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THE INFLUENCE OF STRATEGIC MANAGEMENT PRACTICES ON THE PERFORMANCE OF THE KENYA POWER AND LIGHTING COMPANY, MBALE, KENYA

Daisy Moraa Kiriago
Master of Business Administration (Strategic Option), Jomo Kenyatta University Of Agriculture and Technology

Dr. Atambo Wallace (PHD)
Lecturer, Jomo Kenyatta University of Agriculture and Technology

Abstract

Strategic management practices have been deemed to have a direct impact on the performance of an organization. This is mostly founded on the fact that strategic management practices are engineered to ease organizational performance. The objective of this study was to investigate the influence of strategic management practices on the performance of the Kenya Power and Lighting Company. The study utilized case study research design. The processes of data collection involved both primary and secondary data. The target population for this study involved 10 managerial staff and 90 employees at KPLC Mbale. The sample size was determined through census method where the sample involved 100 % of the target population. The instruments of data collection included questionnaires. In both instances, open-ended and closed-ended questions were used by the researcher to collect data. The study is significant to scholars, government, students and the company who will find its findings important in indicating the role of strategic management practices in organizations. Regression analysis was used to evaluate the data collected and to analyze it. The ANOVA was used to indicate the extent in which the data fit into the regression model. The ANOVA results were significant (F = 52.322, P = 0.000) indicating that the data fit into the model. The outcomes of this study indicated that strategic management practices encompassing strategic decision making, strategic planning and strategic marketing practices directly influenced the performance of Kenya power and lighting corporation (KPLC). Based on the study findings, it was recommended that strategic decision making should be considered as a significant factor in organizational performance. It was also recommended that effective techniques of strategic planning ought to be adopted in order to save the organization the burden of dealing with plans and projects that do not reflect its long-term priorities. Moreover, strategic marketing practices should be the focal concern of marketing managers towards boosting the perception of customers regarding company products and services.

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Keywords: Strategic management, Performance, Strategic Planning, marketing, decision making

I. INTRODUCTION

1.1 Background of the Study

The evolution of strategic management can be traced against the backdrop of increasing organizational inefficiencies particularly the inability of firms to attain their goals (Christian, 2007). The purpose of an organization is to achieve the objectives and visions established. However, when a company cannot fulfill its aspirations it cannot be regarded as successful. Strategic management was formulated to help organizations create modalities through which the inherent goals and objectives of firms are attained. Organizational success is directly tied to the processes of fulfilling goals and organizations must indulge in the process of fulfilling goals. By inclining all the processes of an organization from decision making to implementation, strategic management succeeds in increasing the chances of success. Organizations optimize in their opportunities, resources and prospects by indulging in strategic management.

According to Barney and Hesterly (2006) strategic management practices globally underscore the processes, applications and procedures of optimizing efficiency through decision formulation, implementation and control. These practices are directly related to the field of strategic management which guides the inherent processes of organizations. Strategic management is a broad organizational field that entails the continuous process of organizational management in a strategic manner. Strategic management basically underscores the formulation of decisions and procedures that lead to the creation and execution of strategies that facilitate success and higher performance in an organization. The fundamental principle of strategic management is that every organization endeavors to achieve its goals through higher performance and success. Therefore, it is a matter of how an organization can attain its goals of effectiveness and higher performance. Strategic management inclines the processes of attaining organizational success to the inherent processes of decision making. Although the processes of the organization are executed at a practical level, it is the decisions of an organization that guides its processes. This implies that a successful organization is one that formulates the most effective and quality decisions.

One of the most vital factors in the quest of organizational success is the goals, visions and objectives of a company. Strategic management is mostly geared towards the goals and objectives of an organization. Achievement is a relative term and organizations perceive achievement from the purview of their goals. Strategic management involves the development of the goals, visions, mission and aspirations of a company upon which the formulation of

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decisions is based. Therefore, when formulating decisions for an organization, its goals are factored because the aim is to attain these goals. Strategic decisions are those that provide a direct rationale towards the attainment of organizational goals. These decisions are simply strategies, procedures and tactics of realizing the goals of an organization. Therefore, apart from having goals, organizations need strategies to achieve them. Strategic management typifies the process of formulating strategies through decision making for purposes of helping an organization attain its goals.

In East Africa the practices of strategic management have been linked to increased effectiveness, synergy and organizational success (Makanga, 2017). Through economic cooperation and regional integration, strategic management practices have been synchronized across the member states with a uniformity of implementation. Strategic management is the field of management that entails the formulation and execution of significant inventiveness and aims developed by senior management acting on behalf of business owners and based on the resources available together with the assessment of an organization's internal and external environments (Harrison & Pellestier, 2000). This implies that strategic management is a broad arena that not only involves decision making but also their formulation, implementation, considerations and parties involved. In an organizational setting, strategic management is the most critical undertaking because it affects or determines what the organization does, how and the effects. Since it is a preserve of the senior most managers acting in behalf of the owners of a company, strategic management is the single-most umbrella task that offers overall guidance to the organization.

In Kenya the entrenchment of strategic management has been done in both public and private entities (Nyongesa, Nambuswa & Namusonge, 2017). The private sector alliance (KPA) links the great achievements made in Kenya to increased distribution of strategic management practices. For an organization to prosper, succeed, perform better and remain competitive, it must have considered strategic management practices that enable success. Strategic management practices are a series of operations, tasks, procedures and allocations that facilitate the processes of strategic decision making within an organization (Kaplan & Norton, 2001). In essence, strategic management practices are the practical equivalent of strategic management. Successful organizations are those that have been founded in solid long-term strategies that include a vision, mission, goals, objectives and strategies of achieving them. Strategic management practices have become the distinguishing factors between successful and unsuccessful organizations. An organization does not exist in a vacuum and all its operations and operations must be based in a goal that is long-term. Business organization exists for a long term purpose that is captured in its vision, mission or goals. Therefore, through strategic management, the underlying goals of a company are created. The practices of strategic management are the activities that typify the processes of formulating decisions, implementing them and conducting follow-up.

The Kenya Power and Lighting Company Ltd (KPLC) is the major player in the electric power supply in Kenya with the authorization to purchase bulk electricity supply, transmit, distribute and retail electricity to end use customers throughout Kenya (Kenya Power & Lighting Company, 2006). Nonetheless, in the course of the formulation and execution of the strategic plan the company is faced with issues that impact on its operations (Kenya Power & Lighting Company, 2006). During such situations, the company has been compelled to pursue strategies to determine.

1.2 Statement of the Problem

The importance of performance measurement for organizations as a mechanism through which progressive improvement for objective attainment cannot be ignored (Nzuve & Nyaega, 2011). The strategic management practices such as strategic planning, strategic decision making and strategic marketing provides a competitive advantage of an organization to perform better than other competitions in the market (Porter, 2008). Companies in the process of creating and maintaining a competitive edge, have come to the realization that reactive customer relationships must be urgently replaced with proactive user-centric customer relationships if they are to succeed.

There is need for a full evaluation of the role of strategic management in contemporary business organizations. Such a study will investigate how organizations apply strategic management and not just why. It is important to understand the function of strategic management towards developing a proper purview of the subject. A multifaceted research approach is best suited to develop a specific and exact understanding of strategic management practices particularly by concentrating on why organizations embrace strategic management. Since organizational practices are varied and multifaceted, only a versatile approach will offer a better understanding of the strategic management practices of organizations particularly its importance. The study therefore, offered a much better assessment of strategic management practices engaged by the Kenya Power and Lighting Company (KLPC).

1.3 Research Objectives

The purpose of this study was to determine the influence of strategic management practices on the performance of the Kenya Power and Lighting Company.

1.3.1 Specific Objectives

The specific objectives of this study included the following;

1 To evaluate the influence of strategic decision making on the performance of KPLC.

2 To determine the influence of strategic planning on the performance of KPLC.
3 To evaluate the influence of strategic marketing practices on the performance of KPLC.

II. LITERATURE REVIEW

2.1 Theoretical Framework

2.2.1 Michael Porters' Theory of Competitive Advantage

Michael Porters' theory of competitive advantage exemplifies three principles towards successful development and implementation of strategic decisions, namely, establishing a valuable and unique market position; deciding on what not to do and establishing "fit" through the alignment of the activities of an organization's with one another towards the selected strategy (Nag, Hambrick & Chen, 2007).This theory is very comprehensive and offers a direct route towards the process of strategic decision making. The first principle revolves around competitiveness and market performance. By creating an exclusive and valuable position in the market an organization increases its market share and competitiveness. Managers often focus on creating a unique brand as a way of differentiating it from that offered by competitors (Ghemawat, 2002). The brand should also be attractive to draw customers from other brands in the market. Competitiveness is an important consideration in the process of creating strategic decisions because an organization's ability to achieve its goals is determined by its competitiveness.

The second principle involves the trade-off regarding what to do and what not to do. This is important in strategic decision making because for any decision made by the organization, something is omitted. A manager must choose to avoid certain practices or actions as a way of increasing the organization's chances of success. The last principle underscores the true essence of strategic management, the alignment of all organizational activities towards the achievement of the goals of the firm. All the practices and actions of the firm must be geared towards the attainment of the inherent goals of the corporation. Alignment is very important because it underscores uniformity in action towards increasing the chances of success. Alignment should not just be restricted to resources but also activities, the processes of an organization must be based on the same principle of organizational objectives. Failure to align activities leads to the situation where different processes of a company are not linked to each other, thus hampering the attainment of the vision (Nag, Hambrick & Chen, 2007). This theory is relevant to this study because it relates to the variable of strategic decision making. In essence, Michael Porters' theory of competitive advantage proposes three elements towards the strategic management that offer an imperative link towards the successful formulation, implementation and evaluation of strategic decisions. For this study, this theory offers a relevant exemplification of the inherent essence and process of strategic decision making first by acknowledging that it involves the processes of formulating and executing strategic decisions.

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2.2.2 Resource Based Theory (RBT)

Resource based theory is a managerial model applied in the process of identifying the strategic resources that can facilitate the attainment of competitive advantage (Barney, 2001). Such resources once identified play a pivotal role in helping the firm attain sustainable competitive advantage. As a result, RBT underscores a resource purview towards business success. It is a business strategy that underpins its essence on the resources that are crucial towards competitive advantage. RBT has a long history of evolution having been linked to Barney, 2001) who conceptualized it as a model of cultivating sustainable competitive advantage. The inherent concentration of the RBT framework is the internal resources of a company which are considered the most important competencies, assets and capabilities with the ability to aid the development and sustainability of competitive advantage.

One of the most imperative pillars of the resource based view is Strategic Human Resource Management (SHRM). This is an important strategic management practice in modern corporations. Strategic human resource management refers to the relationship between business strategy and human resource strategy offers the best description of and its varied underpinnings (Armstrong, 2011). The author opines that it is the existence of a formidable link between business strategy and HR strategy that underpins the essence of SHRM. To establish the ground upon which the understanding of this relationship will occur, it is important to resonance the definition of SHRM as an integrated process of attracting, retaining, rewarding and developing workers to serve the goals, interests and purposes of an organization (Truss et al, 2012). This definition offers a perfect blend between business strategy and HR strategy.

This theory is relevant to this study because it relates to the variable of strategic marketing. Indeed business organizations indulge in the processes of identifying strategic resources for purposes of attaining competitive advantage. Strategic marketing underscores the inherent processes of an organization involving the development and maintaining of a competitive edge which is a marketing advantage over competitors. Competitors are rival firms that offer similar services or products. They pose great threat to the existence and success of an organization because they seek to increase their share of the market.

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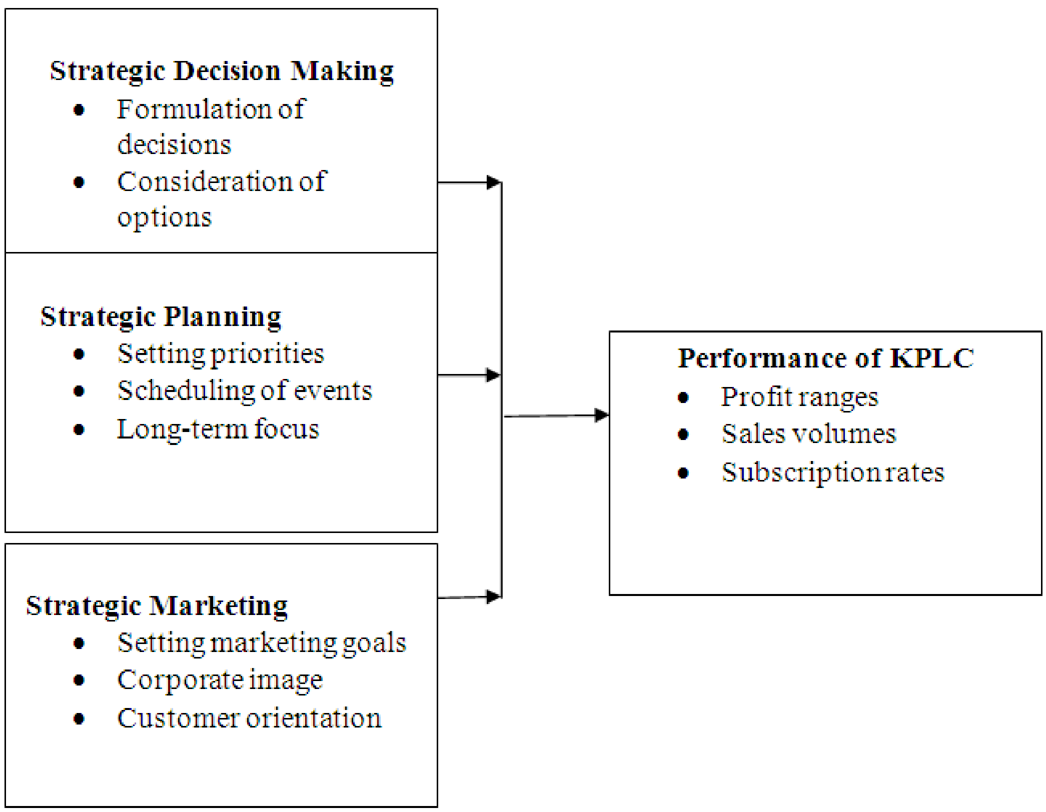
2.2 Conceptual Framework



Independent Variables **Dependent Variable**

Figure 2.1 Conceptual Framework

2.3 Empirical Review

Strategic decision making accentuates the formulation, implementation and evaluation of strategic decisions. It is a lengthy process that occurs in sequences. As Grant (2016) emphasizes, strategic decision underscores the choices that specifically direct the resources and efforts of an organization towards a specific goal. Consequently, strategic decisions are strategies that provide a direct rationale towards the attainment of organizational goals. The functions of strategic decision making revolve around strategic decisions in terms of; how they are made, strategies of implementation, evaluation processes and the outcomes. Organizations indulge in

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strategic decision making as a process of optimizing available resources for purposes of realizing organizational goals. Therefore, strategic decision making is a conduit for organizational success. As a result, the description of strategic decision making underscores two tasks that include implementation and formulation (Grant, 2016). Each task depends on the other and they occur in a sequence. Formulation is the first step in strategic management that is followed by implementation. At the formulation stage, the strategic decision is made by considering the values, vision, goals and environments the organization operates in.

Strategic management entails two related functions, namely strategic thinking and strategic planning which underpin the inherent processes of decision making (Teece, Pisano & Shuen, 1997). Strategic planning is a process of gathering data and evaluating it towards the process of creating a strategy. Strategic thinking is the thought process that facilitates the consideration of several facts in the process of formulating a strategy. Therefore, strategic planning and strategic thinking operate in harmony in the process of making the right decisions for an organization's future. The implementation process may offer contradictory results if not monitored properly (Nag, Hambrick & Chen, 2007). A manager must ensure that the course of executing strategic decisions is done systematically to facilitate the review of the course at any given stage. This implies that change management is part of strategic management since managers must change tact when it becomes necessary (Nag, Hambrick & Chen, 2007). The process of managing change in strategic management involves the collection of feedback which is used to develop fresh and more effective strategies towards the attainment of the goals of the corporation.

Effective strategic marketing requires nothing less than a fundamental revision of how the organization views itself, its relationships with its internal stakeholders and its place in the external environment (Teece, Pisano & Shuen, 1997). Strategic marketing is defined as an organization's long-term oriented modification of its goals for the generation of customer value and sustainable competitive advantage. Organizations use strategic marketing to come up with a plan that will satisfy its customer needs while at the same time increase its profitability and productivity. A successful marketing plan should contain five key components namely:

III. RESEARCH METHODOLOGY

3.1 Research Design

The study used a case study research design. Case study refers to an experiential inquisition in which the focus of study is on an existing phenomenon in a real life context where the boundaries between the subject matter and its context are not clearly understood (Jackson, 2011). Case study is appropriate for investigating complicated social cases where procedural features in the situation comprise of many theoretical propositions, numerous variables of interest and multiple sources of evidence to direct the collection and analysis of data (Milfs, Gabrielle & Elden, 2010). This research design was appropriate for the study as it endeavored to offers answers on the questions regarding the current strategic management practices used by the Kenya power and lighting company (KPLC).

3.2 Target Population

The study focused on the selected company which is Kenya Power and Lighting Company (KPLC). Since the study strove to investigate the strategic management practices applied by KPLC, all participants of this study were drawn from the KPLC workforce in Mbale. The targeted population comprised 100 participants who are employees of Kenya Power and Lighting Company (KPLC), Mbale office. This included 10 managerial staff and 90 employees of KPLC, Mbale office.

3.3 Sampling and Sampling Technique

The research used census method in which the researcher comfortably obtained data required from the target population by using this method (Mannay, 2010). Under the census technique, the whole population becomes the sample for the study implying that all members of the target population are sampled for purposes of research. Census method offers the most representative method of sampling because all members of the target population are represented making the research accurate and valid. Therefore, for purposes of this study the sample size was 100% of the target population which involved 10 managerial staff and 90 general staff.

3.4 Research Instruments

On account of the fact that the study utilized quantitative research and is a case study design, only instruments complementing the methodology and design were selected. Therefore, the research instruments for the study were open and closed ended questionnaires.

3.5 Data Analysis and Presentation

The data collected for the proposed study was evaluated through regression analysis. Regression analysis is a set of statistical processes for estimating the relationships among variables (Armstrong, 2012). Regression analysis is very important when determining the relationship between dependent variables and one of the independent variables. When assessing the characteristic value of a dependent variable changes in an event it is more effective where one independent variable is varied while other independent variables are fixed.

Regression Model

$Y= \beta_0+ \beta_1(X_1) + \beta_2 (X_2) + \beta_3 (X_3) + E$

Where the variables are defined as:

Y- Performance of KPLC

X_1- Strategic management decisions

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X_2- strategic planning
X_{-3}- strategic marketing practices
E- Error term

IV. RESULTS AND DISCUSSION

4.1 Response Rate

The researcher issued 100 questionnaires to respondents at KPLC. The total number of the respondents who returned the questionnaires and those who did not were 100. The total number of questionnaires that were distributed to the field was 100 of which 90 comprising 90% were successfully completed while 10 comprising 10% were not returned. Based on the analysis, it can be concluded that the response rate was high. The response rate was ideal as Kothari (2004) affirms that the response rate for any research should be over 60%.

4.2 Strategic Decision Making

Table 1 Response on Strategic Decision Making

	SA		A		N		D		SD	
	F	%	F	%	F	%	F	%	F	%
The organization allocates financial resources for strategic decision making?	20	22	35	39	20	22	10	11	5	6
Does the organization monitors the implementation of strategic decisions to enhance efficiency	25	28	30	33	20	22	5	6	10	11
The organizational structure of KPLC is flexible and facilitates strategic decision-making	20	22	40	44	15	17	8	9	7	8
KPLC has well trained human resource to support strategic decision-making	22	25	48	53	10	11	3	3	7	8
KPLC consults widely in the process of strategic decision-making	18	20	49	54	13	14	6	7	4	5

Strategic decision making is the first objective of this study and the analysis of data aimed at determining the relationship between the independent variable (strategic decision making) and the dependent variable (performance of KPLC). The study established that the organization allocates financial resources for strategic decision making as indicated by 39 (35%) of the respondents. This coincides with Barney and Hesterly (2006) assertions that strategic management can only be effective when adequate resources are allocated. Majority of the respondents 30 (33%) agreed that the organization monitors the implementation of strategic decisions to enhance efficiency. Burgelman, Grove and Meza (2006) supports this practice by stating that the success of strategic management lies directly in the organization's ability to monitor the inherent processes. On the role of organizational structure and its impact on strategic management 40 (44%) of the respondents indicated that the organizational structure of KPLC is flexible and facilitates strategic decision-making. This echoes the affirmations of Kemp (2008) regarding the crucial role of organizational structure in influencing the success of strategic decision making. Regarding the aspect of human resources and their role to strategic management most respondents 48 (53%) agreed that KPLC has well trained human resource to support strategic decision-making. The findings coincide with the idea of Armstrong (2011) concerning the significance of human resources as partners in strategic decision making. The author states that a successful strategic decision making function depends on the competence and input of workers. 49 (54%) of the respondents agreed that the organization consults widely in the process of strategic decision-making. According to Cameron (2014) consultation is the benchmark of effective decision making because varied opinion and input increases the quality of strategic decisions made. This implies that by consulting widely KPLC increases the quality and effectiveness of its strategic decisions.

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4.3 Strategic Planning

Table 2 Response on Strategic Planning

	SA		A		N		D		SD	
	F	%	F	%	F	%	F	%	F	%
Does the organization allocate financial resources for strategic planning?	21	23	38	42	14	16	10	11	7	8
Does the organization monitor and audit all the resources allocated for various purposes?	19	21	42	47	16	17	6	7	7	8
The organization coordinates the proper utilization of available resources.	20	22	42	47	21	23	4	4	3	3
The organization has competent human resource to support strategic planning.	25	28	40	44	20	22	2	2	3	2
Has the organization adapted information technology in strategic planning?	23	26	44	49	16	18	3	3	4	4

Strategic planning is the second objective of this study and the analysis of data aimed at determining the relationship between the independent variable (strategic planning) and the dependent variable (performance of KPLC). On the allocation of financial resources for purposes of strategic planning 38 (42%) of the respondents agreed that the organization allocates enough financial resources for strategic planning. This reflects the affirmations of Barney (2001) regarding the role of financial resources on the effectiveness of strategic planning.

The author stated that the allocation of financial resources for strategic planning underscores an organization's commitment to the success of the strategic planning function. 42 (47%) of the respondents agree that the organization monitors and conducts audit for all the resources allocated for various purposes. This process is aimed at increasing the effectiveness of strategic planning as Kaplan and Norton (2001) opines that is based on the close monitoring of the resources utilization. Most of the respondents 42 (47%) agreed that the organization coordinates the proper utilization of available resources for purpose of strategic planning. This increases the effectiveness of strategic planning as opined by Harrison and Pellestier (2000) who insists on the proper coordination of processes in strategic planning. Most respondents 40 (42%) agreed that the organization has competent human resource to support strategic planning. Armstrong (2011), states that the effectiveness of strategic planning is directly proportional to the availability of competent workers in an organization. Therefore, an organization should hire competent workers for purposes of strategic planning. 44 (49%) of the respondents agreed that the organization has adopted information technology in strategic planning. This echo the affirmations of Hill and Gareth (2012) that information technology is the new frontier of strategic planning in the sense that advances in technology facilitates the effectiveness of strategic management. The application of information technology increases the effectiveness of strategic planning.

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4.4 Strategic Marketing Practices

Table 3 Response on Strategic Marketing Practices

	SA		A		N		D		SD	
	F	%	F	%	F	%	F	%	F	%
The organization has a specific department that coordinates strategic marketing	19	22	46	51	22	24	2	2	1	1
The organization monitors its strategic marketing endeavors to enhance efficiency.	22	24	43	48	18	20	5	6	2	2
The organization has several levels at which strategic marketing occurs.	20	23	45	50	21	23	3	3	1	1
The organization distributes strategic marketing tasks among the many departments to enhance performance.	21	23	44	49	20	22	4	4	1	1
The company blends strategic marketing with other marketing functions.	22	24	46	52	20	22	1	1	1	1

Strategic marketing practices underscore the third objective of this study and the analysis of data aimed at determining the relationship between the independent variable (strategic marketing practices) and the dependent variable (performance of KPLC). On the existence of a separate department coordinating strategic marketing practices 46 (51%) of the respondents indicated that the organization has a specific department that coordinates strategic marketing processes. This according to Christian (2007) increases the effectiveness of strategic marketing practices in the sense that marketing procedures are better handled under one department. This increases the effectiveness of coordinating the processes of strategic marketing. 43 (48%) of the respondents agreed that the organization monitors its strategic marketing endeavors to enhance efficiency. David et al (2012) states that the nature of strategic marketing requires close monitoring to guarantee effectiveness. This necessitates organizations to develop monitoring programs for purposes of facilitating the success of strategic marketing. Majority of the respondents 45 (50%) agreed that the organization has several levels at which strategic marketing occurs. This coincides with the affirmations of Edwards (2014) who recommends a systematic process of strategic marketing practices which increases the holistic attainment of outcomes. Through a step-by-step formula organization can create and execute priorities in a succession. On the distribution of strategic marketing tasks among the many departments 44 (49%) agreed that the organization distributes strategic marketing tasks among the many departments to enhance performance. According to Ghemawat (2002) this is important considering that that inherent processes of strategic marketing cannot be accomplished by one department. Sharing tasks increases collaboration and facilitates the attainment of positive outcomes.

4.4 Performance of KPLC

Majority of the respondents showed that strategic decision making impacts the performance of KPLC. Based on the analysis, 78% of the total respondents indicated that that strategic decision making influences the performance of KPLC. Kemp (2008) affirms the significance of strategic decision making in facilitating organizational performance. Most of the respondents indicated that strategic planning influences the performance of Kenya Power and Lighting Company. According to the analysis, 88% of the total respondents indicated that strategic planning influences the performance of Kenya Power and Lighting Company. According to Hill & Gareth (2012) strategic planning increases an organizations ability to identify risks and manage them effectively. Majority 78% of respondents felt strategic marketing practices influence the performance of Kenya Power and Lighting Company. Respondents indicated that understanding strategic marketing practices helped in the development of techniques that enhanced the performance of KPLC. This coincides with Christian (2007) findings that strategic marketing practices facilitate market success of organizations thus increasing performance.

4.5 Regression analysis

The evaluation of data was done through multiple regression analysis to establish The Influence of Strategic Management Practices on the Performance of The Kenya Power and Lighting Company.

The model summary indicates the degree to which the independent variables influence change in the dependent variable. The R square was 0.780 which indicates that the independent variables; strategic decision making, strategic planning and strategic marketing practices influence 78% change on the performance of the Kenya Power And Lighting Company. R is the correlation coefficient which shows the relationship between the variables as indicated by 0.807. Therefore, the remaining percentage which was 22% is predicted by other factors not considered in this study.

Table 4 Model Summary

Model	R	R Square	Adjusted R Square	Std, Error of the Estimate
1	.807	.780	.773	.3257

Predictors: (Constant), Strategic Decision Making, Strategic Planning, Strategic Marketing Practices

The ANOVA indicate the extent in which the data fit into the regression model. The ANOVA results were significant (F = 52.322, P = 0.000) indicating that the data fit into the model. The coefficient indicates the extent in which each independent variable contributes to the change in the dependent variable. From the equation below, it was revealed that Strategic Decision Making, Strategic Planning, Strategic Marketing Practices to a constant zero, performance of KPLC would stand at 0.078. The data findings also show that a unit increase in strategic decision making will lead to a 0.088 increase in the performance of KPLC. Cameron (2014) concurs with these findings by affirming the significant role of strategic decision making towards the development of proper organizational plans that result in higher performance.

Strategic planning was also found to significantly influence performance. The finding shows that that a unit increase in strategic planning will lead to a 0.768 increase in the performance of KPLC. The findings are similar to what Armstrong (2011) discovered regarding the significance of strategic planning towards increasing organizational capabilities. Strategic marketing practices significantly influence performance. The data findings show that an increase in strategic marketing practices will lead to a 0.078 increase in the performance of the KPLC. This coincides with Christian (2007) who opines that strategic marketing practices increases the organizations market visibility thus enhancing performance.

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Table 5 Regression Coefficients

Model	Unstandardized coefficients	Standardized Coefficients		T	Sig
	B	Std.Error	Beta		
Constant	.078	.230		.126	.882
Strategic Decision Making	.088	.245	.480	.438	.004
Strategic Planning	.768	.104	.604	2.734	.001
Strategic Marketing	.078	.96	.147	1.535	.003

a. Dependent Variable: Performance of KPLC

The model was therefore presented as:

$Y= \beta_0+ \beta_1(X_1) + \beta_2 (X_2) + \beta_3 (X_3) + E$

$Y=0.078+0.088X_1+0.768X_2+0.078X_3+E$

Y- The performance of the Kenya Power and Lighting Company

V. CONCLUSIONS AND RECOMMENDATIONS

Strategic decision making affects the performance of the Kenya Power and Lighting Company (KPLC) by facilitating the formulation of long-term and sustainable decisions which propel the growth of the power distribution company. The study indicated that one of the reasons why KPLC was performing well was because of the quality of decisions formulated and the methods of implementation. Strategic planning positively impacts the Kenya Power and Lighting Company (KPLC) through influencing its performance. Strategic planning helps the organization determine its priorities and develop strategies towards attaining them. This increases the organization efficiency and success. Strategic marketing practices favorably influence the performance of the Kenya Power and Lighting Company (KPLC) by increasing the market awareness of company products and services. The strategic marketing practices of

KPLC consider the fact that different products/services have different methods of marketing. Therefore, the study indicated that through strategic marketing practices the performance of KPLC has improved.

Based on the study findings the following recommendations were made: Strategic decision making should be considered as a significant factor in organizational performance because the nature of the processes involved in boosting the performance of a firm is determined by the nature of decisions made. Effective techniques of strategic planning ought to be adopted in order to save the organization the burden of dealing with plans and projects that do not reflect its long-term priorities. Strategic marketing practices should be the focal concern of marketing managers towards boosting the perception of customers regarding company products and services because any inconsistencies regarding the market perception of company products/services undermines the market success of the company.

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