Social Science and Humanities Journal
Everant Journal
https:https://sshjournal.com/
Impact Factor: 2024: 6.576
2023: 5.731
ISSN: 2456-2653
Volume 08 Issue 07 July 2024
DOI: https://doi.org/10.18535/sshj.v8i07.1233

Influence of Participatory Stakeholders Involvement Interventions on Performance of Commercial State Corporations in Kenya

Juliana Hawario Asser | Charles Guandaru Kamau

[1]Department of Business Administration School of Business Technical University of Mombasa
[2]Department of Accounting and Finance School of Business Technical University of Mombasa

Received 29-06-2024
Revised 30-06-2024
Accepted 25-07-2024
Published 27-07-2024

Abstract:

Organizations worldwide face obstacles that hinder their ability to achieve long-term goals in change management in an optimal and sustainable manner. Failing to embrace change renders managers irrelevant in the competitive market. The success of any organization relies on the support of stakeholders. By considering the interests of various stakeholders, organizations can improve their performance. This study aimed to investigate the relationship between engaging stakeholders in the decision-making process and the success of state-owned businesses in Kenya. The researchers used a cross-sectional survey methodology and selected a sample of forty-eight commercial state enterprises through stratified random sampling. The study involved a total of one hundred and forty-four participants, including CEOs, Finance Managers, and HR Managers from each company. Survey forms were distributed to the participants in their respective institutions with the assistance of research aides to collect data. The collected data was analyzed using SPSS version 24 and Microsoft Excel. Regression models were used, and standard F and t tests were conducted for hypothesis testing. The research examined stakeholder involvement and support in three aspects: involvement in the change process, fostering positive relationships between different groups, and support from stakeholders. Factor analysis was applied to five factors. The majority of respondents agreed that involvement in the change process and support from stakeholders have a significant impact on participatory stakeholder involvement interventions. The findings revealed a significant positive relationship between involvement in the change process and performance, as well as between support from stakeholders and performance. The correlation coefficients were 0.502 and 0.580 respectively, with p-values of 0.000. The regression coefficients for participatory stakeholder involvement interventions were statistically significant at a 5% level of significance, with a coefficient of 0.632 and a p-value of 0.000. This indicates that the null hypothesis was rejected, supporting the alternative hypothesis that participatory stakeholder involvement interventions have an impact on the performance of commercial state corporations in Kenya. The research concluded that engaging stakeholders in decision-making, especially involving them in the change process and receiving their support, is closely linked to the performance of commercial state-owned companies in Kenya. Involvement in the change process showed a beneficial and direct connection with performance, while support from stakeholders also indicated a favorable association with performance. This research highlights the importance of stakeholder involvement interventions in implementing change initiatives in commercial state corporations in Kenya. It is crucial for these corporations to seek support from stakeholders when involving them in their operations, as the study revealed that stakeholder support significantly enhances organizational performance.

Key Words: Performance, Participatory Stakeholders involvement interventions, Commercial State Corporations

1. Introduction

Public sector organizations worldwide face significant pressure to enhance services and efficiency. The public sector operates in a dynamic environment and plays a critical role in delivering effectiveness, competitiveness, security, justice, and equality (Sawaneh, 2023). In Kenya, the public sector has faced challenges in recent years, leading to reduced profits, a trend seen in many state corporations (Mutua et al., 2012). Organizations undergo redesign and reorganization to meet customer needs and address challenges (Walala et al., 2015). Change interventions, as defined by Chaffey, Edmundson-Bird, and Hemphill (2019), involve deliberate actions to align a firm's objectives with environmental challenges. It is crucial for institutions to adopt technology systems that support change interventions (Kario & Ngugi, 2017).

Williams and Wade-Golden (2023) emphasize that in today's competitive business environment, an organization's competitive advantage hinges on strategic changes. Specialists in strategic alterations argue that change is constant in organizations striving for survival. Given the intense global and regional competition, state corporations in Kenya need to implement effective change strategies to enhance productivity and efficiency. All businesses, regardless of size or market niche, face fierce competition due to globalization and other factors (Jaros, 2010). Strategies must be enhanced to achieve the envisioned 10 percent growth rate outlined in Vision 2030.

Stakeholders are crucial entities impacted by an organization's actions. Kujala, Sachs, Leinonen, Heikkinen, and Laude (2022) suggest that organizations should prioritize stakeholders' interests as they influence firm performance and bear risks from their investments. An organization is a network of stakeholders who exert influence both internally and externally. Stakeholder management practices are crucial for meeting stakeholder expectations (Leonardi, 2011).

Engagement in the process of change is observed when stakeholders actively participate in the implementation process or the formulation of strategies. The involvement of stakeholders is crucial, particularly when they take the lead in implementation (Keter, Iravo & Sakataka, 2018). Stakeholder support is demonstrated when stakeholders provide their clear and unwavering endorsement. It has been emphasized by Keter et al. (2018) that the explicit engagement of participants may be perceived by various social partners as part of an ongoing relationship among those impacted by issues. The utilization of stakeholder techniques should not be perceived as mere public relations efforts, seeking approval, or enhancing the organization's image for temporary decisions made. It is essential for the relevant stakeholders within an organization to actively participate in the strategic process consistently to secure their endorsement for the organization's activities and policies. Stakeholder Relationships entail fostering positive relationships among stakeholders through a deliberate approach that balances the diverse interests of the organization. This approach facilitates the reduction of conflicts within organizations, thereby garnering support for successful and sustainable change initiatives.

Numerous organizations undergo transformation phases that can lead to challenging circumstances; therefore, embracing change is imperative for achieving success (Kario & Ngugi, 2017). State-owned entities in Kenya have various objectives outlined by the Presidential taskforce (GoK, 2013). These entities engage in functions such as manufacturing, commerce, financial services, infrastructure development through service delivery, regional development, environmental preservation, education and training, as well as economic regulation. State corporations are tasked with providing job opportunities, ensuring access to water, electricity, sanitation, and ultimately mitigating poverty. Concerns have been raised regarding the adequacy of existing governance structures in developing long-term strategies to fulfill these multiple obligations. The taskforce recommended interventions involving participatory stakeholder engagement to enhance the performance of state-owned enterprises. Public organizations have consistently faced the need for change in order to enhance efficiency and deliver better services to the public. In the dynamic business environment, organizations seek new market opportunities to enhance their competitive edge and surpass competitors. According to Muriuki et al. (2016), organizations often prioritize performance contracts, overlooking various aspects of strategic change interventions embedded within the implementation process.

2. Methodology

2.1 The Study Area

The study was carried out on 48 specific Commercial state corporations in Kenya. The list of organizations consists of Kenya Ports Authority, Kenya Agro-Chemical and Food Company, Muhoroni Sugar Company, Simlaw Seeds Kenya, Kenya Safari Lodges and Hotels Ltd, School Equipment Production Unit, New Kenya Cooperative Creameries, Consolidated Bank of Kenya, Kenya Airports Authority, and others, situated in regions like Mombasa, Nairobi, Trans Nzoia, Kisumu, and Uashin Gishu Counties.

2.2 Research Design and Data Collection

The study utilized a cross-sectional descriptive survey method, focusing on gathering qualitative data through questionnaires that contained both closed and open-ended inquiries. The utilization of semi-structured questions was essential to facilitate the collection of both quantitative and qualitative data. The examination of the impact of participatory stakeholder involvement interventions on the performance of commercial state corporations was carried out using multiple linear regression analysis. The independent variable analyzed was participatory stakeholders' involvement interventions, while the dependent variable was performance. The multiple regression model applied in the research was as follows:

$Y= \beta_0+ \beta_1 X_1 + \varepsilon$-------------------------------- (i)

Where:

Y_i = Dependent variable (Performance)

X_1 = Participatory Stakeholders involvement interventions

2.3 Determination of Sample Size

There are a total of 55 commercial state corporations in Kenya according to the Government of Kenya (GoK, 2013). This study specifically concentrated on state-owned entities following the reclassification that took place on October 9th, 2013. The reclassification of state corporations aimed to improve service delivery in the Public Sector. This date also marked the establishment of a Presidential Task Force on corporations, tasked with concluding the ongoing policy review on the sectors in order to address sectoral challenges and align with government policy priorities (GoK, 2013).

The sample size for the study was determined using the formula provided by Miller and Brewer (2003) with a confidence interval of 95%:

$$n = \frac{N}{1+N(\alpha)^2} \text{ -- (ii)}$$

Where:
n? = sample size,
N = sampling frame
α = margin of error (0.05%)
The formula gave a sample size of 48 which was arrived at as follows:

$$n = \frac{55}{1+55(0.05)^2} \text{ ---------------------------------- (iii)}$$

$$n = 48$$

Consequently, a sample of 48 commercial state corporations (refer to Table 1) was randomly selected from the pool of 55 reclassified government-owned entities identified for the investigation. The random selection process involved using a random number generator to pick entities from the range of 1 to 55, ensuring an unbiased selection method.

3. Results:

3.1 Influence of Participatory Stakeholders Involvement on Performance

Respondents were instructed to specify the involvement of stakeholders in change interventions. The results of the study indicated that stakeholders were primarily engaged in the formulation of change interventions at a rate of 63%. Only 20% of the respondents mentioned involvement of stakeholders during the implementation phase, while 15% indicated involvement through providing suggestions. This suggests that while stakeholders play a role in formulating strategic change interventions, some respondents expressed concerns about their lack of direct involvement in implementation and providing suggestions for such interventions.

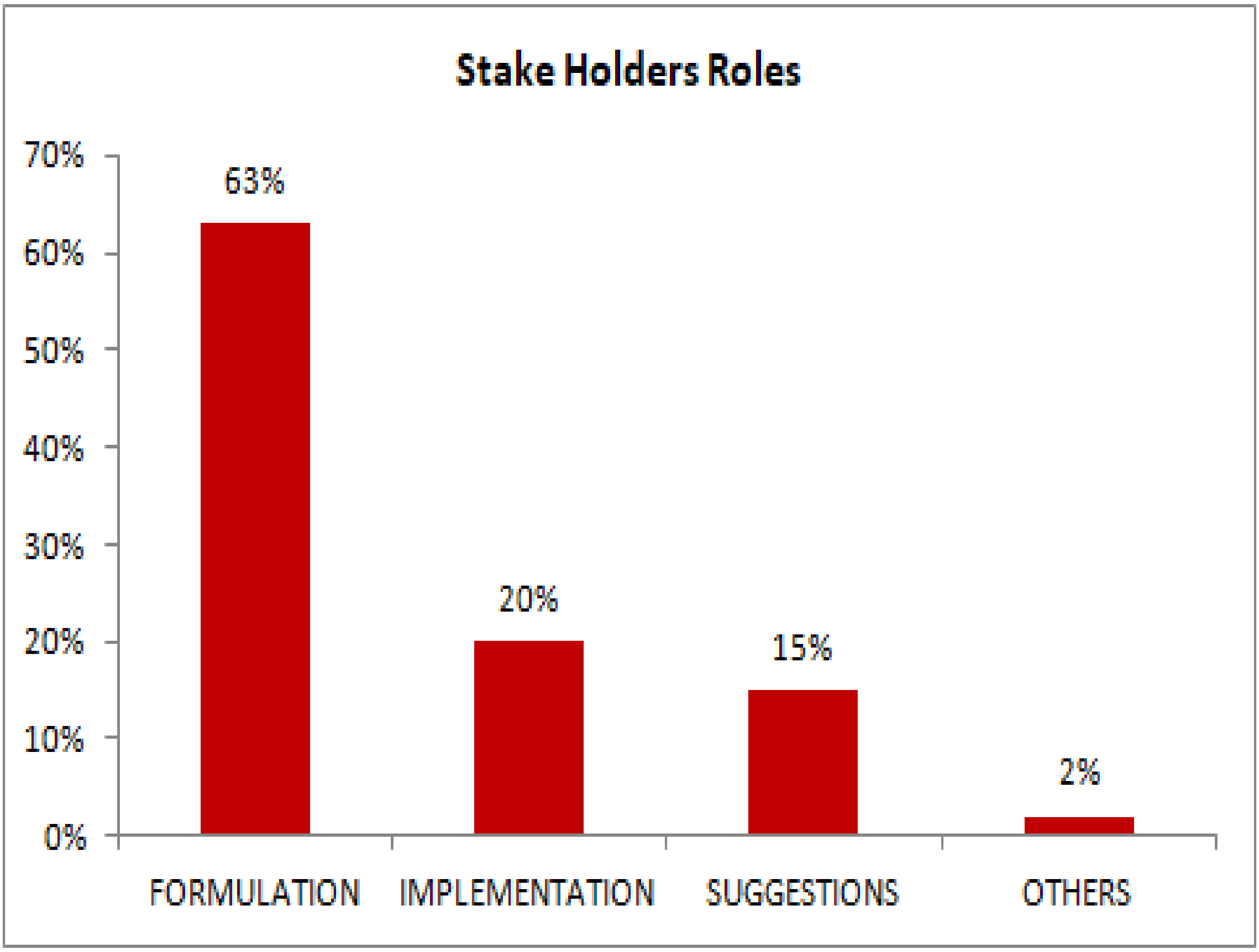

Figure 1: Stakeholder Roles

The results presented in Table 1 demonstrate the respondents' agreement levels with various statements regarding the impact of participatory involvement interventions on organizational performance. A scale ranging from 1 to 5 was used by the respondents, with 1 denoting strongly disagree and 5 representing strongly agree. The purpose of collecting this data was to assess whether participants believed that the current participatory stakeholder involvement interventions were adequate for enhancing organizational performance. The findings are summarized in Table 1.

Table 1: Influence of Participatory Stakeholders Involvement on Performance

	Strongly Disagree	Disagree	Neither	Agree	Strongly Agree	Mean	Standard Deviation
This organization allows participation of all stakeholders to contribute to opinions	4.7%	12.6%	15.7%	45.7%	21.3%	3.66	1.093
positive relationship among stakeholder's groups is encouraged in this organization	3.9%	6.3%	7.9%	53.5%	28.3%	3.96	.987
Quite often there are formal surveys of stakeholder's views or opinions	0.8%	19.7%	25.2%	36.2%	18.1%	3.51	1.030
The stakeholders provide support for strategic change in the organization	2.4%	7.1%	26%	41.7%	22.8%	3.76	.965
Stakeholders' involvement is responsible for the achievement of strategic changes in in the organization	2.4%	10.2%	18.9%	38.6%	29.9%	3.83	1.045

The data from Table 1 reveals that 45.7% of respondents agreed that the organization permits all stakeholders to contribute their opinions on change interventions. Furthermore, 53.5% of participants agreed that the organization promotes positive relationships among stakeholder groups. 36.2% of respondents acknowledged that formal surveys of stakeholders' views on change interventions are frequently conducted. Additionally, 41.7% of respondents agreed that stakeholders offer support for strategic change, and change agents have been identified and trained to facilitate the process. 47.2% of respondents concurred that stakeholders play a key role in achieving strategic changes within the organization. The majority of respondents expressed agreement with the statements related to participatory stakeholder involvement interventions, as evidenced by mean values ranging from 3.51 to 3.96. Similarly, the standard deviation falls within the range of 0.965 to 1.093, indicating minimal deviations from the mean. These results align with the findings of Walala, et al. (2015), who reported that 54.5% of respondents in their study supported conducting consultation meetings with stakeholders prior to initiating change processes. These findings were further corroborated by Koech, et al. (2018).

3.2 Stakeholder Involvement Interventions

The research also asked the participants if their organization was interested in including all stakeholders in its change projects. The outcomes were displayed in table 2 and figure 2.

Table 2: Involvement of Stakeholders

Main Themes	**Frequency**	**Percent**
Yes	9	75%
Somehow	3	25%
Total	12	100%

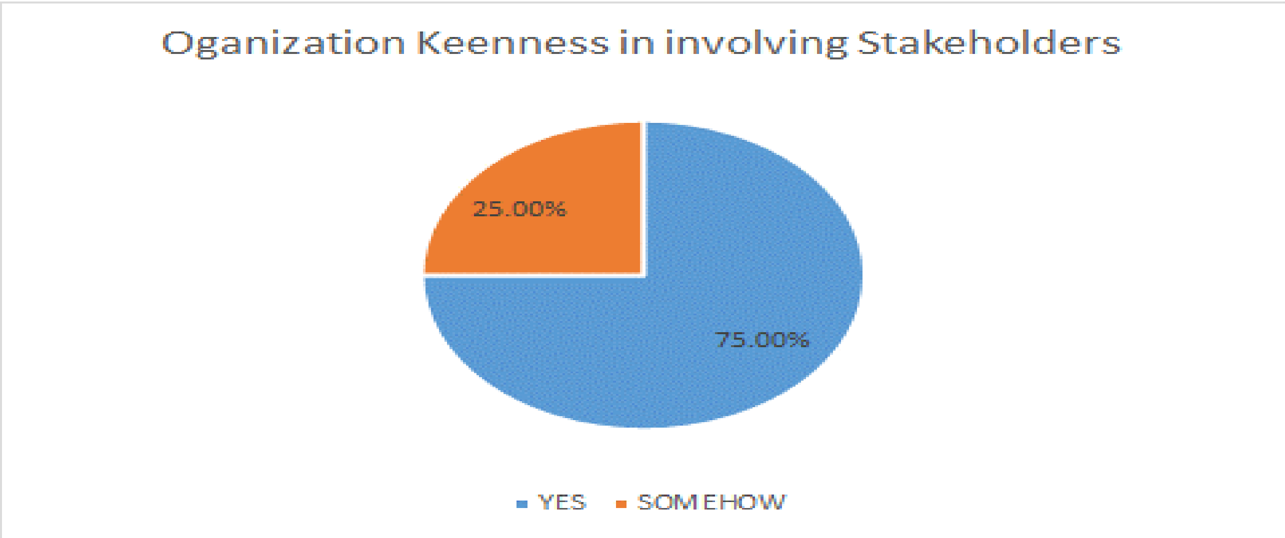

Figure 2: Satisfaction with Organization Performance

3.3 Sample Adequacy Results for Participatory Stakeholders Involvement Interventions

The sample size adequacy was tested by KMO and Bartlett's tests at 0.755 as indicated in table 3.

Table 3: KMO and Bartlett's Test for Participatory Stakeholder Involvement Interventions

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.755
Bartlett's Test of Sphericity	Approx. Chi-Square	295.278
	Df	10
	Sig.	0.000

3.4 Factor Analysis Results for Participatory Stakeholder Involvement Interventions

The assessment of Participatory Stakeholders Involvement Interventions included three sub-variables: involvement in the change, fostering positive relationships among groups, and receiving support from stakeholders. Factor analysis was conducted on five variables. The largest impact on Participatory stakeholder involvement interventions was found to be due to two factors, totaling 81.091% of cumulative variance. The most influential factor, accounting for 60.868% of the variance, was participation in the change, while stakeholder support, which accounted for 20.222% of the total variance, was the second factor. The Eigen values of these two factors were shown to be greater than 1 in table 4.

Table 4: Factor Analysis Results for Participatory Stakeholder Involvement Interventions

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.043	60.868	60.868	3.043	60.868	60.868
2	1.011	20.222	81.091	1.011	20.222	81.091
3	.392	7.835	88.926			
4	.304	6.070	94.996			
5	.250	5.004	100.000			

3.5 Rotated Component Matrix Results Participatory Stakeholders Involvement Interventions

Table 5 gives the rotated component matrix for factors influencing involvement in change, intergroup relationships, and backing from stakeholders. Component 1 was recognized as involvement in the change while Component 2 was backing from stakeholders.

Table 5: Rotated Component Matrix Results for Participatory Stakeholder Involvement

Opinion Statement	Component	
	PIC	SFS
This organization allows participation of all stakeholders to contribute to opinions on change interventions	.917	
positive relationship among stakeholders' groups is encouraged in this organization	.822	
Quite often there are formal surveys of stakeholders' views or opinions on change process in this organization	.722	
The stakeholders provide support for strategic change in the organization		.919
Stakeholders' involvement contributes highly to the achievement of strategic change in the organization		.875
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.		
Rotation converged in 3 iterations. KEY: PIC=Participation in the Change, SFC=Support from Stakeholders		

3.6. Descriptive Results of Retained Sub Variables of Participatory Stakeholders Involvement

Two criteria were used to evaluate Participatory Stakeholders Involvement interventions: participation in the change and support from stakeholders. Table 6 provides descriptive data on a scale from 1 to 5, with 1 representing Strongly Disagree and 5 representing Strongly Agree.

Table 6: Descriptive Results of Retained Sub Variables of Participatory Stakeholders Involvement

Variable	Mean	Std. Deviation	Cronbach's Alpha
Participation in the change	3.7113	0.8962	0.830
Support from stake holders	3.7953	0.9351	0.843

Table 6 displays that, on average, respondents agreed that involvement in the change impacts Participatory Stakeholders Involvement interventions, with a mean of 3.7113. Participants also confirmed that involvement of stakeholders influences Participatory Stakeholders Involvement initiatives, with an average of 3.7953. Cronbach's alpha was employed to assess the reliability of the chosen variables. Involvement in the transformation had a factor of 0.830. Alternatively, stakeholders' support had a coefficient of 0.843. The data is considered reliable because the Cronbach's coefficient exceeds 0.7.

3.7 Correlations Results for Participatory Stakeholders Involvement Interventions and Performance

Correlation analysis is a tool used to assess the nature and strength of the relationship between variables. The strength of the relationship between Participatory Stakeholders Involvement interventions and performance of state corporations was determined using the Pearson correlation coefficient in this study. Table 7 displays a correlation matrix showing the relationship between Participatory Stakeholders Involvement interventions and performance measures.

Table 7: Correlations Results for Participatory Stakeholders Involvement

		Participation in the change	Performance	Support from stakeholders
Participation in the change	Pearson Correlation	1	.502**	.580**
	Sig. (2-tailed)		.000	.000
	N	127	127	127
Performance	Pearson Correlation	.502**	1	.615**
	Sig. (2-tailed)	.000		.000
	N	127	127	127
Support from Stakeholders	Pearson Correlation	.580**	.515**	1
	Sig. (2-tailed)	.000	.000	
	N	127	127	127
**. Correlation is significant at the 0.01 level (2-tailed).				

Findings demonstrate a significant, positive connection between involvement in the transition and success, as well as backing from stakeholders and success, with correlation coefficients of 0.502 and 0.580 respectively, and p-values of 0.000. This means that engaging stakeholders in decision-making affects the performance of government-owned companies. Murimi and Omondi (2014) found that stakeholder participation was linked to improved performance. Mokamba (2015) also demonstrated that stakeholders who are proactive will be motivated to enhance the organization.

3.8 Regression Analysis Results for Participatory Stakeholder Interventions

Data Normality Test Results for Participatory Stakeholders Involvement Interventions

An assumption of linear regression is that the sample data was drawn from a population that adheres to a normal distribution. There are numerous normality tests available in the literature. Nevertheless, the study utilized the Kolmogorov Smirnov (K-S) one sample test. In the Kolmogorov Smirnov test, the null hypothesis states the data originated from a normal distribution while the alternative hypothesis states the data did not come from a normal distribution. When the p value is lower than 0.05, the null hypothesis should be discarded according to the rule. Table 8 displays the outcomes of the K-S examination.

Table 8: One-Sample Kolmogorov-Smirnov Test for Participatory Stakeholders Involvement

		Participation in the change	**Support from stakeholders**
N		127	127
Normal Parameters[a,b]	Mean	3.7113	3.7953
	Std. Deviation	.89616	0.93511
Most Extreme Differences	Absolute	.170	0.193
	Positive	.098	0.130
	Negative	-.170	-0.193
Kolmogorov-Smirnov Z		0.799	1.159
Asymp. Sig. (2-tailed)		0.546	0.136
a. Test distribution is Normal.			
b. Calculated from data.			

Since the p value is more than 0.05 for the two cases, we fail to reject the null hypothesis and conclude that the two data sets are normal.

Durbin-Watson Test Results

Another assumption of linear regression is that there should be no auto correlation. One of the tests used for auto correlation is Durbin Watson test which checks for serial correlation.

Table 9: Durbin-Watson (Autocorrelation) Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.640[a]	0.410	0.401	0.6304	1.864
a. Predictors: (Constant), participation in the change, support from stakeholders					

The Durbin Watson test ranges from 0 to 4. A value of 2 indicates that errors are independent of each other. Values between 1.75 and 2.25 are deemed to be within an acceptable range. Some researchers believe that a value of 1.5 to 2.5 suggests there is no collinearity present (Makori & Jagongo, 2013). A Durbin-Watson value of 1.864 suggests there is no autocorrelation present.

3.9 ANOVA Results for Participatory Stakeholders Involvement Interventions and Performance

Table 10 displays the study's analysis of variance regarding the impact of Participatory Stakeholders Involvement interventions on the performance of state corporations. The findings indicate that either participation in the change or support from stakeholders in Participatory Stakeholders Involvement interventions is significantly related to performance (F = 43.125, p = 0.000) as shown in Model 1 in table 10.

Table 10: ANOVA Results for Participatory Stakeholders Involvement Interventions and Performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	38.950	2	19.475	43.125	0.000[b]
	Residual	55.998	124	0.452		
	Total	94.948	126			
a. Dependent Variable: performance						
b. Predictors: (Constant), support from stakeholders, participation in the change						

3.10 Goodness-of-fit Model Results for Participatory Stakeholders Involvement Interventions

Table 11 demonstrates that 41.0% of the variability in State corporations' Performance can be accounted for by Participatory Stakeholders Involvement measures. 59.0% of the performance fluctuations can be attributed to factors other than the ones mentioned. This means that the measures are able to forecast the performance.

Table 11: Goodness-of-fit Model Results for Participatory Stakeholders Involvement Interventions

Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	0.640[a]	0.410	0.401	6304
a. Predictors: (Constant), support from stakeholder, participation in the change				

The following hypothesis was formulated to assess the influence of Participatory Stakeholders Involvement interventions, which include participation in the change process and support from stakeholders:

H_0: Participatory Stakeholders Involvement interventions do not have a statistically significant influence on the performance of commercial state corporations in Kenya.

Regression analysis was carried out to identify the likely shape of the connection among engagement in the change, endorsement from stakeholders, and achievements. The regression model indicates if the variables have a notable impact on performance.

The findings can be seen in Table 12.

Table 12: Coefficients for Participatory Involvement Interventions Sub-Variables

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	0.457	0.325		1.407	0.162
	participation	0.257	0.099	0.219	2.591	0.011
	stakeholder	0.507	0.088	0.488	5.764	0.000
a. Dependent Variable: performance						

The regression coefficients from the Participatory Stakeholders Involvement interventions measures results are displayed in Table 12. Both factors were determined to be statistically significant at a 5% level of significance, with coefficients of 0.257 and 0.507 and corresponding p-values of 0.011 and 0.000. Equation 1 represents the resulting regression model.

$Y = 0.257X_1 + 0.507X_2$ --Equation 1

Table 13 presents the regression results of combining the two sub variables to create Participatory Stakeholders Involvement interventions.

Table 13: Coefficients for Participatory Stakeholders Involvement

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	0.382	0.323		1.184	0.239
	participatory	0.784	0.086	0.632	9.120	0.000
Dependent Variable: performance						

This implies that the null hypothesis is rejected since $\beta \neq 0$ and p-value<0.05. The regression model is summarized by equation 4.6

$Y = 0.784X_1$ ---Equation 2

Where, X_1 represents Participatory Stakeholders Involvement interventions.

4. Discussion:

The aim of the study was to investigate how participatory stakeholder involvement interventions impact the performance of commercial state corporations in Kenya. The research on participatory engagement initiatives found that two factors were determined to have the most significant impact on participatory stakeholder engagement efforts, accounting for 81.091% of the variance. Factor one had the most significant impact at 60.868%, with factor two contributing to 20.222% of the overall variance. Participation in the change and stakeholder support, both had Eigen values exceeding 1. Involvement of stakeholders in the change impacts their participation with a mean of 3.7113, while stakeholder support averaged at 3.7953. The findings indicate a significant positive correlation between engagement in the transition and outcomes, backing from stakeholders and outcomes, with correlation coefficients of 0.502 and 0.580 and p-values of 0.000 for both. This means that interventions involving the participation of stakeholders are implied.

The results suggest that 41.0% of State corporations' performance can be credited to participatory stakeholder involvement actions, like engaging in change and receiving support from stakeholders. Other factors are credited with causing performance changes in 59.0% of instances. This indicates that the measures are able to predict how well something will perform. This emphasizes the value attributed to stakeholders, as referenced by Johnson et al. (2008), who suggest that organizations and stakeholders depend on one another to reach their goals. According to Mokamba (2015), stakeholders who take action will feel motivated to improve the organization.

The findings indicate that 41.0% of the variance in State corporations' performance can be attributed to participatory stakeholder involvement measures. 59.0% of the variations in performance can be attributed to other factors. This means that the metrics are able to forecast the performance. This phenomenon highlights the importance of stakeholders as emphasized by Johnson et al., (2008) who suggests that organizations and stakeholders rely on each other to achieve their goals. Mokamba (2015) stated that when stakeholders are proactive, they are inspired to enhance the organization.

The results were linked to a study conducted on Kenya Power and Lighting Company in Uasin Gishu County, Kenya by Kenyoru, (2015) to examine the connection between stakeholder engagement and organizational performance. Kenyoru found that over 50% of improvements in performance were a result of stakeholders' participation in decision-making. Engaging stakeholders in participation was deemed statistically significant at a 5% significance level, with a coefficient of 0.784 and a p-value of 0.000. This means that the null hypothesis is disproved by the fact that participatory stakeholder involvement interventions have an impact on the performance of commercial state corporations in Kenya. Muindi (2011) confirmed the results, showing a strong positive correlation of 0.888 between participation in decision-making and job satisfaction.

5. Conclusions:

The findings of this study confirm a direct correlation between the level of involvement of stakeholders in decision-making and performance outcomes. Descriptive statistics revealed that stakeholders are aware of the objectives of commercial state corporations and willingly provide full support. Additionally, key stakeholders from different organizational groups supporting change interventions have been recognized, leading to proper planning and full commitment.

The R square value showed that 41.0% of the improvement in performance can be attributed to the engagement of stakeholders in the process. This showed that commercial state companies should adopt participatory stakeholder engagement strategies to enhance performance. The independent variable made a noteworthy contribution. The regression analysis showed a significant and strong positive correlation between involvement of stakeholders in interventions and performance. Thus, the null hypothesis stating that participatory stakeholder involvement interventions have no significant impact on the performance of commercial state corporations in Kenya was not accepted.

It can be inferred that Participatory stakeholder involvement interventions, which included participation in the change and support from stakeholders as sub-variables, were positively associated with the performance of commercial state corporations in Kenya, based on the results of factor analysis. Engagement in the transformation had a direct and beneficial correlation with productivity. Support from stakeholders was also positively correlated with performance. The significance of involving stakeholders in implementing change initiatives in Kenyan state corporations is highlighted in recent research. State-owned businesses in the commercial sector need backing from stakeholders by actively involving them in their operations. The research also discovered that enhanced performance is the result when stakeholders offer backing for strategic change in organizations.

References:

1. Chaffey, D., Edmundson-Bird, D., & Hemphill, T. (2019). Digital business and e-commerce management. Pearson UK.
2. East, N. (2011). Implementing an Effective Change Management Strategy. London: Ark Conferences Publications.ed.).London: Kogan Page.
3. Government of Kenya (GoK) Report (2013), "Report of the Presidential Taskforce on Parastatal Reforms 2013"
4. Kamau C. G., & Mohamed, H. (2015). Efficacy of Monitoring and Evaluation Function in Achieving Project Success in Kenya: A Conceptual Framework. Science Journal of Business and Management, 3(3), 82-94.
5. Kamau, C.G, (2024). Common Pitfalls in Monitoring and Evaluation with respect to project success in Africa. Available at SSRN: http://dx.doi.org/10.2139/ssrn.4891027
6. Kario, A. & Ngugi P.K. (2017). Change Management Strategies and Performance of Commercial Banks in Kenya. Strategic Journal of Business & Change Management, 4(4)
7. Kenyoru, N. D. (2015). Stakeholder Engagement and Organizational Performance: A Case of Kenya Power and Lighting Company, Eldoret Branch, Uasin-Gishu County–Kenya. Archives of Business Research, 3(2), 188-198
8. Keter, C., Iravo, M., & Sakataka, W. (2018). Management Strategies Affecting Performance of Self-Help Groups in Uasin-Gishu County, Kenya.Unpublished PhD Thesis. Juja: JKUAT.
9. Koech. P., Namusonge G., & Mugambi. F. (2018). Determinants of Effectiveness of Corporate Governance in State Corporations in Kenya. Unpublished PhD Thesis. Juja: JKUAT.
10. Kothari, C., & Garg, G., (2014). Research Methodology. New Age International (P) Ltd. Publishers. New Delhi.
11. Kujala, J., Sachs, S., Leinonen, H., Heikkinen, A., & Laude, D. (2022). Stakeholder engagement: Past, present, and future. Business & Society, 61(5), 1136-1196.
12. Leonardi, L. (2011). Social and Financial Performance in Medium -Sized Enterprises: an Italian Perspective. Trento: University of Trento.
13. Makori, D., & Jangongo, A., (2013). Working Capital Management and Firm Profitability: Empirical Evidence from Manufacturing and Construction Firms Listed on Nairobi Securities Exchange in Kenya. International Journal of Accounting and Taxation, 1(1), 1-14.
14. Mokamba, J., Oloko, N., & Letting, N. (2015). Influence of quality management system on the relationship between internal factors and performance of Kenyan public universities. Unpublished PhD Thesis. Juja: JKUAT.
15. Muindi, F. K. (2011). The relationship between participation in decision making and job satisfaction among academic staff in the school of business, university of Nairobi. Journal of Human Resources Management Research, 2011, 1-34.

16. Murimi, M. M., & Omondi, H. (2014). Influence of stakeholder's involvement in organizational leadership on university performance: The case of Karatina University. International Journal of Current Business and Social Sciences, 1(2), 361-373.

17. Muriuki, J., Iravo, M., & Karanja, K. (2016). Role of Performance Planning on Strategy Implementation in Commercial State Corporations in Kenya. Unpublished PhD Thesis. Juja: JKUAT.

18. Mutua, S. M., Karanja, K., & Namusonge, G. S. (2012). Role of human resource management practices on performance of financial cooperatives based in Nairobi County, Kenya. International journal of Humanities and social science, 2(22), 289-297.

19. Muyaloka, D., & Kachamba, N. (2024). Assessing Factors Influencing the Failure of Constituency Development Fund (CDF) Projects in Education and Health Sectors in Zambia: A Critical Analysis. African Journal of Commercial Studies, 4(3), 225-251.

20. Sawaneh, B. (2023). Success and impact of Strategic Plans Implementation on Public Service Delivery in the Gambia. Journal of Public Administration, Finance & Law, (27).

21. Walala, S. J., Waiganjo, E., & Njeru, A. (2015). Effect of change management capacity on the delivery of quality education in public technical and vocational institutions in Kenya. Unpublished PhD Thesis. Juja: JKUAT

22. Williams, D. A., & Wade-Golden, K. C. (2023). The chief diversity officer: Strategy structure, and change management. Taylor & Francis.