8% agreed (with 17.2% strongly agreeing). The mode of 4 (Agree) indicates that organizations focus on cost-efficiency, though there is room for further improvement in this area.

Lastly, in terms of applying advanced resource planning practices like ERP, 6.2% disagreed, 20.0% remained neutral, and 73.8% agreed (with 33.8% strongly agreeing). This suggests a widespread adoption of advanced planning tools to streamline operations and improve resource management.

Similar observations were given scholars who opine that operational excellence strategy focuses on streamlining internal processes to achieve efficiency, cost-effectiveness, and high-quality outputs. This involves optimizing supply chain management, reducing production costs, and maintaining consistent service delivery. Operational excellence ensures that companies remain competitive and profitable while meeting customer expectations (Moktadir et al., 2020).

4.3.4.1 Organization's Overall Performance

Table 4.12 presents respondents' assessments of their organization's overall performance. The majority (78.6%) rated performance as fair, while 21.4% considered it excellent. This suggests that while organizations demonstrate adequate performance, there is room for improvement to reach excellence. Strategic enhancements in key operational areas could help elevate overall organizational effectiveness and competitiveness.

Table 4.12

Organization's Overall Performance

Overall performance of your organization	Frequency	Percent
Excellent	62	21.4
Fair	228	78.6
Total	290	100

Source: Author (2025)

4.3.4.2 Thematic Analysis

Respondents were asked to highlight how operational excellence had enhanced the Organization's performance. Respondents revealed that operational efficiency and effectiveness are crucial for the performance of solar energy companies, as they directly impact cost minimization and service delivery. Many organizations have embraced automation to streamline logistics and optimize service operations. By integrating technology into routine tasks, companies can enhance efficiency while significantly reducing operational costs. One respondent emphasized this shift, stating, *"We have embraced automation in logistics and service delivery, ensuring that routine tasks are handled efficiently while reducing operational costs."* This approach not only minimizes human error but also ensures faster and more reliable service delivery, ultimately improving customer satisfaction and organizational productivity.

Moreover, outsourcing has emerged as another effective strategy for enhancing operational efficiency. Some companies have strategically outsourced non-core services, such as customer support, to external firms, allowing them to concentrate on their primary functions, energy production and distribution. One respondent noted, *"To cut costs, we have outsourced some services, such as customer support, allowing us to focus on core energy production and distribution."* By leveraging specialized external service providers, organizations can optimize resources, enhance flexibility,

and improve service quality while keeping costs under control. This targeted approach ensures that companies remain competitive and agile in the dynamic solar energy sector.

However, despite these efficiency-driven initiatives, organizations still face significant challenges. Respondents highlighted issues such as fluctuating raw material costs and regulatory compliance expenses as major barriers to cost minimization and operational effectiveness. These unpredictable financial burdens often make it difficult for companies to maintain stability and sustain efficiency-enhancing measures. This concern aligns with the Likert-scale findings, which revealed mixed perceptions regarding the effectiveness of cost-minimization efforts. To navigate these challenges, organizations may need to adopt more adaptive financial strategies, such as forming long-term supplier partnerships and leveraging government incentives, to mitigate costs and sustain operational efficiency.

The Contingency Theory suggests that firms in dynamic environments must be adaptive and flexible in their strategies. This supports the respondents' emphasis on lean operations and outsourcing as cost-cutting measures. Another study in insurance confirmed that operational excellence through efficiency strategies leads to cost reduction and competitive performance in insurance firms (Otieno, 2021). Further, scholars demonstrated that operational excellence significantly enhances customer satisfaction in the automobile industry in Nigeria, mirroring how Kenyan solar firms optimize processes to improve service delivery (Moktadir et al., 2020). However, that despite these efforts, firms struggle with regulatory costs, aligning with respondents' concerns about compliance expenses (Okoth et al., 2024).

4.3.5 Performance of Private Solar Energy Companies

Table 4.13 presents findings on the performance of private solar energy companies based on profit growth, revenue growth, staff expansion, and customer base increase.

Table 4.13

Descriptive statistics on Performance of Private Solar Energy Companies

Indicator	Disa- gree	N	Agree	M
We had a profit growth in our last financial year.	6.2% (18)	24.1% (70)	69.7% (202)	4
We registered revenue growth in our last financial year.	9.6% (28)	23.4% (68)	66.9% (194)	4
The number of our staff has grown since last year.	9.6% (28)	30.3% (88)	60.0% (174)	4
Our customers have increased over the past year.	4.2% (12)	29.0% (84)	66.9% (194)	4

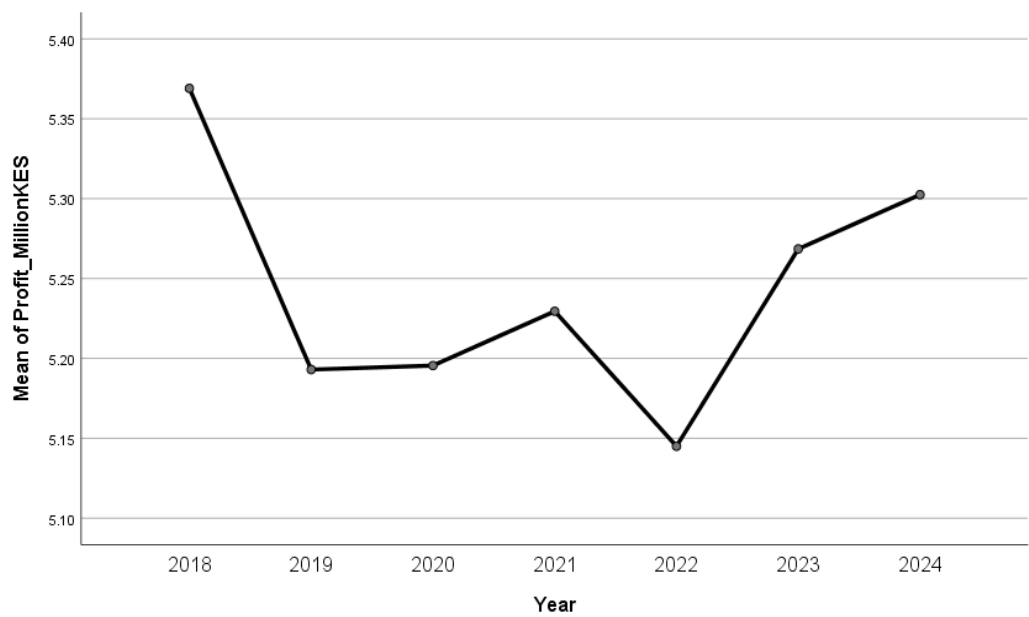
Source: Author (2025)

Regarding profit growth, 6.2% of respondents disagreed, 24.1% remained neutral, and 69.7% agreed (including 21.4% strongly agreeing) that their company experienced financial growth in the last financial year. The mode of 4 (Agree) indicates that most firms observed profitability, though some remained neutral. For revenue growth, 9.6% disagreed, 23.4% remained neutral, and 66.9% agreed (with 28.3% strongly agreeing). The mode of 4 (Agree) suggests positive revenue trends, although a segment of firms (9.6%) reported challenges. In terms of staff growth, 9.6% disagreed, 30.3% remained neutral, and 60.0% agreed (including 25.5% strongly agreeing). The mode of 4 (Agree) suggests moderate workforce expansion, indicating business stability. Finally, for customer base expansion, 4.2% disagreed, 29.0% remained neutral, and 66.9% agreed (with 24.1% strongly agreeing) that their customer numbers increased. The mode of 4 (Agree) highlights a growing demand for solar energy solutions.

Overall, these findings indicate positive business performance, though some firms experience moderate uncertainty in financial and workforce growth.

Figure 4.1

Profit Trends



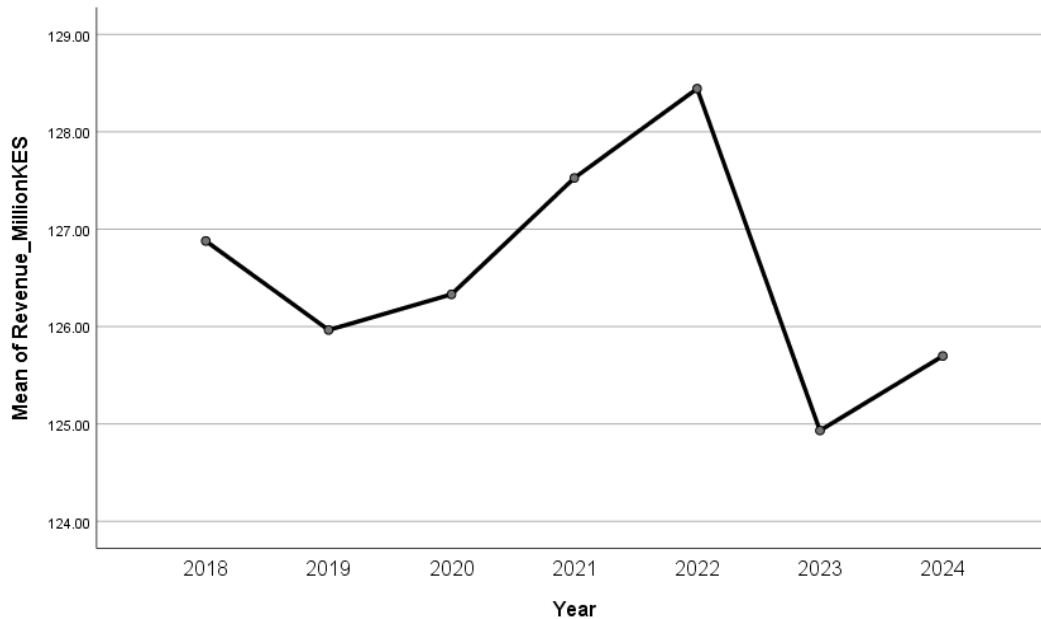
Source: Secondary Data

The first graph shows the mean profit (in million KES) from 2018 to 2024. Initially, there is a noticeable decline from 2018 (about 5.37 million KES) to 2019 (about 5.20 million KES), followed by a relatively stable period from 2019 to 2021 with slight increases. However, 2022 marks a dip to the lowest profit mean in this timeframe, roughly 5.14 million KES. This decline might suggest external economic challenges or operational inefficiencies impacting profitability during that year. The subsequent years, 2023 and 2024, show a positive recovery with profits rising back above previous years, reaching approximately 5.30 million KES in 2024. This upward trend

suggests that firms might have implemented corrective measures or benefited from improved market conditions.

Figure 4.2

Revenue Trends

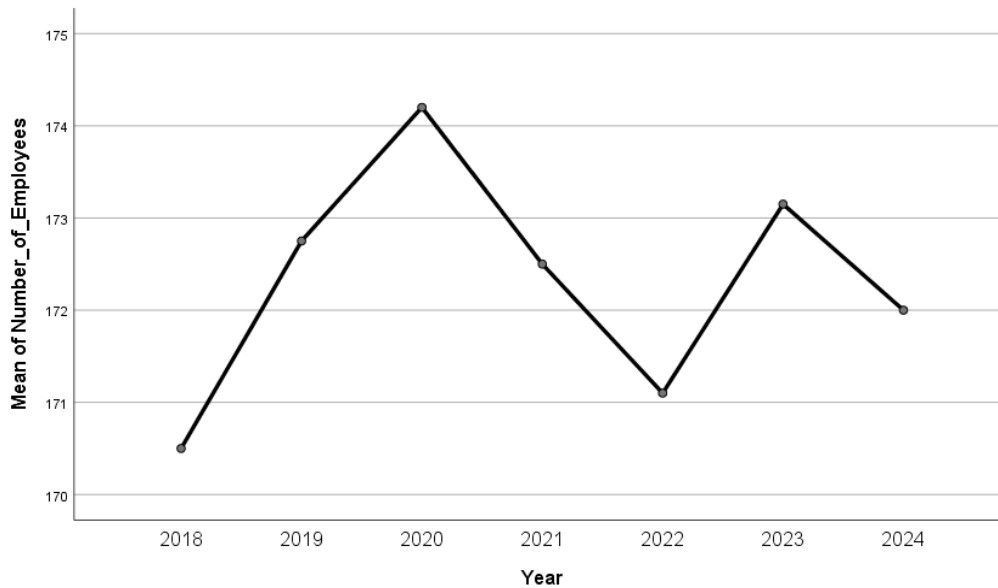


Source: Secondary Data

The revenue graph displays the mean revenue (in million KES) over the same period. The trend reveals a modest decline from 2018 to 2019, followed by a steady increase from 2019 through 2022, peaking at about 128.5 million KES in 2022. Despite this peak, 2023 experiences a sharp decline to approximately 124.9 million KES, the lowest point in the series. This decline could indicate challenges such as reduced sales, market contraction, or increased competition. However, revenue slightly recovers in 2024, reaching nearly 125.7 million KES, indicating some stabilization. The revenue and profit trends together suggest a potential lag between revenue fluctuations and profit impact, as revenue peaks in 2022, whereas profits dipped that year.

Figure 4.3

Number of Employees Trends



Source: Secondary Data

The graph for the mean number of employees shows a fluctuating pattern with an overall mild upward trend from 2018 to 2020, increasing from approximately 170 to 174 employees. This increase may reflect firm expansion or increased operational activities. Between 2021 and 2024, the number of employees oscillates, with a slight decrease in 2022 followed by a modest rise in 2023 and another decrease in 2024, ending at about 172 employees. These fluctuations could be associated with organizational restructuring, cost-cutting measures, or market demands affecting workforce size.

Table 4.14

Descriptive Statistics Summary

	N	Minimum	Maximum	Mean	Std. Deviation
Profit in millions	140	.76	10.80	5.2433	2.66690
Revenue in million	140	37.28	200.20	126.5388	43.70147
Number of Employees	140	58	307	172.31	77.235

Source: Author (2025)

The descriptive statistics table consolidates data for 140 observations, showing that profit ranges from 0.76 million KES to 10.80 million KES, with a mean profit of approximately 5.24 million KES and a standard deviation of 2.67 million KES, indicating moderate variability among firms. Revenue ranges broadly from 37.28 million KES to 200.20 million KES, with a mean of 126.54 million KES and a higher standard deviation of 43.7 million KES, pointing to significant disparities in revenue generation. The number of employees varies from 58 to 307, with a mean of 172.31 and a standard deviation of 77.24, suggesting considerable diversity in firm sizes.

When asked to provide general reflections on performance measures, respondents expressed a mix of optimism and challenges. Some companies reported growth in revenue and customer base due to transformational strategies. However, others highlighted persistent hurdles such as market competition and financial constraints. A respondent remarked: *"Our Company has seen a steady rise in customer acquisition due to strategic marketing and customer engagement efforts."* Conversely, another participant stated: *"Despite implementing efficiency measures, the cost of acquiring solar components remains high, affecting overall profitability."* These insights align with the Likert-scale results, which indicate that while transformational strategies contribute positively to performance.

Past studies indicate that customer-centric and innovation strategies drive financial performance. Companies prioritizing customer service and technological innovation achieve superior financial outcomes (Mutuku et al., 2024). Similarly, another study demonstrated that process innovation improves firm growth in Nigeria’s water packaging industry (August, 2021). However, a study found that external challenges such as high costs and regulatory barriers limit the full impact of transformational strategies, supporting respondents' concerns about financial constraints (Bataineh et al., 2024).

4.4 Assumptions of Regression

4.4.1 Multi collinearity Test

Two primary assumptions were examined: multi collinearity of data distribution. Multi collinearity occurs when predictor variables in a regression model are highly correlated, which can distort the estimated coefficients and reduce the reliability of the model. The Variance Inflation Factor (VIF) and Tolerance values are used to detect multi collinearity.

Table 4.15

Multi-Collinearity

Variable	Tolerance	VIF
Customer-Centric Strategy	0.343	2.916
Innovation Strategy	0.634	1.576
Strategic Staffing Strategy	0.326	3.064
Operational Excellence Strategy	0.789	1.267

Source: Author (2025)

Tolerance values below 0.1 and VIF values above 10 indicate serious multi collinearity concerns. In this study, Strategic Staffing Strategy (VIF = 3.064) and Customer-Centric Strategy (VIF = 2.916) have the highest VIF values, but they remain below

the threshold of 10, suggesting that multi collinearity is not a major concern. The Operational Excellence Strategy (VIF = 1.267, Tolerance = 0.789) shows the least collinearity with other variables, making it the most independent predictor. Overall, multi collinearity does not pose a significant issue in the regression model.

4.4.2 Goodness-of-Fit of a Logistic Regression Model

Table 4.16 presents the Hosmer and Lemeshow Test, which evaluates the model's goodness-of-fit.

Table 4.16

Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	6.998	6	.321

Source: Author (2025)

The chi-square value is 6.998 with 6 degrees of freedom, and the significance value is 0.321, which showed that difference between observed and predicted values is not statistically significant therefore the logistic regression model fit the data well.

4.5 Bivariate Regression Analysis

H₀₁: Customer-centric Strategy do not have a significant influence on the performance of private solar energy companies in Kenya

The first hypothesis, **H₀₁**, posited that customer-centric Strategy do not have a significant impact on the performance of solar energy companies in Kenya.

Table 4.17*Regression Between Customer Centric Strategy and Performance*

Model Summary							
		Cox & Snell R					
Step	-2 Log likelihood	Square			Nagelkerke R Square		
1	198.679 ^a	.173			.296		
Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
	0 = Reactive Strategy	0	0	0	0	0	0
Step 1 ^a	1 = Proactive Strategy	2.587	.390	43.974	1	.000	13.292
	Constant	.368	.217	2.877	1	.090	1.444

a. Variable(s) entered on step 1: Customer-Centric Strategy

b. Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

Source: Author (2025)

The Nagelkerke R Square value of 0.296 suggests that customer-centric strategy explain approximately 29.6% of the variation in performance, indicating a moderate level of explanatory power. More importantly, the Wald statistic for the variable "Proactive Strategy" was found to be highly significant at 43.974 ($p = 0.000$), suggesting that proactive customer-centric Strategy play a crucial role in enhancing the performance of solar companies. The Exp(B) value of 13.292 implies that companies employing proactive customer-centric Strategy are approximately 13.3 times more likely to perform well compared to those using reactive Strategy .

On the other hand, the constant term ($B = 0.368$, $p = 0.090$) was not statistically significant, which implies that, in the absence of customer-centric Strategy , the likelihood of achieving high performance does not differ significantly from neutral. Therefore, we conclude that HO1 is rejected, confirming that customer-centric

Strategy, particularly proactive approaches, significantly enhance the likelihood of high performance among private solar energy companies.

H02: Innovation Strategy do not have a significant influence on the performance of private solar energy companies in Kenya

The second hypothesis, **H02**, proposed that innovation Strategy do not significantly affect the performance of solar companies.

Table 4.18

Regression Between Innovation strategy and Performance

Model Summary							
Step	-2 Log likelihood	Cox & Snell R Square			Nagelkerke R Square		
1	144.435 ^a	.314			.538		
Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	0 = Strategic/Capacity-based innovation	0	0	0	0	0	0
	1 = Product/Technology innovation	4.605	.742	38.527	1	.000	.010
	Constant	4.605	.711	41.995	1	.000	100.000

a. Variable(s) entered on step 1: Innovation Strategy

b. Estimation terminated at iteration number 7 because parameter estimates changed by less than .001.

Source: Author (2025)

The Nagelkerke R Square value of 0.538 indicates that innovation Strategy explain 53.8% of the variation in performance, suggesting that innovation plays a crucial role in driving performance. The Wald statistic for "Product/Technology innovation" was 38.527 ($p = 0.000$), indicating a highly significant effect on performance. Furthermore, the Exp(B) value of 0.010 demonstrates that solar companies adopting

product or technology innovation Strategy are significantly more likely to succeed, with odds 100 times higher than those relying on strategic or capacity-based innovation Strategy .

The constant term ($B = 4.605$, $p = 0.000$) also reinforces the significant impact of innovation Strategy, as it shows a strong baseline effect for companies employing product/technology innovation. Given these findings, H_{O2} is rejected, and it is evident that innovation Strategy , especially those involving product and technology advancements, have a substantial positive influence on the performance of solar companies in Kenya.

H₀₃: Strategic staffing strategy does not have a significant influence on the performance of private solar energy companies in Kenya

The third hypothesis, **H₀₃**, tested whether strategic staffing Strategy influence the performance of solar companies.

Table 4.19

Regression Between strategic staffing and Performance

Model Summary							
Step	-2 Log likelihood	Cox & Snell R Square		Nagelkerke R Square			
1	198.679 ^a	.173		.296			
Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	0 = Long-term workforce development	0	0	0	0	0	0
	1 = Short-term staffing actions	2.587	.390	43.974	1	.000	13.292
	Constant	.368	.217	2.877	1	.090	1.444

a. Variable(s) entered on step 1: Strategic Staffing Strategy

b. Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

Source: Author (2025)

The Nagelkerke R Square value of 0.296 suggests that staffing Strategy explain a moderate amount of the variance in performance, indicating their importance but not to the same degree as other factors. The Wald statistic for "Short-term staffing actions" was 43.974 ($p = 0.000$), indicating that staffing decisions play a significant role in performance outcomes. The Exp(B) value of 13.292 suggests that companies using short-term staffing actions are about 13.3 times more likely to perform well compared to those employing long-term workforce development Strategy .

However, the constant term ($B = 0.368$, $p = 0.090$) remains insignificant, suggesting that, without strategic staffing interventions, the likelihood of achieving high performance does not significantly differ from a neutral position. While strategic staffing Strategy , particularly short-term actions, appear to have a positive effect, they are not as influential as customer-centric or innovation Strategy . Nevertheless, HO3 is rejected, confirming that staffing Strategy , especially short-term actions, play a significant role in improving the performance of private solar energy companies.

H04: Operational excellence strategy does not have a significant influence on the performance of private solar energy companies in Kenya

The final hypothesis, **H04**, examined whether operational excellence Strategy influence performance.

Table 4.20*Regression Between Operational Excellence and Performance*

Model Summary							
Step	-2 Log likelihood	Cox & Snell R Square			Nagelkerke R Square		
1	181.055 ^a	.222			.380		
Variables in the Equation							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	0 = Process-focused Strategy	0	0	0	0	0	0
	1 = Technology/system-focused Strategy	3.072	.423	52.718	1	.000	21.591
	Constant	.147	.221	.438	1	.508	1.158

a. Variable(s) entered on step 1: Operational Excellence Strategy

b. Estimation terminated at iteration number 6 because parameter estimates changed by less than .001.

Source: Author (2025)

The Nagelkerke R Square value of 0.380 indicates that operational excellence Strategy explain 38% of the variation in performance, highlighting their substantial impact. The Wald statistic for "Technology/system-focused Strategy " was 52.718 ($p = 0.000$), indicating a strong and statistically significant effect on performance. The Exp(B) value of 21.591 suggests that companies implementing technology and system-based operational excellence Strategy are 21.6 times more likely to achieve high performance than those using process-focused Strategy .

The constant term ($B = 0.147$, $p = 0.508$) is not significant, indicating that the baseline likelihood of success for companies without any operational excellence Strategy is not substantially different from neutral performance. Despite this, HO4 is rejected, demonstrating that operational excellence, especially in technology-driven systems, plays a critical role in enhancing performance. Solar companies that leverage advanced technologies and optimize their operational processes have significantly higher odds of success.

4.6 Binary Logistic Regression Analysis

Binary logistic regression analysis was conducted to assess the impact of various strategic factors on the performance of private solar energy companies. The analysis includes model fit evaluation, explanatory power, classification accuracy, and the significance of predictor variables.

4.6.1 Model Summary

The model summary of the regression is shown in Table 4.21.

Table 4.21

Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	86.136 ^a	.439	.753
a. Estimation terminated at iteration number 8 because parameter estimates changed by less than .001.			

Source: Author (2025)

Table 4.17 provides the model summary; the Cox & Snell R^2 (0.439) and Nagelkerke R^2 (0.753) suggest that the independent variables explain 75.3% of the variance in the dependent variable, reflecting a strong model.

4.6.2 Model Classification

Table 4.22

Model Classification

<i>Observed</i>			<i>Predicted</i>		Percentage Correct
			Performance of private solar companies		
Step 1	Performance of private solar companies	0	0	1	82.6
		1	38	8	96.7
	Overall Percentage		8	236	94.5

a. The cut value is .500

Source: Author (2025)

Table 4.22 presents the classification table, showing the model's ability to correctly predict company performance. The overall accuracy is 94.5%, with an 82.6% correct classification rate for non-performing companies and 96.7% for performing companies. This indicates that the model effectively distinguishes between high and low-performing companies.

4.6.3 Logistic Regression Coefficients and Exponential Coefficients

Table 4.23 displays the logistic regression coefficients.

Table 4.23

Logistic Regression Coefficients

	B	S.E.	Wald	df	P-values	Odds values
Customer-Centric Strategy						
0 = Reactive Strategy	0	0	0	0	0	0
1 = Proactive Strategy	2.406	.593	16.475	1	.000	11.090
Innovation Strategy						
0 = Strategic/Capacity-based innovation	0	0	0	0	0	0
1 = Product/Technology innovation	4.095	.979	17.495	1	.000	60.029
Strategic Staffing Strategy						
0 = Long-term workforce development	0	0	0	0	0	0
1 = Short-term staffing actions	-.092	.772	.014	1	.905	.912
Operational Excellence Strategy						
0 = Process-focused Strategy	0	0	0	0	0	0
1 = Technology/system-focused Strategy	2.731	.639	18.245	1	.000	15.353
Constant	-2.459	.536	21.082	1	.000	.086

a. Variable(s) entered on step 1: Customer-Centric Strategy, Innovation Strategy, Strategic Staffing Strategy, and Operational Excellence Strategy.

Source: Author (2025)

Effect of Customer-Centric Strategy On the Performance of Private Solar Energy Companies

The logistic regression results confirm that customer-centric Strategy significantly influence performance ($B = 2.406$, $p = 0.000$), meaning firms that adopt Proactive customer-centric approaches are 11.09 times more likely to experience improved performance than the firms that apply reactive customer-centric approaches. This finding is supported by a study who found that customer-centric approaches positively influence performance in SACCOs in Kenya (Kavulya et al., 2024). The study recommended that firms should integrate customer feedback, personalize services, and focus on customer satisfaction to gain a competitive edge. Additionally, another study which investigated how customer-centric models impact micro-sized firms in Nigeria and concluded that customer engagement significantly drives financial performance and innovation (Osakwe, 2020). In the private solar energy sector, companies that prioritize customer needs by providing tailored energy solutions, competitive pricing, and excellent after-sales services are more likely to retain customers and drive revenue growth. However, despite these benefits, firms must overcome barriers such as resistance to adopting customer-centric models and high implementation costs. Many companies struggle with aligning customer engagement Strategy with technological advancements (Mutuku et al., 2024).

Effect of innovation Strategy on the performance of private solar energy companies

The strongest predictor of firm performance is innovation Strategy ($B = 4.095$, $p = 0.000$, $\text{Exp}(B) = 60.029$), meaning firms that adopt product/technology innovation Strategy are 60 times more likely to achieve better performance than the firms that

apply strategic/capacity-based innovation Strategy . Innovation strategy was therefore the variable with the greatest effect on performance. Previous studies confirm that innovation plays a vital role in business success. Study examined the impact of product and process innovation on tea firms in Kenya and found a positive and significant correlation between innovation and firm competitiveness (Cheruiyot & Litunya, 2024). Similarly, a study noted that process innovation and administrative innovation significantly impact performance at Telkom Kenya, emphasizing that firms should invest in R&D, branding, and sales process optimization (Otioma, 2023).

Effect of strategic staffing strategy on the performance of private solar energy companies

Unlike the other variables, strategic staffing strategy was not significant ($B = 0.092$, $p = 0.905$, $\text{Exp}(B) = 0.912$), meaning short-term staffing strategy does not have a strong influence on performance in private solar energy firms, even in comparison with long-term staffing strategy. This contradicts previous studies that link strategic staffing with firm success. A study with similar views emphasized that human resource practices, including strategic staffing, enhance long-term performance (Sahoo, 2021). Similarly, a study noted that firms using strategic staffing can create an innovative culture, fostering sustainable competitive advantages (Walker et al., 2024). A study argued that strategic staffing impacts firm performance only when aligned with organizational vision. This suggests that private solar firms may need to refine their HR Strategy, focusing on hiring, training, and retaining talent aligned with long-term goals (Mohamed & Muathe, 2020).

Effect of operational excellence strategy on the performance of private solar energy companies

The findings show that operational excellence strategy ($B = 2.731$, $p = 0.000$, $\text{Exp}(B) = 15.353$) significantly influences firm performance. This means that firms prioritizing technology/system-focused operational excellence are 15.35 times more likely to improve performance than the firms that apply process-focused Strategy. This result aligns with a study, which found that operational excellence enhances market competitiveness and financial performance in insurance companies (Otieno, 2021). Additionally, another study emphasized that efficient processes, cost control, and quality management drive business success (Bataineh et al., 2024). Despite its benefits, scholars noted that operational excellence requires continuous improvement and investment in employee training (Moktadir et al., 2020).

4.6 Hypothesis Summary

Table 4.24

Summary of hypotheses

Hypothesis	Beta (p-value)	Conclusion
HO1: Customer-centric Strategy do not have a significant influence on the performance of private solar energy companies in Kenya	0.798 (p = 0.000)	Reject HO1 , Customer-centric Strategy significantly influence performance.
HO2: Innovation Strategy do not have a significant influence on the performance of private solar energy companies in Kenya	0.632 (p = 0.000)	Reject HO2 , Innovation Strategy significantly influence performance.
HO3: Strategic staffing strategy does not have a significant influence on the performance of private solar energy companies in Kenya	0.765 (p = 0.000)	Reject HO3 , Strategic staffing strategy significantly influences performance.
HO4: Operational excellence strategy does not have a significant influence on the performance of private solar energy companies in Kenya	0.478 (p = 0.000)	Reject HO4 , Operational excellence strategy significantly influences performance.

Source: Author (2025)

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the key findings of a study that examined the influence of transformational Strategy on the performance of solar companies in Kenya. The chapter further outlines conclusions drawn from the findings, providing insights into how transformational Strategy drive growth, efficiency, and competitiveness in the solar energy sector. Lastly, the chapter presents policy recommendations aimed at managers in the industry in formulating transformational Strategy that enhance the sustainability, innovation, and overall performance of solar companies in Kenya.

5.2 Summary of Findings

5.2.1 Customer-Centric Strategy and Performance

The study revealed that private solar energy companies in Kenya deploy customer-centric Strategy, including customer feedback integration, personalized customer solutions, customer satisfaction measurement, and effective complaint resolution while providing services to their customers. Most of the participants agreed with the statement on customer-centric Strategy, with Likert scores mainly being above 4 (Mode=4=agree). A significant portion of 70.3% of respondents relied on tailored solutions for complaint management, which highlights the strategic importance of personal service delivery. The study revealed that phone communication (71.7%) serves as the primary complaint resolution method for companies. Companies that pursue Proactive customer-centric Strategy are more likely to experience 11.09 times

better performance enhancement than those applying reactive Strategy (odds = 11.09, and a p-value of 0.000).

5.2.2 Innovation Strategy and Performance

The study also revealed that solar energy companies in Kenya have moderately adopted innovation Strategy that includes practices including, investment in research and development, adoption of new solar technologies, product diversification and creation and protect of intellectual property with modes of 3 and 4 on the practices with about 30% of participants being neutral about the innovation Strategy . Results of regression analysis revealed that companies that adopted Product/Technology had 60 times better chances to attain better performance than ones that relied on capacity-based innovation, which highlights the critical role played by ICT in innovation within the solar energy sector, with a p-value of 0.001 showing significant influence.

5.2.3 Strategic Staffing Strategy and Performance

The study also showed that solar companies in Kenya practice strategic staffing Strategy through a higher agreement with the statements (mode of 4 and 5): talent acquisition, employee training programs, employee development programs, succession planning, and workforce diversity and inclusion. Regression results showed odds of 0.912 and p-values of 0.905 between strategic staffing Strategy, indicating that firms adopting short-term staffing Strategy instead of long-term staffing Strategy did not significantly influence performance among solar companies. Therefore, dependence on short-term Strategy did not significantly influence performance.

5.2.4 Operational Excellence Strategy and Performance

The study also found that solar energy companies apply operational excellence strategy, including process optimization, quality control measures, cost management efficiency, and advanced resource planning, with mode scores for the statements showing scores of 4 and 5.

Results of binary regression showed that solar companies that employed Technology/system-focused Strategy were 15 times more likely to attain better performance than those that employed process-focused strategy . The relationship between Operational Excellence Strategy and the performance of solar companies was significant.

5.3 Conclusions

5.3.1 Customer-Centric Strategy and Performance

The study concluded that private solar energy companies operating in Kenya demonstrate better performance results when they focus on proactive customer-centric approaches. Also, the study concluded that organizations that integrate customer feedback, incorporate tailored solutions alongside defined complaint resolution protocols, achieve better performance. The study therefore led to the rejection of the null hypothesis that customer-centric Strategy do not significantly influence performance of solar energy companies in Kenya.

The study is in agreement with the dynamic capabilities theory, which emphasizes a firm's ability of a firm to adapt, integrate, and reconfigure internal and external resources in response to changing environments. Customers represent an important stakeholder whose expectations must be assessed and aligned properly during transformations. Through dynamic capability, organizations can exploit/ seize

opportunities as well as mitigate threats to ensure a sustained competitive advantage. Therefore, flexibility and adaptability to customers' demands are key in offering customer-centric Strategy.

5.3.2 Innovation Strategy and Performance

The study concluded that innovation Strategy significantly influence the performance of private solar energy companies in Kenya. The study therefore rejects the null hypothesis that innovation Strategy do not significantly influence performance. Solar companies that adopted technology/product-based innovation instead of Strategic/Capacity-based innovation had significantly better chances of raising their performance.

The conclusions also support the dynamic capability theory, which argues that an organization should enhance flexibility and adaptability through reconfiguration of its internal and external resources to remain aligned with the dynamism posed by the environment. One of the ways of doing so is through innovation Strategy that help an organization create products that add value to their customers, as well as using innovative Strategy that save on company costs while effectively serving the market.

5.3.3 Strategic Staffing Strategy and Performance

The study, however, concluded that strategic staffing Strategy did not significantly influence the performance of solar companies. Therefore, the study failed to reject the null hypothesis that strategic staffing does not significantly influence the performance of solar companies in Kenya. Adoption of short-term staffing Strategy instead of long-term staffing Strategy did not significantly increase odds for better performance.

The conclusions of the study are in support of Burns and Stalker's Contingency Theory, which opines that there is no best way to organize a company. In a dynamic

environment, an organization should align its strategy using an organic approach, whereas in stable and predictable environments, an organization should adopt a more mechanistic approach to enhance performance.

5.3.4 Operational Excellence Strategy and Performance

Finally, the study concluded that operational excellence Strategy significantly influenced the performance of private solar energy companies. This led to a rejection of a null hypothesis that operational excellence strategy does not significantly performance of solar companies in Kenya. Solar companies that adopted Technology/system-focused Strategy instead of Process-focused Strategy significantly increased the odds for better performance. The conclusions of this study align well with Kurt Lewin's Theory of Change, which postulates the three steps of change: unfreezing, change (movement), and unfreeze. Organizations need to align their operations while implementing the change/ transformation, such as

5.4 Recommendations

The recommendations of this study are categorized into policy recommendations and suggestions for future research. The policy recommendations guide managers of private solar energy companies in Kenya on strategic actions required to enhance organizational performance through transformational Strategy. On the other hand, the suggestions for future research highlight critical academic and researchable areas that require further exploration to deepen the understanding of how transformational Strategy can be effectively leveraged to drive the performance of solar companies in the energy sector.

5.4.1 Policy Recommendations

5.4.1.1 Customer-Centric Strategy

Private solar energy companies in Kenya should enhance performance through the adoption of customer-centric Strategy. The solar companies can integrate the feedback that is received from their customers to serve their customers better. The companies can also have personalized customer solutions to ensure that they are tailor-made for each customer's needs. The managers for the solar companies in charge of customer service can also conduct surveys on customer service to assess the satisfaction levels. Finally, the solar companies' managers need to effectively handle customer complaints to ensure high customer retention for customers.

5.4.1.2 Innovation Strategy

The study recommends the application of innovation Strategy to enhance the performance of solar companies in Kenya. Since the technology-based innovation had better chances of boosting performance, the study recommends the creation and protection of intellectual properties, such as better manufacturing patents of solar products within solar companies, as well as the adoption of new solar technologies. The study therefore recommends for use of smart-grid as well as hybrid solar systems to ensure better products are created. Due to the growth of artificial intelligence, the product should also integrate AI-powered energy management systems.

5.4.1.3 Strategic Staffing Strategy

The study recommends a review of the staffing Strategy because the current Strategy did not significantly influence performance. Solar companies can invest in human resource planning practices such as succession management, training and

development, as well as competitive compensation and talent retention Strategy to ensure better performance.

5.4.1.4 Operational Excellence Strategy

The study recommends the application of operational excellence strategy, more so the ones focused on technology/system-focused Strategy, to enhance the performance of the solar companies in Kenya. These Strategy should focus on quality control measures and advanced resource planning, such as the use of enterprise resource planning, to boost performance.

5.4.2 Suggestions for Future Research

The current study model with four variables predicted 75.3% of the performance of solar companies. An inclusion of more variables, either independent or control variables, can help improve the model's prediction. An example of a moderating variable could be stakeholder support. A similar study can also be conducted outside the East African region to help in comparing empirical results.

REFERENCES

- Abdelrazik, M. K., Abdelaziz, S. E., Hassan, M. F., & Hatem, T. M. (2022). Climate action: Prospects of solar energy in Africa. *Energy Reports*, 8(4), 11363–11377. <https://doi.org/10.1016/j.egyr.2022.08.252>
- Alshurideh, M. T., Kurdi, B. A., Alzoubi, H. M., Obeidat, B., Hamadneh, S., & Ahmad, A. (2022). The influence of supply chain partners' integrations on organizational performance: The moderating role of trust. *Uncertain Supply Chain Management*, 10(4), 1191–1202. <https://doi.org/10.5267/j.uscm.2022.8.009>
- Anwar, G., & Abdullah, N. N. (2021). The impact of Human resource management practice on Organizational performance. *International Journal of Engineering, Business and Management*, 5(1), 35–47. <https://doi.org/10.22161/ijebm.5.1.4>
- Ashok, V., Yadav, A., & Abdelaziz, A. Y. (2021). A Comprehensive Review on Wide-Area Protection, Control and Monitoring Systems. In H. Haes Alhelou, A. Y. Abdelaziz, & P. Siano (Eds.), *Wide Area Power Systems Stability, Protection, and Security* (3rd ed., Vol. 3, pp. 1–43). Springer International Publishing. https://doi.org/10.1007/978-3-030-54275-7_1
- August, D. (2021). Effect of Market Orientation on Firm Profitability of Sachet Water Companies in Anambra State. *International Academic Journal of Business School Research*, 8(4), 77–88. <https://www.arcnjournals.org/images/IAJBSR-2020-8-4-1-8.pdf>
- Ayele, S., Shen, W., Mulugetta, Y., & Worako, T. K. (2024). Governance of renewable energy procurement via private suppliers: The Ethiopian experience. *Energy Policy*, 184(4), 113–134. <https://doi.org/10.1016/j.enpol.2023.113889>
- Ayele, S., Shen, W., Worako, T. K., Baker, L. H., & Hadush, S. (2021). *Renewable Energy Procurement in Ethiopia: Overcoming Obstacles in Procurement from Independent Power Producers*. Institute of Development Studies (IDS). <https://doi.org/10.19088/IDS.2021.064>
- Azizi, L., & Sassen, R. (2023). How universities' social responsibility activities influence students' perceptions of reputation. *Journal of Cleaner Production*, 417(6), 137–149. <https://doi.org/10.1016/j.jclepro.2023.137963>

- Baptista, J., Stein, M.-K., Klein, S., Watson-Manheim, M. B., & Lee, J. (2020). Digital work and organisational transformation: Emergent Digital/Human work configurations in modern organisations. *The Journal of Strategic Information Systems*, 29(2), 101–127. <https://doi.org/10.1016/j.jsis.2020.101618>
- Bataineh, A., Qasim, D., & Alhur, M. (2024). The impact of digital banking channels and organizational culture on operational excellence in Jordanian banking. *Banks and Bank Systems*, 19(4), 163–176. [https://doi.org/10.21511/bbs.19\(4\).2024.13](https://doi.org/10.21511/bbs.19(4).2024.13)
- Bergman, N., & Foxon, T. J. (2020). Reframing policy for the energy efficiency challenge: Insights from housing retrofits in the United Kingdom. *Energy Research & Social Science*, 63(3), 101–136. <https://doi.org/10.1016/j.erss.2019.101386>
- Blut, M., Chaney, D., Lunardo, R., Mencarelli, R., & Grewal, D. (2024). Customer Perceived Value: A Comprehensive Meta-analysis. *Journal of Service Research*, 27(4), 501–524. <https://doi.org/10.1177/10946705231222295>
- Bowman, A. (2020). Parastatals and economic transformation in South Africa: The political economy of the Eskom crisis. *African Affairs*, 119(476), 395–431. <https://doi.org/10.1093/afraf/adaa013>
- Chatterjee, S., Chaudhuri, R., Vrontis, D., & Giovando, G. (2023). Digital workplace and organization performance: Moderating role of digital leadership capability. *Journal of Innovation & Knowledge*, 8(1), 100–104. <https://doi.org/10.1016/j.jik.2023.100334>
- Cheruiyot, L., & Litunya, R. (2024). Innovation Strategies and Performance of Tea Firms: A Case Study of James Finlay (Kenya) Limited. *Journal of Business and Strategic Management*, 9(1), 86–108. <https://ideas.repec.org/a/bhx/ojjbsm/v9y2024i1p86-108id1739.html>
- Corcaci, A., & Kemmerzell, J. (2023). Trans-local action and local climate policy. Configurations of success for climate innovations in the European multilevel system. *Review of Policy Research*, 40(6), 1120–1143. <https://doi.org/10.1111/ropr.12536>
- Creswell, J. W., & Creswell, J. (2021). *Teaching qualitative research interviewer skills: A developmental framework for social justice psychological research*

- teams. (2 ed). Sage.
https://www.academia.edu/download/57494939/Qual_Psych_teaching_interview.pdf
- Endrejat, P. C., & Burnes, B. (2022). Kurt Lewin's ideas are alive! But why doesn't anybody recognize them? *Theory & Psychology*, 32(6), 931–952. <https://doi.org/10.1177/09593543221118652>
- Ferede, W. L., Endawoke, Y., & Tessema, G. (2024). Effects of strategic leadership on change management: Examining the mediating roles of accountability, knowledge management, and organizational culture in public organizations: A study in Central Gondar, Ethiopia. *Cogent Business & Management*, 11(1), 24–39. <https://doi.org/10.1080/23311975.2024.2416613>
- Fjeldstad, O.-H., Kagoma, C., Mdee, E., Sjursen, I. H., & Somville, V. (2020). The customer is king: Evidence on VAT compliance in Tanzania. *World Development*, 128(2), 1–12. <https://doi.org/10.1016/j.worlddev.2019.104841>
- Freitas, A. W., Gonçalves, J. L., Henning, M., & De Souza, J. A. (2023, September 11–13). *Artificial intelligence at the front end of innovation: Systematic literature mapping* [Conference session]. International Conference on Innovation, Development and Sustainability, Linköping, Sweden. https://doi.org/10.1007/978-3-031-29129-6_1
- Gad, K., Yang, W., Pei, C., & Moosa, A. (2023). Effect of transformational leadership on open innovation through innovation culture: Exploring the moderating role of absorptive capacity. *Technology Analysis & Strategic Management*, 35(5), 613–628. <https://doi.org/10.1080/09537325.2021.1979214>
- Gathenya, L. (2023). *Influence of Strategic Leadership on Performance of Micro-finance Institutions in Nairobi County, Kenya* [Doctoral Dissertation, University of Nairobi]. <http://erepository.uonbi.ac.ke/handle/11295/164069>
- Gebreslassie, M. G. (2022). Comparative assessment of the challenges faced by the solar energy industry in Ethiopia. *WIREs Energy and Environment*, 11(2), 50–62. <https://doi.org/10.1002/wene.418>
- Girma, Z. (2020). Success, Gaps and Challenges of Power Sector Reform in Ethiopia. *American Journal of Modern Energy*, 6(1), 33. <https://doi.org/10.11648/j.ajme.20200601.15>

- Habeeb, Y. O., & Eyupoglu, S. Z. (2024). Strategic Planning, Transformational Leadership and Organization Performance: Driving Forces for Sustainability in Higher Education in Nigeria. *Sustainability*, 16(11), 43–48. <https://doi.org/10.3390/su16114348>
- Huang, W., Dai, J., & Xiong, L. (2022). Towards a sustainable energy future: Factors affecting solar-hydrogen energy production in China. *Sustainable Energy Technologies and Assessments*, 52(6), 102059. <https://doi.org/10.1016/j.seta.2022.102059>
- Huntington-Klein, N. (2021). *The Effect: An Introduction to Research Design and Causality*. Chapman and Hall/CRC. <https://doi.org/10.1201/9781003226055>
- Jeuland, M., Babyenda, P., Beyene, A., Hinju, G., Mulwa, R., Phillips, J., & Zewdie, S. A. (2023). Barriers to off-grid energy development: Evidence from a comparative survey of private sector energy service providers in Eastern Africa. *Renewable Energy*, 216(5), 119–128. <https://doi.org/10.1016/j.renene.2023.119098>
- Karami, M., & Madlener, R. (2022). Business models for peer-to-peer energy trading in Germany based on households' beliefs and preferences. *Applied Energy*, 306(4), 110–121. <https://doi.org/10.1016/j.apenergy.2021.118053>
- Kavulya, P., Muturi, W., Rotich, G., & Ogollah, K. (2024). Effect of customer focus strategy on the performance of Saccos in Kenya. *International Journal of Business Strategies*, 3(1), 1–16. <https://www.academia.edu/download/111486092/445.pdf>
- Kenya Association of Manufacturers. (2021). *Policy and Sustainability Report* (Annual Report No. 3; p. 60). Kenya association Of Manufacturers. <https://kam.co.ke/wp-content/uploads/2022/06/KAM-Policy-Sustainability-Report-2021.pdf>
- Kilika, J. (2020). Strategic Information Technology and Performance Of Telecommunication Firms In Kenya. *International Journal of Scientific and Research Publications (IJSRP)*, 10(12), 183–212. <https://doi.org/10.29322/IJSRP.10.12.2020.p10817>
- Kipkorir, S., & Ronoh, D. K. (2017). Strategy Implementation and Performance of Non Governmental Organizations in Kericho County, Kenya. *Management*

- and *Organizational Studies*, 4(3), 34–42.
<https://doi.org/10.5430/mos.v4n3p34>
- Kitsios, F., Giatsidis, I., & Kamariotou, M. (2021). Digital Transformation and Strategy in the Banking Sector: Evaluating the Acceptance Rate of E-Services. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(3), 204.
<https://doi.org/10.3390/joitmc7030204>
- Kitur, K., Choge, J., & Tanui, E. (2020). Relationship between Principals' Transformational Leadership Style and Secondary School Students' Academic Performance in Kenya Certificate of Secondary Education in Bomet County, Kenya. *Universal Journal of Educational Research*, 8(2), 402–409.
<https://doi.org/10.13189/ujer.2020.080210>
- Kools, M., & George, B. (2020). Debate: The learning organization—a key construct linking strategic planning and strategic management. *Public Money & Management*, 40(4), 262–264.
<https://doi.org/10.1080/09540962.2020.1727112>
- Kuria, P. (2021). *Influence of Customer Service Strategy on Organisational Performance among Private Universities in Kenya* [Doctoral Dissertation, KeMU]. <http://41.89.31.5:8080/handle/123456789/1554>
- Lawrason, S. V. C., Shaw, R. B., Turnnidge, J., & Côté, J. (2023). Characteristics of transformational leadership development programs: A scoping review. *Evaluation and Program Planning*, 101(5), 102–124.
<https://doi.org/10.1016/j.evalprogplan.2023.102354>
- Magasi, C. (2021). The Role of Transformational Leadership on Employee Performance: A Perspective of Employee Empowerment. *European Journal of Business and Management Research*, 6(6), 21–28.
<https://doi.org/10.24018/ejbmr.2021.6.6.1137>
- Ministry of Energy (2024). *Kenya 2024 Energy Policy Review*. Ministry Of Energy.
<https://powerlibrary.theelectricityhub.com/wp-content/plugins/download-attachments/includes/download.php?id=3499>
- Miyen, R., & Marnewick, C. (2023). The Influence of Change Management Process on Cloud Transitioning. *South African Computer Journal*, 35(2), 4.
<https://doi.org/10.18489/sacj.v35i2.17441>

- Mohamed, Y. M., & Muathe, S. M. A. (2020). Organisational Structure and Strategy Implementation: Empirical Evidence from Oil Marketing Companies in Kenya. *International Journal of Management and Applied Research*, 7(1), 42–54. <https://doi.org/10.18646/2056.71.20-003>
- Moktadir, Md. A., Dwivedi, A., Rahman, A., Chiappetta Jabbour, C. J., Paul, S. K., Sultana, R., & Madaan, J. (2020). An investigation of key performance indicators for operational excellence towards sustainability in the leather products industry. *Business Strategy and the Environment*, 29(8), 3331–3351. <https://doi.org/10.1002/bse.2575>
- Mungai, E., Ndiritu, W., & Da Silva, I. (2022). Unlocking climate finance potential and policy barriers—A case of renewable energy and energy efficiency in Sub-Saharan Africa. *Resources, Environment and Sustainability*, 7(4), 100–123. <https://doi.org/10.1016/j.resenv.2021.100043>
- Mutuku, K. C., Margaret, Prof. O., & Willy, Prof. M. (2024). Influence of Customer Focus Strategy on Financial Performance of Deposit-Taking Saccos in Kenya. *International Journal of Business Strategies*, 9(1), 20–29. <https://doi.org/10.47672/ijbs.1795>
- Necoechea-Porras, P. D., López, A., & Salazar-Elena, J. C. (2021). Deregulation in the Energy Sector and Its Economic Effects on the Power Sector: A Literature Review. *Sustainability*, 13(6), 34–59. <https://doi.org/10.3390/su13063429>
- Nolden, C., Barnes, J., & Nicholls, J. (2020). Community energy business model evolution: A review of solar photovoltaic developments in England. *Renewable and Sustainable Energy Reviews*, 122(4), 109722. <https://doi.org/10.1016/j.rser.2020.109722>
- Okoth, D. O., Patel, N., & Awuor, E. (2024). Operational Excellence and Customer Satisfaction in the Service Industry in Kenya. *International Journal of Research Publication and Reviews*, 4(6), 4781–4786. <https://doi.org/10.55248/gengpi.5.0624.1576>
- Okwata, P. A., Wasike, S., & Andemariam, K. (2022). Effect of Organizational Culture Change on Organizational Performance of Kenya Wildlife Service Nairobi National Park. *Administrative Sciences*, 12(4), 139. <https://doi.org/10.3390/admsci12040139>

- Olan, F., Ogiemwonyi Arakpogun, E., Suklan, J., Nakpodia, F., Damij, N., & Jayawickrama, U. (2022). Artificial intelligence and knowledge sharing: Contributing factors to organizational performance. *Journal of Business Research*, 145(5), 605–615. <https://doi.org/10.1016/j.jbusres.2022.03.008>
- Ortner, T., Hautz, J., Stadler, C., & Matzler, K. (2025). Open strategy and digital transformation: A framework and future research agenda. *International Journal of Management Reviews*, 27(3), 324–345. <https://doi.org/10.1111/ijmr.12379>
- Osakwe, C. N. (2020). Customer centricity: An empirical analysis in the micro-sized firm. *Journal of Strategic Marketing*, 28(5), 455–468. <https://doi.org/10.1080/0965254X.2019.1566268>
- Otieno, D. (2021). *Effect of Operations Management Strategies on the Performance of Insurance Companies in Kenya* [Doctoral Dissertation, University of Nairobi]. https://erepository.uonbi.ac.ke/bitstream/handle/11295/161088/Otieno_Effect%20of%20Operations%20Management%20Strategies%20on%20the%20Performance%20of%20Insurance%20Companies%20in%20Kenya.pdf?sequence=1
- Otioma, C. (2023). IT Capability, Organisational Learning and Innovation Performance of Firms in Kenya. *Journal of the Knowledge Economy*, 14(3), 3489–3517. <https://doi.org/10.1007/s13132-021-00886-8>
- Panos, G., & Boeckler, F. (2023). Statistical Analysis in Clinical and Experimental Medical Research: Simplified Guidance for Authors and Reviewers. *Drug Design, Development and Therapy*, 17(6), 1959–1961. <https://doi.org/10.2147/DDDT.S427470>
- Park, J. (2021). Theorizing and learning from Kenya’s evolving solar energy enterprise development. *Energy Research & Social Science*, 81(4), 100–115. <https://doi.org/10.1016/j.erss.2021.102254>
- Pitelis, C. N., Teece, D. J., & Yang, H. (2023). Dynamic Capabilities and MNE Global Strategy: A Systematic Literature Review-Based Novel Conceptual Framework. *Journal of Management Studies*, 5(6), 11–24. <https://doi.org/10.1111/joms.13021>

- Rajagopal, A. (2020). Transforming entrepreneurial business design: Converging leadership and customer-centric approach. *Journal of Transnational Management*, 25(2), 128–153. <https://doi.org/10.1080/15475778.2020.1734418>
- Rawashdeh, A. M., Almasarweh, M. S., Alhyasat, E. B., & Al-Rawashdeh, F. (2021). Examining the Effect of Transformational Leadership to Organizational Performance through Quality Innovation: A Developing Country Perspective. *International Journal for Quality Research*, 15(1), 353–368. <https://doi.org/10.24874/IJQR15.01-20>
- Sahoo, S. (2021). Aligning operational practices to competitive strategies to enhance the performance of Indian manufacturing firms. *Benchmarking: An International Journal*, 28(1), 131–165. <https://doi.org/10.1108/BIJ-03-2020-0128>
- Soklaridis, S., Kummer, S., & Geske, A. M. (2024). A novel approach to measure perceived customer centricity in the passenger airline industry: Index development and validation. *Journal of the Air Transport Research Society*, 3(2), 100–104. <https://doi.org/10.1016/j.jatrs.2024.100044>
- Soomro, B. A., Mangi, S., & Shah, N. (2021). Strategic factors and significance of organizational innovation and organizational learning in organizational performance. *European Journal of Innovation Management*, 24(2), 481–506. <https://doi.org/10.1108/EJIM-05-2019-0114>
- Takase, M., Kipkoech, R., & Essandoh, P. K. (2021). A comprehensive review of energy scenario and sustainable energy in Kenya. *Fuel Communications*, 7(5), 100–115. <https://doi.org/10.1016/j.jfueco.2021.100015>
- Takona, J. P. (2024). Research Design: Qualitative, Quantitative, and Mixed Methods Approaches. *Quality & Quantity*, 58(1), 1011–1013. <https://doi.org/10.1007/s11135-023-01798-2>
- Vaka, M., Walvekar, R., Rasheed, A. K., & Khalid, M. (2020). A review on Malaysia's solar energy pathway towards carbon-neutral Malaysia beyond Covid'19 pandemic. *Journal of Cleaner Production*, 273(7), 122–137. <https://doi.org/10.1016/j.jclepro.2020.122834>

- Vasilev, V., Vasilev, V., Tikhonov, A., Prosvirina, N., Barmuta, K., & Ammosova, L. (2025). Opportunities to Increase Sustainable Economic Growth, Employment and to Achieve Decent Wages in Terms of SDG: Case Study of the Youth Labor Market in Russia. *Journal of Lifestyle and SDGs Review*, 5(1), 34–56. <https://doi.org/10.47172/2965-730X.SDGsReview.v5.n01.pe04334>
- Walker, R. M., Andrews, R., George, B., & Tu, X. (2024). Organizational size and public service performance: A meta-analysis and an agenda for future research. *Asia Pacific Journal of Public Administration*, 46(1), 32–65. <https://doi.org/10.1080/23276665.2023.2176333>
- Wamalwa, L. S. (2023). Transactional and Transformational Leadership Styles, Sensing, Seizing, and Configuration Dynamic Capabilities in Kenyan Firms. *Journal of African Business*, 24(3), 444–466. <https://doi.org/10.1080/15228916.2022.2112487>
- Wang, K. (2024). *Capturing the Dynamics in Organizational Digital Transformation Using System Dynamics Modelling* [Masters Thesis, University of Twente]. <http://essay.utwente.nl/102729/>

APPENDICES

Appendix I: Introduction Letter

My Name is Billy Lengewa, a student at Kenya Methodist University (KeMU). I am currently at the stage of writing my thesis to fulfill the requirements for the award of a master's degree in business administration, specializing in Strategic Management. My title for my thesis title is as follows: Influence of Transformational Strategy on the Performance of Solar Companies in Kenya. I have chosen you as a participant to provide your insights on the above-given topic by filling out the attached questionnaire. It will take you approximately twenty minutes to fill it. There are no wrong or right answers. I am therefore requesting you to be as honest as possible. Participation in this study is voluntary, you are not benefiting directly in any financial way for participating in the study. You are also not exposed to any risk for participating in the study. This exercise is confidential, and all the participants are considered anonymous; in that case, their identities will not be revealed at any stage of the data reporting stage.

Yours sincerely, Billy,

Consent given ()

Consent Denied ()

If denied, Reasons for Declination of consent

Appendix II: Introduction Letter from KeMU to NACOSTI



KENYA METHODIST UNIVERSITY

P. O. Box 267 Meru - 60200, Kenya

Fax: 254-64-30162

Tel: 254-064-30301/31229/30367/31171

Email: deanrd@kemu.ac.ke

DIRECTORATE OF POSTGRADUATE STUDIES

Our Ref: KEMU/NACOSTI/BUS/14/2025

April 11, 2025

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

Dear Sir/Madam,

RE: LENGWA BILLY SAVERIO-BUS-3-3432-3/2023

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 Transformational Strategies on the Performance of Private Solar Energy Companies 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.

Any assistance accorded to him will be highly appreciated.

Yours sincerely,

Dr. Nancy Ririgan (PhD)
Director, Board of Postgraduate Studies

Cc: Dean, School of Business
CoD, Business Administration
Postgraduate Coordinator - BA
Supervisors

Appendix III: Ethics and Review Board Letter



KENYA METHODIST UNIVERSITY

P. O. BOX 267 MERU - 60200, KENYA
TEL: 254-064-30301/31229/30367/31171

FAX: 254-64-30162
EMAIL: info@kemu.ac.ke

Our Ref: KeMU/ISERC/BUS/14/2025

April 10, 2025

LENGEWA BILLY SAVERIO
BUS-3-3432-3/2023

Dear Billy,

SUBJECT: INFLUENCE OF TRANSFORMATIONAL STRATEGIES ON THE PERFORMANCE OF PRIVATE SOLAR ENERGY COMPANIES IN KENYA

This is to inform you that Kenya Methodist University Institutional Scientific Ethics and Review Committee has reviewed and approved your research proposal. Your application approval number is KeMU/ISERC/BUS/14/2025. The approval period is 10th April, 2025 – 10th April, 2026.

This approval is subject to compliance with the following requirements:-

- I. Only approved documents including (informed consents, study instruments, MTA) will be used.
- II. All changes including (amendments, deviations, and violations) are submitted for review and approval by Kenya Methodist University Institutional Scientific Ethics and Review Committee.
- III. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to KeMU ISERC within 72 hours of notification.
- IV. Any changes, anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to KeMU ISERC within 72 hours.
- V. Clearance for export of biological specimens must be obtained from relevant institutions.

- VI. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal.
- VII. Submission of an executive summary report within 90 days upon completion of the study to KeMU ISERC.

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://oris.nacosti.go.ke> and also obtain other clearances needed.



Appendix IV: NACOSTI license

 REPUBLIC OF KENYA		 NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION	
Ref No: 128883		Date of Issue: 10/May/2025	
RESEARCH LICENSE			
			
This is to Certify that Mr. LENGWEA BILLY SAVERIO of Kenya Methodist University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: Influence of Transformational Strategies on the performance of private energy companies in Kenya for the period ending : 10/May/2026.			
License No: NACOSTIP/25/4173126			
Applicant Identification Number		Deputy Director	
		NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION	
		Verification QR Code	
			
NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.			
See overleaf for conditions			

Appendix V: Questionnaire

Instructions: Tick carefully

Section One: Demographic Information

1. Gender Of Participant Male () Female ()
2. Age of participant
3. Position in the organization

Marketing and sales manager ()
Human Resources Manager ()
Production and distribution managers
Finance manager ()
4. Experience in the organization: How many years have you worked in your current position

Less than 5 years ()
Between 6 and 10 years ()
Above 11 years and below 15 years ()
Above 15 years ()

Section B: Customer-Centric Strategy

5. Please indicate the extent to which you agree that the following practices are conducted within your organization.

Statement on Customer-Centric Strategy	SD	D	N	A	SA
We have integrated a Customer feedback loop into a customer management approach.					
We have pursued Personalized customer solutions.					
We conduct surveys to measure the extent of Customer satisfaction with our solar and services.					
We have a very effective complaint resolution.					

6. Which is your main approach to offering customers solutions (choose one)
- Standardized ()
- Customized ()

7. How do you mainly handle customers' complaints?

Online ()

In-person ()

Phone ()

8. How are customers' complaints handled in your organization?

Section C: Innovation Strategy

9. Using a Likert scale of 1 to 5, where 1= strongly disagree (SD), 2= Disagree (D), 3= Neutral (N), 4= agree (A), and 5= strongly agree (SA). Please indicate the extent to which you agree with the following statements on innovation Strategy .

Statement on Innovation Strategy	SD	D	N	A	SA
Our organization has invested in Research and development.					
Our organization has adopted new solar technologies.					
Our organization has diversified solar product offerings.					
Our organization has come up with new processes and designs that are protected as intellectual property.					

10. How many more products have you created in the last five years _____
(Number)

11. Where would you place your organization in the technology adoption status/phase

Early Adopter ()

Late Adopter ()

Non-Adopter. ()

12. Please identify the type of innovation your organization has come up with in the recent past.

Ordinary innovation ()

Technological innovation ()

Breakthrough innovation ()

13. What would you describe as your Product offering range?

Single Product ()

Multiple Products ()

14. Have you joined new markets or existing markets with new products or existing products?

Yes ()

No ()

15. Name new technologies that you have adopted in your production, market, or customer service.

Section D: Strategic Staffing Strategy

16. Using a Likert scale of 1 to 5, where 1= strongly disagree (SD), 2= Disagree (D), 3= Neutral (N), 4= agree (A), and 5= strongly agree (SA). Please indicate the extent to which you agree with the following statements on Strategic staffing Strategy .

Statement on Strategic Staffing Strategy	SD	D	N	A	SA
Our organization attracts talented staff in the industry.					
Our organization trains its existing staff.					
Our organization offers employee development programs.					
Our organization has succession planning for its staff to ensure no position remains vacant.					
Our organization ensures the inclusion and diversity of hires.					

17. What would you say is your main source of talent acquisition?

Internal ()

External ()

18. Please explain how your organization ensures that it has the best employees to do the job.

Section E: Operational Excellence Strategy

19. Using a Likert scale of 1 to 5, where 1= strongly disagree (SD), 2= Disagree (D), 3= Neutral (N), 4= agree (A), and 5= strongly agree (SA). Please indicate the extent to which you agree with the following statements on the Operational Excellence Strategy.

Statement on Operational Excellence Strategy	SD	D	N	A	SA
Our organization ensures process optimization.					
Our organization has control measures on production and process.					
Our organization ensures the minimization of operations and administration costs.					
Our organization applies advanced resource planning practices such as ERP.					

20. What are your quality standards?

ISO certified ()

Non-certified ()

21. Have you implemented ERP

Implemented ()

Not Implemented ()

22. How does your organization enhance operational efficiency (cost minimization) and effectiveness (doing the right thing)?

Section F: Performance of private solar companies

23. Using a Likert scale of 1 to 5, where 1= strongly disagree (SD), 2= Disagree (D), 3= Neutral (N), 4= agree (A), and 5= strongly agree (SA). Please indicate the extent to which you agree with the following statements on Performance.

Performance	SD	D	N	A	SA
We had a profit growth in our last financial year.					
We registered revenue growth in our last financial year.					
The number of our staff has grown since last year.					
Our customers have increased over the past year.					

24. What would you say was the overall performance of your organization?

Excellent ()

Fair ()

25. Briefly comment on the above performance measures as they have been experienced in your organization. _____

Appendix VI: Secondary Data Collection Schedule

Indicator/ Reference Year	2018	2019	2020	2021	2022	2023	2024
Profit							
Revenues							
Number of Employees							

Appendix VI: List of Private Solar Energy Companies in Kenya

1. Greenlight Planet
2. Solargen Kenya Limited
3. D-Light
4. M-KOPA Kenya Ltd
5. Azuri Technologies Ltd
6. B-Box
7. Solar Panda
8. Bio-Lite
9. Sun-Culture
10. NIWA
11. Sun Transfer
12. Mobisol

Source: Energy Regulatory Commission (2024)