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Robert Kennedy Gichuhi Ndegwa
Prof. Martin Ogutu
Prof. Zachary Bolo Awino
Dr. Reginah Kitiabi

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INFLUENCE OF STRATEGY IMPLEMENTATION ON PERFORMANCE OF KENYA OWNED STATE CORPORATIONS

Robert Kennedy Gichuhi Ndegwa[1], Prof. Martin Ogutu[2], Prof. Zachary Bolo Awino[3], Dr. Reginah Kitiabi[4]

Abstract

Globally, State Corporations are legal entities that undertake commercial activities in addition to other public policy objectives on behalf of an owner. In Kenya, State Corporations (SCs) were established to accelerate economic growth. However, their performance and sustainability has been a concern especially due to over reliance on government funding. Previous studies have shown that approach to strategy implementation in an organization may have a bearing on its performance. Though scholars have attempted to explain variation in organizational performance by carrying out empirical studies, those linking strategy implementation to performance are quite few. The main focus of this study was to assess the influence of strategy implementation on performance of Kenya owned State Corporations. The study was anchored in the institutional theory. The population of this study comprised 249 Kenya owned State Corporations. Data, collected using structured questionnaires, was coded, and analyzed using descriptive statistics and regression analysis. The results showed that strategy implementation accounted for 36.2% of variation in performance of State Corporations. The regression model indicated that a unit increment in strategy implementation would enhance performance of the Corporations by a factor of 0.569. The study has made important contributions to policy design and management of Kenya owned State Corporations. Most importantly, managers ought to recognize the need for the entire organization to be aware of the overall strategy and its implications so as to realize better performance. The finding also implies that managers need to ensure reconfiguration of the structure and culture of the organization in a manner that promotes successful outcomes. The study recommends that further researcher could explore the influence of other factors on performance in addition to replicating the study in organizations within the private sector.

Key Words: Strategy Implementation; Organization Performance; Kenya Owned State Corporations

[1,2,3,4] Department of Business Administration, Faculty of Business and Management Sciences, University of Nairobi: *bobken70@gmail.com*

1.0 INTRODUCTION

Globally, State Corporations are legal entities that undertake commercial activities in addition to other public policy objectives on behalf of the Government. These entities engage in formulation of strategic plans as elucidated by Poister, Pitts and Edwards (2010) in their research findings. In Kenya, State Corporations were established by the State Corporations Act Cap 466 and are controlled by the government. The enactment of this Act was instrumental in creating a policy and regulatory framework for oversight of State Corporations. The State Corporations Advisory Committee (SCAC) was also set up as an independent agency whose mandate includes formulation of general guidelines on management of State Corporations.

Kenya owned State Corporations play various roles including commercial, non-commercial, oversight and regulatory. According to Presidential Taskforce on Parastatal Reforms (PTPR) (2013), Kenya owned State Corporations are mandated to accelerate economic growth thereby contributing to attainment of the Kenya Vision 2030. However, the report observed that "the current number of State Corporations is unsustainable since half of them rely on the exchequer" (PTPR, 2013). In addition, the report indicated that there was a proliferation of State Corporations which had resulted in duplication and overlapping of functions with the resultant inefficiency in management of resources.

This study dwelled on the influence of strategy implementation on organizational performance. Various researchers on this subject have observed that organizational performance is of paramount importance to managers (Ansoff & McDonell, 1990; Nash, 1983). Consequently, several studies have been undertaken in an attempt to grasp why some organizations outdo others (Ogollah, Bolo & Ogutu, 2011). Strategic management research has shown that strategic planning and implementation is instrumental for superior performance (Brown, Squire & Blackmon, 2007). The performance of Kenya owned State Corporations has been deteriorating because of a number of reasons ranging from managerial incompetence, corruption, weak governance structure, to financial mismanagement (Odundo, 2012). The minimal number of studies assessing the link between strategy implementation and performance of Kenya owned State Corporations constitutes a research gap in understanding the performance of the Corporations. This study set out to fill this gap.

Strategy Implementation

Strategy implementation refers to all the programmes and activities undertaken during the implementation of strategy so as to realize organizational objectives (David, 2003). Noble (1999) argues that various definitions are limited in that they fail to take into account the emerging nature of strategy implementation occasioned by the constantly changing environment. For instance, early works viewed strategy implementation mostly as an administrative activity (Ansoff and McDonell, 1990; Gallbraith & Kazanjian, 1986). The definition by Noble (1999) takes into account the aspects of cascading, internalizing, ownership, and enactment of strategic plans as key facets of strategy implementation. The observation by Hrebiniak (2008) that positive outcomes of strategic planning are realized through a dynamic and structured process of institutionalization and operationalization of strategy further supports the view by Noble (1999). According to Ramesh (2013), strategy implementation entails two actions; operationalizing and institutionalizing a strategy. This is the definition adopted in this study as it views strategy implementation as a combination of administrative activities and the putting into place of organizational processes, such as compensation and management development.

Institutionalization implies that the strategy must permeate through the entire operations of the organization by creating the necessary institutional mechanisms for anchoring the strategic plan (Stuart, 1992). Jonathan (2009) observes that “such mechanisms include structures, skills systems, shared values and norms.” Strategy operationalization involves splitting strategic plans into annual objectives, specific policies and action plans so as to ensure that the strategic plan gets actualized (Ramesh, 2013).

Organizational Performance

Performance is usually perceived from different perspectives by organizations and researchers. It may be limiting to restrict it to any specific definition due to its multifaceted and multidimensional nature (Ongeti, 2014). All the same, performance remains the reason of existence of any organization and the most valued subject of interest among stakeholders and shareholders of an organization. Indeed, performance is of paramount importance to managers and this is apparent from various researchers who have paid attention to this subject (Nash, 1983; Ansoff & McDonell, 1990).

Traditionally, performance has been weighted against factors that have a bearing on financial performance especially those that lead to profit maximization (March & Sutton, 1997; Venkatraman & Ramanujam, 1986). However, such traditional financial reporting systems are limited in that they fail to recognize that performance is a broad concept which encompasses a multiplicity of other factors. This perception is echoed by Kennerly and Neely (2003) who postulate that given the dynamic nature of the environment and the high level of competitiveness, financial measures provide insufficient information.

Organizations are under tremendous pressure to carry out self-assessment and report on various aspects of performance, including but not restricted to economic performance (Hubbard, 2009). This gap informed the conception of the Balance Scored Card, an approach which factors in various other measures that have a bearing on performance, over and above those with a direct financial bearing (Kaplan & Norton, 1996). This approach provides managers with a quick but comprehensive view of an organization from four related perspectives that emphasize on the customer, internal processes, innovation and learning, and financial performance.

Mitchell (2002) provided four dimensions for measuring organizational performance which include; relevance of the organization to stakeholders’ needs, efficiency of the organization, effectiveness of the organization and the financial viability of the company. Efficiency is concerned with comparison of inputs to performance while effectiveness denotes the ratio of actual input to expected output. In addition, financial viability refers to the ability of an organization to generate sufficient income to cater for operational costs, liabilities and growth (Mitchell, 2002). Lee (2008) offered another way for conceptualizing organizational performance which entails stakeholder satisfaction, organizational communication, team collaboration, strategic performance, knowledge management and organizational growth. This study adopted a modified version of Mitchell's (2002) definition where organizational performance was conceptualized along three dimensions namely; financial performance, efficiency and organizational relevance.

Kenya Owned State Corporations

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According to PTPR (2013), Kenya owned State Corporations are mandated to accelerate economic growth thereby contributing to attainment of the Kenya Vision 2030. However, the report observed that "the current number of State Corporations is unsustainable since half of them rely on the exchequer" (PTPR, 2013). In addition, the report indicated that there was a proliferation of State Corporations which had resulted in duplication and overlapping of functions with the resultant inefficiency in management of resources.

Statement of the Problem

Kenya owned State Corporations are expected to enhance the institutional and technical capability of the State in addition to meeting basic needs of citizens through enhanced service delivery. The PTPR (2013) however observed that there was a proliferation of s which had resulted in duplication and overlapping of functions with the resultant inefficiency in management of resources. SCs at the global level are legal entities that undertake commercial activities in addition to other public policy objectives on behalf of the Government. According to Poister et al. (2010), SCs may carry out strategic planning in an endeavor to discharge their mandates. They further observed that the approach to strategy implementation in an organization may have a bearing on its performance.

Though scholars have attempted to explain variation in organizational performance by carrying out empirical studies, those linking strategy implementation to performance are quite few (Poister et al., 2010). One such study was by Newbert (2008) which focused on performance of micro and nano technology firms in the U.S. A number of other similar studies have been undertaken, the bulk of which have consistently shown that strategy implementation often leads to realization of outcomes that favor organizational success. For instance, Morgan, Constantine, Katsikeas and Vorhies (2012) established that external and internal marketing strategy implementation had a significant and positive effect on export venture performance of manufacturing companies in the United Kingdom. In another study, Andrews, Beynom and Genc (2017) examined how different styles of implementing strategies shape various performance outcomes of Turkish municipal departments. Two approaches namely, logical-incremental and mostly rational implementation style were found to be more closely connected to associated higher levels of service performance than the other approaches. While these studies have been conducted to assess the link between strategy implementation and organizational performance, the number of similar studies focusing on Kenya owned State Corporations are quite few.

In Kenya, Odundo (2012) investigated performance of Kenya owned SCs within an environmental context against strategic plan implementation. Another study by Njoroge, Machuki, Ongeti, and Kinuu (2015) showed that effectuation of strategy is significantly linked to the performance of Kenya owned SCs. Similarly, Mailu, Ntale and Ngui (2018) researching on how implementation strategies contribute to the performance of pharmaceutical companies in Kenya found evidence of a positive and significant linkage between implementation of the strategies and performance. Further, Keya (2019) set out to explore how different practices of implementing strategy related to the performance of international non-governmental organizations in Kenya. He established that resource deployment, communication and culture were the pivotal practices that contributed positively to the performance of the organizations. Most of these studies focused on the link between strategy implementation and organizational performance in non-governmental and private organizations, hence there is still a deficiency of similar studies carried out in the Kenya owned State Corporations.

Contextually, several empirical studies on strategy implementation have been undertaken. Morgan et al., (2004) study was carried out in the UK, Beynom and Genc (2017) study was based in Turkey, Boyne et al., (2004) study was conducted in in Britain while those by Hendrick (2003); Campbell (2002); and Poister and Streib (2005) were carried out in the United States (US) Okumus (2003) asserts that most studies on enactment of strategy were conducted in America and Britain. Consequently, it may be misleading to generalize the outcome of these studies to the Kenyan context due to differences in the level of economic and political development between Kenya and these countries.

The review of the extant literature indicates that the link between strategy implementation and organizational performance is not always clear-cut owing to the slightly mixed results yielded by different studies. There are studies with evidence supporting the significant effect of strategy implementation and a few that have established lack of a significant relationship. In part, this might emanate from the different conceptualizations of strategy implementation, contexts and methodological choices of the researchers. A review of the studies also shows that very few have focused on the relationship between strategy implementation and performance of Kenyan owned State corporations. This study sought to fill this gap. This study sought to investigate how strategy implementation impacts on performance of Kenya owned State Corporations by responding to the question: what is the influence of strategy implementation on performance of Kenya owned State Corporations?

Objective

The objective of this study was to establish the influence of strategy implementation on performance of Kenya owned State Corporations.

2.0 LITERATURE REVIEW

Theoretical Foundation

This study was rooted in the institutional theory developed by John Meyer and Brian Rowan in the late 1970s (DiMaggio & Powell, 1983). At its core, the theory argues that organizational structure and routines in most cases happen to derive meaning and reach stability in their own right, instead of their effectiveness and efficiency in achieving desired outcomes (Lincoln, 1995). During the early phases of the organizational lifecycle, there are numerous and different organizational structures that can be adopted. However, this changes over time, as variation of structures and processes reduce. The theory postulates that institutional structures are pivotal in the environment within which firms operate. Institutions refer to "regulative, normative, and cognitive structures and activities that provide stability and meaning for social behavior" (Scott, 1995, p. 33).

While there is considerable consensus in the extant literature on the institutional theory with respect to the advantages of legitimacy, there are few exceptions. For instance, Kraatz and Zajac (1996) found insufficient evidence backing the constraints of legitimacy. In their study, Phillips and Zuckerman (2001) noted that it is the middle-level players who feel the compulsion to conform so as to acquire resources. High-level players enjoy high reputational standings that afford them the freedom to diverge from the norm, while low-level players have to try to get the best out of any situation in order to survive.

Further criticism of the theory relates to the measurement or operationalization of institutions. This is echoed by Peters (2000) who claimed that researchers have paid little attention to measurement imprecision associated with institutions. In the same light, Suddaby (2010) observed that research on institutional perspective moved from treatment of organizations as "passive dopes" to "hyper muscular supermen" (p. 15). Any variation, no matter how minimal, is viewed as "institutional," and any change agent is considered an "institutional entrepreneur." Dacin, Goodstein, and Scott (2004) cautioned that research focusing on institutional theory should only consider cases of notable and profound changes, and not simply minute changes. Critics have also argued that the mechanisms underlying institutionalization are still inadequately addressed (Phillips, Lawrence, & Hardy, 2004). The theory concentrates mainly on the implications of institutionalization but offers little insight regarding the process through which firms become institutionalized. This has resulted in the view of a firm as 'black box' devoted entirely to conversion of inputs to outputs.

Amenta (2005) views organizations as social structures which are dynamic and tend to operate with utmost flexibility. Proponents of institutional theory argue that organizational behaviour is structured around three main institutional pillars namely regulative, normative, and cognitive. These aspects, coupled with the adequate resources have a bearing on organizational resilience and performance. The Institutional theory also postulates that firms are vibrant enough to respond to ever changing demands emanating from a rapidly changing environment. According to Scott (2004), such environmental pressures elicit varied responses as organizations seek survival and supremacy in their industry.

Scott (2004) further argues that institutional managers as institutional actors have the mandate and ability to interpret strategic stimulus and therefore develop and implement strategic responses. Chadee and Roxas (2013) recognize the contribution of institutional environment to strategy by bringing into focus the role of institutional structures in determining an organization's strategic focus. The institutional theory therefore clearly exposes the influence of strategy operationalization and institutionalization on firm performance

Strategy Implementation and Organizational Performance

A considerable number of studies have been undertaken in an attempt to confirm whether performance is optimized when organizations implement their strategies. The bulk of the evidence has consistently shown that strategy implementation often leads to realization of outcomes that favour organizational success. A few studies, however, have generated divergent results suggesting that performance is not tied to aspects of strategy implementation. For instance, Morgan et al. (2011) explored the link between implementation of export marketing strategies and performance of manufacture exporters in the United Kingdom. A structural equation model nested within the study's cross-sectional design was fitted to a dataset derived from a systematic random sample of 1000 exporters. The results showed that both external and internal marketing strategy implementation had a significant and positive effect on export venture performance of the manufacturing companies.

In another study, Andrews et al. (2017) examined how different styles of implementing strategies shape various performance outcomes of Turkish municipal departments. The investigation was grounded on a descriptive research design. The data for the study was sourced from a pooled sample of 840 municipal managers which was then evaluated using fuzzy cluster and regression analytical procedures. The cluster technique discerned a set of four strategy implementation approaches espoused by the departments: logical-incremental, mostly rational, mostly incremental, and no clear approach. A hierarchical regression was then invoked which revealed the differential impact of these approaches on performance. Two approaches namely, logical-incremental and mostly rational implementation style were found to be closely connected to associated to higher levels of service performance than the other approaches.

In China, Law, Tavitiyaman and Zhang (2015) set to ascertain whether or not implementation of strategies optimizes the performance of government-owned hotels. The study adopted a descriptive research design and incorporated interview data from 17 executives. The results from the qualitative interviews showed that the hotels under study gained unique advantages in the competitive advantage derived from the judicious utilization of various sources of differentiation such as branding and cost-efficiency. Implementation of these strategies drove the hotels to realize better performance than that achieved by hotels that did not implement.

In their study, Orugun, Naflu and Aduku (2017) focused on examining whether or not implementation of strategies translates into better performance outcomes and gains in competitive advantage for small and medium enterprise (SMEs) in Kogi State, Nigeria. A descriptive research design was used to select a convenience sample of 330 SMEs. The analytical tool employed was multiple regression which produced results that revealed implementation of strategies had an incremental added value on the performance of the enterprises.

Musalika, Kule and Kibachia (2016) embarked on a study with the goal of mapping the linkage between implementation of strategic plans and performance of manufacturing companies with a key focus on Bralirwa Ltd in Rwanda. The inquiry was premised on descriptive research design where data from a sample of 30 respondents was sourced. The data was obtained from the participants using a questionnaire and then subjected to Spearman correlation analysis. The findings revealed that strategy implementation in all its facets as defined by the researchers including organizational structure, resource allocation and control and evaluation had a positive and significant association with organizational performance.

Elsewhere in Uganda, Ogbe (2017) assessed the impact of strategy implementation on the performance of Kenya Commercial Bank, Wandegeya Branch. The study was based on a descriptive research design where a random sample of 86 respondents was selected. Data from these respondents was collected using both an interview guide and questionnaire and then subjected to descriptive statistical analysis. The results revealed that strategy implementation affected organizational performance positively resulting in better profitability, business turnover and volumes of sale.

Mutunga and Wainaina (2019) probed into how implementation of strategies affects the performance of Kenya Wildlife Service (KWS). The study followed a descriptive research design where data from 50 managerial staff was sourced. Data from these respondents was collected using a questionnaire and analyzed using multiple regression analysis. Overall, the results were mixed. On one hand, both strategic direction and structural adaptations were found to have a positive and significant linkage with performance. On the other hand, human resource management was found to have no significant relationship with performance.

Abass, Munga and Were (2017) purposed to find out how implementation of strategies affects the performance outcomes of Wajir County government. The investigation was guided by descriptive research design in which data was pooled from 166 employees. Data from the respondents was gathered using a questionnaire and then analyzed with the aid of multiple regression analysis. The study revealed that strategy implementation practices including organizational structure, leadership style, organizational culture and resource availability had a significant and positive effect on the performance of Wajir County government.

Njagi and Kombo (2014) endeavoured to uncover the connection between the implementation of strategies by commercial banks in Kenya and their performance. The investigation adopted a correlation research design where data from forty-three registered commercial banks was collected. Multiple regression analysis was employed on the dataset revealing that strategy implementation practices of strategy institutionalization and operationalization created significant added value to the banks in terms of performance.

The review of the extant literature indicates that the link between strategy implementation and organizational performance is not always clear-cut owing to the slightly mixed results yielded by different studies. There are studies with evidence supporting the significant effect of strategy implementation and a few that have established lack of a significant relationship. In part, this might emanate from the different conceptualizations of strategy implementation, contexts and methodological choices of the researchers. A review of the studies also shows that very few studies has focused on the relationship between strategy implementation and performance of Kenyan- owned State Corporations. This study sought to fill this gap.

Conceptual Model

In the context of this research, strategy implementation was the predictor variable. Strategy implementation was operationalized along two dimensions; strategy operationalization and institutionalization. Performance was the dependent variable and had three indicators namely; financial performance, process efficiency and relevance.

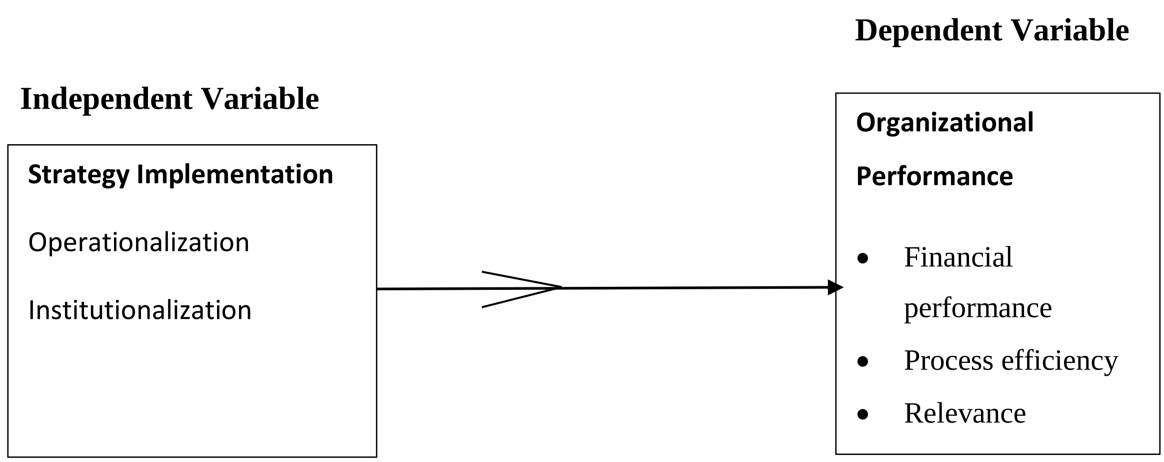

Figure 1: Conceptual Model

3.0 METHODOLOGY

In an effort to select a design that aligns ideally with the objectives of this inquiry, the descriptive cross-sectional survey design was deemed the most suitable on grounds that it is geared at describing and establishing correlations between variables (Creswell, 2012). Such a design is accordingly appropriate for this study given its focus on Kenya owned State Corporations. The same view is supported by Whittington (2011) in his assertion that a descriptive research design describes and reports situations as they exist.

The cluster of all Corporations owned by the Republic of Kenya defined the population of this study. As of March 2019, a comprehensive list by the Inspectorate of State Corporations (2019) indicated there were 249 of these corporations distributed across various governmental ministries. The State Corporations are broadly categorized as Commercial, independent Regulatory Agencies, Research Institutions, Public Universities and Tertiary Educational and Training institutions. The relatively small population did not necessitate the need to draw a sample hence was census was employed

The study used questionnaires in collecting data. The respondents were officers in charge of the planning division and finance. The collected data was input into Statistical Package for Social Scientists (SPSS) for statistical analysis. Descriptive and inferential statistical statistics were employed. The descriptive statistics included mean, standard deviation and coefficient of variation (CV) while inferential statistics entailed the fitting of a simple linear regression to the data. Table 1 shows a summary of how the study's hypothesis was tested.

Table 1: Hypothesis, Analytical Statistical Models and Interpretation of Results

Research Objective	**Hypothesis**	**Analytical Techniques**	**Interpretation**
To establish the effect of Strategy Implementation on performance of Kenya owned State Corporations.	H_1: Strategy Implementation significantly influences performance of Kenya owned State Corporations.	**Simple Regression Analysis:** P = f(Strategy implementation) $P= \beta_0 + \beta_1 X_1 + \varepsilon$ Where P = Performance composite score, β_0= constant term, β_1=regression coefficient, X1= Strategy implementation composite score, and ε = random error	R^2 depicts the amount of variation in performance explained by strategy implementation. An *F*-ratio with an associated *p*-value less than 0.05 indicates the regression model is significant. A *t*-test on the

			regression coefficient β_1 that yields a significant outcome ($p <$ 0.05) points to a significant effect of strategy implementation on performance. This forms the basis for not rejecting the hypothesis.

4.0 RESULTS AND DISCUSSION

Strategy Implementation

Strategy implementation was assessed using two constructs; strategy operationalization and institutionalization. Each of these constructs was assessed using a five-point Likert scale ranging from 1 to 5: 1 = "Negligible," 2 = "Minimal extent," 3 = "Moderate extent," 5 = "Large extent," and 5 = "Very large extent." A descriptive analysis of the responses to each of these constructs was performed and the results were as follows:

Table 2: Summary of Strategy Implementation Descriptive Results

Index	Mean	Std. Deviation	CV (%)	*t*-statistic	Df	Sig. (2-tailed)
Strategy Operationalization	4.460	0.555	12.444	35.421	180	0.000
Strategy Institutionalization	3.897	0.657	16.859	35.421	180	0.000
Strategy Implementation (Overall)	**4.179**	**0.557**	**13.33**	**28.505**	**180**	**0.000**

Source: Survey Data (2021)

Of the two strategy implementation dimensions, operationalization was the most extensively adopted in the State Corporations as indicated by a mean score of 4.46 (*SD*=0.56). The strategy institutionalization dimension had a relatively higher CV (16.86%) than the operationalization dimension (12.44%) indicating that there was less unanimity among the participants in the degree to which it is applied in the State Corporations. Significant *t*-test results were reported for both constructs signifying that their large degree of usage in State Corporations did not occur out of chance.

Overall, the results reveal that strategy implementation was applied in the State Corporations to a relatively large degree indicated by an average score of 4.18 (*SD*=0.56). The one-sample *t*-test results for the strategy implementation index t (180) = 28.51, $p < 0.05$ show that the mean rating linked to the entire variable (*M*=4.18) was significant. This confirms that the outcome that the State Corporations implement their strategies to a large extent was not out of randomness.

Organizational Performance

Performance was operationalized into three distinct constructs; financial performance, process efficiency and relevance. The manifestation of these constructs was assessed with a five-point Likert scale and the results were as follows:

Table 3: Summary of Performance Descriptive Results

Index	**Mean**	**Std. Deviation**	**CV (%)**	***t*-statistic**	**Df**	**Sig. (2-tailed)**
Financial Performance Index	2.663	0.829	31.130	-5.480	180	0.000
Process Efficiency Index	3.977	0.534	13.427	24.608	180	0.000
Relevance Index	3.777	0.625	16.548	16.715	180	0.000
Performance Index (Overall)	**3.472**	**0.526**	**15.150**	**12.074**	**180**	**0.000**

Source: Research Data (2021)

The mean score for the performance construct was 3.47 (*SD*=0.53). This suggests that the performance of the State Corporations is moderately high. The results also show that consensus in the participants' responses was highest in the process efficiency construct (CV=13.43%) and lowest in the financial performance construct (CV=31.13%). Significant *t*-test results were reported for each construct. This signifies that the manifestation of the three constructs in the State Corporations did not occur out of chance. In the same light, the one-sample *t*-test results for the performance index, t (180) = 12.07, $p <$ 0.05 shows that the average score of the entire variable (*M*=3.47) was significantly different from the midpoint of the rating scale. This indicates that the outcome that performance of the State Corporations is moderately high was not a random event.

The objective of this research was to establish the influence of strategy implementation on the performance of Kenya owned State Corporations. In line with this objective, a hypothesis was formulated as follows:

H_1: Strategy implementation significantly influences the performance of Kenya owned State Corporations.

Strategy implementation was operationalized by two constructs, namely strategy operationalization and institutionalization. On the other hand, performance was measured using three

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constructs; financial performance, process efficiency and organizational relevance. The constructs for each of these variables were averaged into one single composite index. These composite indices were utilized in the simple linear regression analysis used to test the hypothesis.

The decision to fail to reject the hypothesis was based on the *p*-value associated with the fitted regression model. A significance level of 0.05 was specified in this study. Support for the hypothesis would be indicated by a *p*-value less than 0.05 while its rejection would be prompted by a *p*-value greater than the 0.05. Table 4 shows the output obtained from the regression.

Table 4: Strategy Implementation and Performance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.602	0.362	0.358	0.421

a. Predictors: (Constant): Strategy Implementation

ANOVA [a]

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	18.022	1	18.022	101.59	0.000[b]
Residual	31.754	179	0.177		
Total	49.776	180			

a. Dependent Variable: Organizational Performance

Predictors: (Constant): Strategy Implementation

Coefficients [a]

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.096	0.238		4.609	0.000
Strategy Implementation	0.569	0.056	0.602	10.079	0.000

Dependent Variable: Organizational Performance

Source: Research Data (2021)

The resulting coefficient of determination (R^2) was found to be 0.362 indicating that strategy implementation explained 36.2% of variability in the performance of Kenya owned State Corporations. This estimate suggests that the model was good, but not perfect, in explaining the observed variance in performance of the Corporations. The analysis of variance (ANOVA) results, F (1,179) = 101.59, p <0.05, further reveal that the model was statistically robust and suitable for analysis of data. For this reason, the model was useful, statistically, in predicting performance and thus could take the form:

Performance = 1.096 + (0.569 * Strategy Implementation)

This estimated regression model implies that, holding all other factors constant, a unit change in strategy implementation would improve performance of the Kenya owned State Corporations by a factor of 0.569. The regression coefficient for strategy implementation was also found to be statistically significantly as evidenced by, β= 0.569, t (180) =10.08, p <0.05. These results provided strong evidence for failing to reject the hypothesis that strategy implementation significantly influences the performance of Kenya owned State Corporations.

5.0 CONCLUSION AND RECOMMENDATIONS

The study concludes that strategies formulated by State Corporations are implemented extensively. The strategies are implemented in a manner that emphasizes the alignment of all functional areas within an organization with the selected strategy. In turn, this effective implementation gives the Corporations an advantage that leads to improvements in organizational performance. The results confirmed the beneficial role of strategy implementation, a finding that was corroborated by numerous other studies (Law et al., 2015; Njoroge et al., 2015; Waweru, 2012).

The study was grounded on the institutional theory. Varying degrees of relationships involving the study variables were reported, most of which were found to be statistically significant. The findings lead to interpretations that are indicative of theoretical implications. It was established that strategy implementation positively and significantly affects the performance of State Corporations. To this end the finding lent credence to the postulations of Institutional theory.

The study established that strategy implementation has a positive and significant effect on the performance of Kenya owned State Corporations. The institutionalization aspect of the implementation process was found to be particularly impactful, given its significant results associated with its beta coefficient, β= 0.54, t (180)=8.73, p <0.05. Contrastingly, the individual effect of strategy operationalization, was not statistically significant, β= -0.03 t (180)=-0.43, p >0.05. This implies that managers ought to recognize the need for the entire organization to be aware of the overall strategy and its implications so as to realize better performance. The strategy must be cascaded down to all functional areas through effective communication and dissemination so that operational plans can be designed. The finding also implies that managers need to ensure reconfiguration of the structure and culture of the organization in a manner that promotes successful outcomes

Kenya owned State Corporations are regulated by a variety of legal and policy frameworks. The State Corporations Advisory Committee works alongside the respective ministries and regulatory agencies to oversee formulation and implementation of policies. One such policy document referred to as "Mwongozo" aims at ensuring that State Corporations operate efficiently through well-articulated strategy so that they can give value for money. The spirit of this policy framework is to ensure that the State Corporations are self-sustaining and support economic development, rather than over relying on the exchequer.

Over the years, the government has undertaken reforms, albeit gradually, geared at making State Corporations more efficient and productive by effecting mergers so as to minimize overlaps and duplication of functions. The government has also been keen on strategic planning and performance contracting in State Corporations, a measure aimed at enhancing performance. The findings yielded in this inquiry provide clear evidence on the vital role of strategy implementation on performance. This may advice on the need for policy thrust to shift more to strategy implementation over and above strategic planning by putting in place measures to monitor and evaluate implementation.

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