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## STRATEGIC PLANNING AND ORGANIZATIONAL PERFORMANCE OF STATE CORPORATIONS IN KENYA: A CASE STUDY OF GEOTHERMAL DEVELOPMENT COMPANY

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### ABSTRACT

Strategic planning positively affects the performance of state-owned companies (SOEs) in Kenya, with evidence indicating that their effective application enhances organizational outcomes. However, despite the adoption of strategic planning frameworks, many State-Owned Enterprises in Kenya continue to experience performance challenges such as inefficiency, weak governance structures, financial mismanagement, and delays in project implementation. These issues have led to low productivity, dependence on government bailouts, and failure to meet performance targets. This persistent underperformance raises concerns about the effectiveness of strategic management practices within these entities. The objective of this study was to examine the influence of Strategic planning on the organizational performance of State Corporations in Kenya: a case study of the Geothermal Development Company. This research was anchored by the Resource-Based View Theory, and supported by Strategy-as-Practice (SAP). Employing a descriptive research approach, data from 871 employees at Geothermal Development Company (GDC) were analysed employing a stratified sampling technique, resulting in a sample population of 274 respondents. A standardized questionnaire was employed to gather information, preceded by a pilot study to validate the tool's dependability. Analysis involved reviewing surveys, extracting statistics, and applying regression analysis via SPSS version 24 to explore how independent and dependent variables relate to one another. The study found that strategic planning was inclusive and systematic, featuring stakeholder engagement and goal prioritization. Effective strategy formulation was evidenced by personnel engagement and alignment with organizational objectives, promoting a link between goals and performance. The study recommends that Kenyan state corporations enhance strategic planning through better organization, stakeholder participation, and regular updates. It stresses the importance of developing analytical skills for data-driven decision-making and aligning planning with performance metrics. The research advocates for stakeholder engagement, measurable outcomes, and suggests longitudinal studies to explore causal relationships.

**Keywords:** *Strategic Planning, Organizational performance, State Corporations, Kenya*

## INTRODUCTION

Strategic management performs a crucial function in the performance and sustainability of companies cutting throughout the many sectors (Rudberg et al. 2013). It entails the creation, management, monitoring, and evaluation of policies and tactics that would enable the business realize its goals and deal with the competition (Kabeyi, 2019, Fuertes et al. 2020). Strategic management strategies have an essential role in determining business success, particularly in sectors that involve long-term planning & capital expenditures (Sannö et al., 2019). One such area that has been under tremendous strain is the energy industry, which is a fundamental component of economy.

From a global standpoint, strategic management is a relatively new profession that has been developing with the aid of several contributions from different social science disciplines worldwide (Biondi & Russo, 2022). A study conducted by Elif (2022) on the execution and results of the approach pointed out that a supportive workplace culture in Turkish public bodies can lift execution and, in turn, overall performance. The progress and maturity of strategic management have been confirmed by a number of advances over the last several decades, since it is one of the study areas that now enjoys a wealth of analytical ability as well as enormous volumes of ideas, themes, and analysis techniques (Gede & Huluka, 2023). Strategic management is basically a roadmap that helps organizations line up their people, money, and day-to-day work with big-picture goals so they can perform better. Biondi and Russo (2022) showed that when universities mix long-term planning with performance tracking, they get smoother results because everyone understands the goals and works together.

In Jordan, Dua et al. (2022) found that a clear strategy in the telecom industry improves efficiency and accountability among staff, highlighting the importance of effective resource management and timely decision-making for both private and public sectors. Ferlie & Ongaro (2022) further emphasized that strategic management involves not only planning but also the crafting, execution, and regular review of strategies, advocating for alignment between internal resources and external threats. In the United Kingdom, they compared traditional planning with flexible approaches in public services, concluding that vigilance and adaptability are key for sustained success. Collectively, these studies suggest that a holistic approach to strategy increases the likelihood of organizational success, defining strategic management as encompassing planning, implementation, and assessment.

On regional viewpoint, good strategic management can lift how well an organization works, and this benefit shows up clearly in Africa's public agencies. Umanah, Brownson, and Uwa (2024) note that in Akwa Ibon States civil service, regular planning and constant checking turn paperwork into faster, more responsible service. Mashingaidze et al., (2021) reached a similar conclusion in Zimbabwe, reporting that small firms that shape their plans thoughtfully see stronger profits. Because clear plans set goals and organize

choices, the evidence suggests that solid planning helps not only state bodies but also public enterprises stay on course. Yet having a plan on paper matters little unless the plan is put into action.

In Malawi, Mwanza and Dar (2025) studied Malawi's public ministries and found that service quality and day-to-day results improve when training and tools match the strategy. In South Africa, Chipangamate and Nwaila (2024) showed how a joined-up strategic outlook on energy change, along with regular check-ups and tweaks, keeps organizations flexible and green. Put together, these studies from across the region show that broad, well-timed management habits are key to better performance in the government industry. The studies asserts that strategy and productivity are and they agreed that strategies that produce high performance are linked to initiatives that prioritize product quality, and that innovations in goods and services that adapt to the demands of clients are linked to increases in market share that come from bringing in new business and keeping hold of current clients.

On local viewpoint, strategic management practices are essential in driving organizational performance, particularly within Kenyan state-owned entities. Leral, Rintari, and Moguche (2023) show that when money-driven state firms map out a clear plan, spell out measurable targets, and line up their people and cash with long-range goals, their overall performance jumps. Nyagaki (2022) backs this up, arguing that the whole cycle of planning, forming, executing, and keeping an eye on the strategy makes organizations work faster and compete better. Galgallo (2024) takes it further, saying that regular check-ups based on hard data keep Kenyan supermarkets answerable and push them to lift their game day after day. Together, the studies point to one clear message: umbrella strategic management tools are a must if the public sector wants to work well and serve citizens.

In Kenya, effective strategy planning significantly enhances service delivery, as demonstrated by Mbulwa and Kinyua (2020) in Turkana County, and Munala and Mwasiaji (2023) at the Kenya Medical Training College. These studies highlight the importance of local engagement, clear job roles, funding, and leadership in driving performance improvements. Amidst rising demands for renewable energy, the Kenyan government has prioritized geothermal energy to reduce reliance on fossil fuels. The Geothermal Development Company (GDC), established to foster geothermal resource development, has faced operational and budgetary challenges despite its critical role in advancing this sustainable energy source.

Organizational inefficiencies at the Geothermal Development Company (GDC) in Kenya have led to project slippage and cost escalation, notably affecting the Menengai Geothermal Power Project, which is significantly behind schedule. Research by Moinkett (2015) highlights misalignment between organizational learning and service strategy,

aggravating performance issues. GDC's ineffective leadership and structures contribute to delays and budget overruns, hindering its ability to meet energy production goals. Despite significant government funding, GDC struggles due to poor management techniques.

Operational difficulties at GDC indicate potential flaws in its strategic management processes, which are essential for adapting to market and regulatory changes in the energy sector. Research highlights the importance of aligning corporate strategy with operational capabilities for sustainable growth (Chipangamate & Nwaila, 2024; Shabalov et al., 2021). While existing literature predominantly addresses private-sector strategic management, there is limited research on government-owned enterprises like GDC, particularly regarding its strategic planning and performance amidst Kenya's shift towards renewable energy (Wanjiku & Njuguna, 2024).

### **Strategic Planning**

Strategic planning is the steady practice by means of a company sets its course and decides how to use money, time, and people to reach its aims. The work includes laying out long-term goals, looking inward and outward for strengths and threats, and choosing clear paths toward the results it wants. For public enterprises, a sound plan keeps day-to-day work in step with broad policy orders and often lifts efficiency. Success shows in sharp, public goals, real input from those affected, and actions taken when promised. Watch for a written plan that matches performance measures, proves stakeholders were heard, and is regularly checked against results (Schneller et al. 2023).

### **Organizational Performance**

Organizational performance relates to the degree to which a company meets its set objectives effectively and efficiently, measured in terms of output quality, profitability, growth, and stakeholder satisfaction. In research, organizational productivity will be operationalized through indications that are both monetary and non-monetary. Financial indicators include revenue growth, profitability ratios, and cost efficiency (Aila & Wanyama, 2022). Non-financial indicators encompass customer satisfaction, employee productivity, service delivery quality, and innovation capacity. Data will be gathered using a structured questionnaire targeting key performance areas. These measures collectively provide a comprehensive assessment of the company's capacity to meet strategic goals and maintain a competitive position in its sector (Ahmed & Ishtiaq, 2021).

### **State Corporations in Kenya**

State corporations in Kenya are government entities designed to facilitate commercial and developmental functions that align with national socio-economic goals, particularly in sectors such as energy, transport, farming, and finance. They are established through legal frameworks and operate under the oversight of ministries. The Geothermal Development Company (GDC), a state-owned enterprise, focuses on increasing geothermal resource development as per the Energy Act No. 12 of 2006. Its goal is to

significantly enhance geothermal energy output, aiming to drill 1,400 steam wells to generate 5,000 MW and reduce reliance on expensive thermal power. Key figures associated with the establishment and operation of GDC include Chipangamate & Nwaila, Wanjiku & Njuguna, Shabalov, and Wainaina.

### **STATEMENT OF THE PROBLEM**

The Geothermal Development Company (GDC) has faced persistent performance challenges despite its mandate to enhance geothermal energy production in Kenya, as evidenced by Auditor-General reports highlighting cost overruns, project delays, and operational inefficiencies. These issues point to weaknesses in strategic planning, a core component of strategic management, suggesting that ineffective planning processes may have hindered the company's ability to achieve its objectives. While previous studies have examined strategic management in public institutions broadly, they have often treated its components as a single construct, overlooking the distinct influence of strategic planning on performance. This study therefore focuses specifically on the effect of strategic planning on GDC's organizational performance, recognizing its critical role in aligning goals, allocating resources, and managing large-scale energy projects. Unlike earlier research that employed general qualitative reviews, this study adopts a descriptive research design and quantitative analysis to empirically assess the relationship between strategic planning and organizational performance at GDC. Research on strategic management in state-owned enterprises largely relies on qualitative methods like interviews, neglecting broader quantitative approaches for causation analysis. Notably, there is limited research combining case studies with quantitative methods to assess the effects of strategic management actions on performance, especially in Kenya's energy sector. This study explores how strategic management practices influence the organizational performance of the Geothermal Development Company in Kenya.

### **OBJECTIVE**

The specific objectives of this research was to investigate the influence of strategic planning on the organizational performance of state corporations in Kenya.

### **SIGNIFICANCE OF THE STUDY**

The research will provide evidence-based insights for the Geothermal Development Company and other state-owned enterprises, aiding policymakers in enhancing operational effectiveness and resource allocation. It aims to improve GDC's strategic planning and performance, potentially leading to better financial outcomes, fewer project delays, and increased operational efficiency. Furthermore, it supports GDC's mission to boost geothermal energy production, thereby enhancing public service delivery and sustainability. This study contributes to strategic management literature, particularly concerning public sector organizations in developing countries, by analysing the impact of management strategies on a Kenyan state-owned energy company's output.

## SCOPE OF THE STUDY

The research was restricted to the examination of strategic planning and organizational performance within the Geothermal Development Company (GDC) in Kenya. The research covered the period from January 2025 to October 2025 to guarantee that the results represent recent organizational developments and management strategies. Because of time and financial limitations, the research was restricted to GDC and did not include other energy sector corporations or government agencies. The target population consisted of be all 871 employees of Geothermal Development Company (GDC). A sample was drawn from this group to provide relevant data for the study.

## LITERATURE REVIEW

### Theoretical Literature Review

This sub-section focused on the relevance and relationships between the relevant theories that were used to support the investigation. This research was anchored by the Resource-Based View Theory and supported by Strategy-as-Practice (SAP).

### Resource-Based View Theory

Resource-Based View Theory was founded by Jay Barney (1991). This concept examines the existing relationship between a corporation's capabilities and competitiveness. A few researchers went on to expand the RBV theory, explaining the effects of both substantial and insubstantial resources on organizational performance. These researchers included Barney (1996), and Wernerfelt (1984) (Davis & DeWitt, 2021). According to the hypothesis, A company's assets help it obtain an edge over others. Thus, a company's capacity to continuously use the material and immaterial resources at its disposal gives it a competitive edge. As stated by advocates of the RBV theory, businesses should look inside rather than outside for sources of competitive advantage (Lubis, 2022).

A company must possess business competencies and unique resources to improve its market position (Lubis, 2022). According to Barney, Ketchen Jr., and Wright (2021), these resources are vital to an organization's context. The Resource-Based View (RBV) is based on two principles: the immobility of resources and their uneven distribution among firms. Such resources must be valuable, rare, difficult to imitate, non-transferable, and non-substitutable for a competitive advantage. A company's strategic planning is guided by its capabilities and assets to sustain this advantage. If a firm's resources lack uniqueness, it might pursue short-term strategies or invest in new competitive advantages. Understanding the interplay between productivity, capacities, resources, and competitive edge is crucial for strategy development (Freeman, Dmytriiev, & Phillips, 2021).

A business's resources include data, expertise, assets, capabilities, firm qualities, and organizational processes, according to Freeman, Dmytriiev, and Phillips (2021). These resources serve as a foundation for an organization to achieve and execute successful plans. The Resource-Based View (RBV) theory pertains to this study since it outlines how

to assess the internal resources and capabilities of an organization. In the case of Geothermal Development Company, strategic management, which includes planning, and maintaining resources which are unique and valuable for achieving sustainable competitive advantage. Recognizing the rare and inimitable resources to develop strategies around them and execute them in a way that adds strategic value, while providing continuous control of the resources, increases the organization's efficiency and performance over time in the energy sector.

### **Strategy-as-Practice (SAP)**

Strategy-as-Practice was introduced by Whittington (1996) and Jarzabkowski (2005). The Strategy-as-Practice (SAP) theory recognizes strategy as something people do as oppose to something an organization has. It pays attention to the actions, routines, and interactions relevant to the assigned strategic tasks. Unlike other models, which conceptualize strategy as a formal outcome or a plan, SAP includes the meetings, the analyses, and the decisions that comprise the strategy formation process. It positions strategy as a social and communicative practice, underlining that it is the behaviour and the organization's context (and not a theory) that produces strategy (Munala & Mwasiaji, 2023).

While pursuing the SAP approach to the Geothermal Development Company, this study examines how the strategic management functions, planning, formulation, implementation, and monitoring, are practiced in everyday organizational life. For the GDC case, strategic planning is case studied in practice via engagements in meetings and other planning technologies, such as the SWOT analysis, whereas the formulation is captured in co-writing documents as a dialogue. The SAP approach makes visible how managers meaningfully interpret and enact strategies, which makes it clear that formal strategy systems only partially explain strategy, which is ultimately the outcome of collaborative and collective work and of continuous strategic realignment (Osano, 2021).

Looking at things from the SAP viewpoint enhances understanding of the ways in which strategies are carried out and assessed through the daily managerial operations. It sees the execution stage as the actual carrying out of the strategic concepts by middle and senior managers and the assessment stage as the interpretation of results and feedback conversations. The SAP approach is considerably limited by its micro focus and is therefore bound to miss the larger organizational and contextual aspects such as the market and external institutional forces. The value of the approach is that it connects the execution of strategies to people and provides realism in the description of strategic management in action (Said & Wainaina, 2020). The SAP approach to strategy is relevant to this study since it focuses on the activities and interactions of the managers involved in the strategic management process. In the case of the Geothermal Development Company, this focus is on how managers involved in real work situations, strategy, and planning meetings, carry out analyses, and communicate strategies.

### **Empirical Literature Review**

An empirical literature review examines previous research on seen and quantified events, emphasizing data-driven conclusions from surveys, tests, or case studies that either validate or refute a study issue.

### **Strategic Planning and Organizational Performance**

The effects of strategic planning on the performance of Kenyan Commercially driven agencies were examined in research by Leral, Rintari, and Moguche (2023). Six (6) commercially based parastatals were the investigation's target population, and information was collected through a detailed research approach. 151 administrative employees and 45 department supervisors participated in the survey. The research employed a simple arbitrary process to obtain a sample size of 110 administrative staff members and 40 departmental supervisors. They were asked questions that were closed-ended as well as open-ended. Additionally, an initial investigation was conducted at Kenya Airways with 11 administrative staff members and 4 departmental supervisors. Furthermore, the findings were shown using frequency tables, descriptive analysis, and explanation. Additionally, correlation Analyses and multiple regression techniques were utilized to examine inferential statistics. According to the survey, management encourages employees to seek more education and expands the clientele, yet 79% of respondents disagree about financial responsibilities. The distribution of resources and strategic forecasts have an impact on employee motivation. Decisions on strategic planning are not always guided by benchmarking. The report suggests mentoring, consultation policies, and well-documented procedures for staff skill development. Organizational performance is strongly correlated with strategic planning. However, the current research was done on mixed commercial parastatals, whereas the current research will be conducted on energy sector SOEs.

Strategic planning and its impacts on the operations of telecom companies in Jordan was examined by Dua'a Adnan et al. (2022). A comparative technique, it included going over earlier studies on the topic and talking about the key conclusions, was employed to accomplish the goal of the investigation. Given this, he concluded that strategic planning is a significant and proactive instrument for helping businesses expand their activity such that it will benefit them. Therefore, considering the intense competition, researcher suggest making use of this research in order to initiate strategic planning in each division of Jordanian communications businesses to ensure better creativity and creative thinking. However, the current investigation will concentrate on Kenya's energy sector., whereas the previous research's primary objective was telecom businesses in Jordan.

An examination on the effect of combining strategic planning with performance administration on the efficiency of a university was carried out by Biondi and Russo (2022) examined in Italy. The research applied a qualitative multiple case study method on three public Italian universities. The statistics was gathered via document scrutiny,

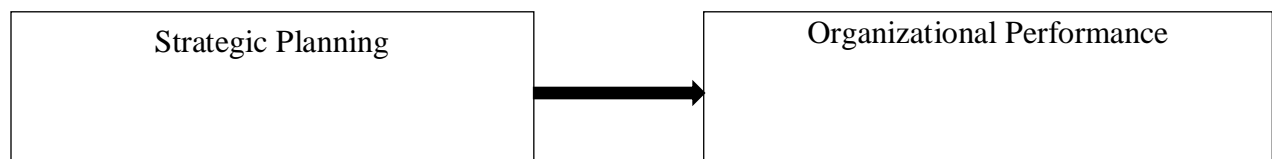
semi-formal interviews with administrative as well as academic leaders, and performance documents. Integration processes were examined through thematic content analysis. Decision-making, resource allocation, institutional accountability, and in turn organizational performance were improved because of the strong alignment of strategic planning and performance indicators. It was concluded that a coherent integration of planning and performance systems increases transparency and fosters incessant enhancement in Higher education institutes. The investigation used mixed methodology, utilizing secondary data at some point. The present research will employ only primary information.

**CONCEPTUAL FRAMEWORK**

A conceptual framework is a structured visual or narrative representation that outlines the key variables in a study and shows the relationships among them, guiding the research design and analysis (Stroumpoulis, & Kopanaki, 2022).

**Independent Variables**

**Dependent Variables**



**Figure 16:** Conceptual Framework

**METHODOLOGY**

**Research Design**

As per Lavrakas (2008), a research design is a systematic approach to developing study objectives, gathering data from a representative sample, conducting analysis, and reporting findings. This study used a descriptive research design, gathering general information from a chosen sample of respondents via questionnaire. Additionally, descriptive study designs focused on a variable element. The design also offered a realistic outline for gathering a great number of collections and excellent data dependability (Berman et al., 2020).

**Target Population**

Sekaran and Bougie (2010) describe the target population as the entire set of variables from which all scenarios that might be relevant to the study's focus can be inferred. For this research, the target population was all workers at Geothermal Development Company (GDC). Geothermal Development Company had a total of 871 from all levels as shown on Table 1. GDC's geographical scope focuses on the Menengai geothermal field near Nakuru, a key area within Kenya's Great Rift Valley.

**Table 45:** Target Population

Category	Frequency	Percentage
Top Management	9	1%
Middle Management	37	4%
Support Staff	825	95%
<b>Total</b>	<b>871</b>	<b>100</b>

### Sample and Sampling Technique

This section discusses the determination of sample size and sampling method in the research, referencing Kothari (2017), who defines sampling as the process used by researchers to select a specific number of participants from a population for study purposes. To generate a suitable study sample, the analysis employed stratified sampling approach. To analyse management levels, individuals were divided into three strata, and a sample was selected using Slovine's formula, a common method for estimating sample sizes in research.

$$n = \frac{N}{1 + N \cdot e^2}$$

Where:

N=871 (total population)

e=0.05 (margin of error)

Thus; the sample population for this study was 274 respondents

**Table 46:** Sample Size

Category	Population	Sample size	Percentage
Top Management	9	3	1%
Middle Level Management	37	12	4%
Support Staff	825	259	95%
<b>Total</b>	<b>871</b>	<b>274</b>	<b>100%</b>

### Instruments

Taherdoost (2021) discusses data collection tools and techniques used in research to quantify variables, noting the differences in methods based on cost, duration, and materials. Sharma (2022) categorizes these methods into primary and secondary groups according to the study's objectives, focusing on primary data for this investigation. A standardized questionnaire was employed to gather distinct primary data, aiming to achieve specific research goals (Sharma, 2022).

### **Pilot Study**

Cooper and Schindler (2020) define a pilot test as a tool to identify implementation and design issues, as well as to act as a backup for information collection from a randomly selected sample. A pilot investigation was conducted to pre-test a questionnaire and evaluate the reliability of the research instrument among employees of Kenya Electricity Generating Company (KenGen) in Parklands, Nairobi. A content validity test ensured appropriate representation of indicators. Reliability testing assessed consistency of results over time. Following recommendations, a pilot sample of 27 workers was used, constituting 10% of the sample size, with pilot findings included in the final data analysis.

### **Validity of Research Instrument**

Validity, as described by Berndt (2020), measures how accurately data reflects the studied phenomenon. Mbulwa and Kinyua (2020) focus on construct validity, while Kothari et al. (2019) emphasize that expert evaluations of face and content validity enhance objectivity and reliability. The instrument's validity and construct durability were further evaluated using the Kaiser-Meyer-Olkin measure and Bartlett's test of sphericity.

### **Reliability**

The reliability of a study instrument, as defined by Berndt (2020), refers to its ability to yield consistent results across multiple trials. The reliability was assessed using the Cronbach's Alpha coefficient, applicable for varying arrangements of survey questions. A test-retest procedure was employed for piloting the surveys, with a Cronbach correlation value of 0.7 or higher deemed acceptable according to Ahmed and Ishtiaq (2021).

### **Data Collection Procedure**

Before the investigation, the researcher obtained approval and a license from NACOSTI. The researcher met with participants to ensure their commitment and communicated the study's objectives and limitations. Data collection involved questionnaires sent to respondents for analysis.

### **Data Analysis and Presentation**

Data analysis involves examining and modeling data to uncover relevant insights for decision-making, as outlined by Mugenda & Mugenda (2003). After collecting completed surveys, the investigator checked for consistency and analyzed the data using SPSS version 28. Both descriptive and inferential analyses were conducted, assessing metrics of dispersion and central tendencies, with regression analysis applied to determine significant relationships between independent and dependent variables.

The following model served as the basis for the regression analysis:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Where: Y= Organizational Performance

$\beta_0$ = is a constant beta factor

$X_1$ = Strategic Planning

$\varepsilon$ = Error factor

### Ethical Considerations

The study adhered strictly to research ethics to ensure truthfulness, accuracy, and respect for participants. Informed consent was obtained by explaining the study's purpose, procedures, risks, and benefits, and participants gave verbal approval. Participation was entirely voluntary, with individuals free to decide whether to join. Confidentiality was maintained by safeguarding collected data and ensuring it was used only for academic purposes. Privacy was protected by guaranteeing that participants could not be identified through their responses. To uphold anonymity, respondents' identities were coded, and real names were not required. The researcher also obtained authorization from relevant authorities to ensure compliance with ethical standards, protecting participants' rights and maintaining the integrity of the research process.

## FINDINGS AND DISCUSSION

### Response Rate

The research achieved an overall response rate of 83%, which is considered adequate according to Mugenda & Mugenda (2019). Although a 100% response rate was not reached due to some participants not submitting their responses, the rate was sufficient for statistical analysis.

**Table 47:** Response Rate

Category	Frequency	Percentage
Response	227	83
Non-response	47	17
<b>Total</b>	<b>274</b>	<b>100</b>

### Reliability Test

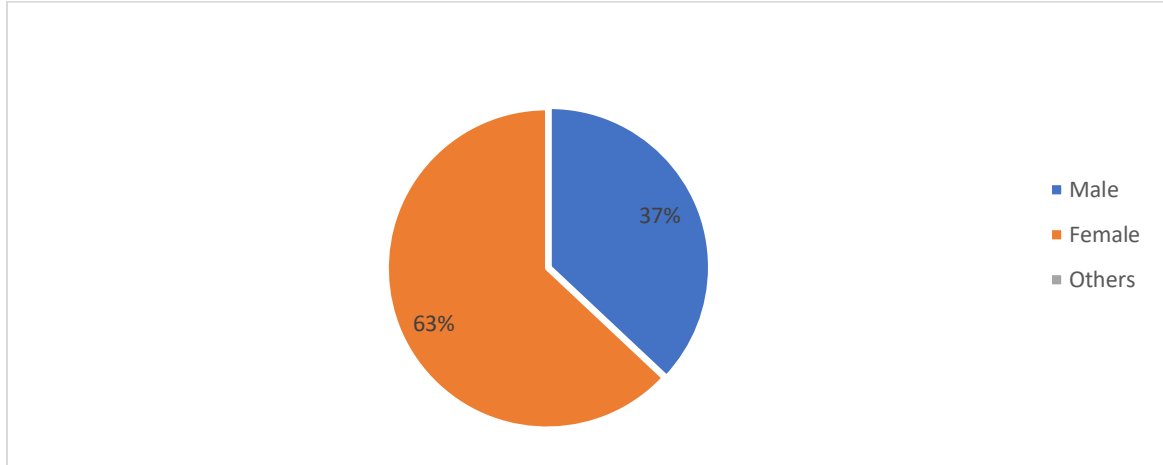
**Table 48:** Reliability Test

Variable	Cronbach's Alpha	Comment
Strategic Planning	0.895	Accepted
Organizational Performance	0.907	Accepted

According to the reliability test results, the study demonstrated high internal consistency with a Cronbach's Alpha value of 0.895 for strategic planning, surpassing the minimum required value of 0.7 as established by Frankfort and Nachmias (2012).

### DEMOGRAPHIC RESULTS

This segment presents the demographic information of the study's sample, detailing attributes such as age, gender, education, and educational attainment, collectively termed demographic results (Benjamin 2021).



**Figure 17:** Gender

Gender distribution among respondents showed 37% male and 63% female, indicating a higher representation of women. Kothari (2004) emphasizes that gender is crucial for understanding respondents' perspectives on various topics.

**Table 49:** Age Bracket

Category	Frequency	Percentage
18 to 25 years	4	2
26 to 30 years	4	2
31 to 35 years	17	7
35 to 40 years	27	12
41 to 45 years	48	21
46 years and above	127	56
<b>Total</b>	<b>227</b>	<b>100</b>

The results show that over 46 years is the predominant age group among respondents at GDC, making up 56%, with the next largest groups being 31-35 years (21%) and 36-40 years (12%). This suggests a stable workforce with significant operational competence. Wang et al. (2020) assert that age influences perceptions and decision-making, implying that more experienced employees enhance strategic management and organizational effectiveness.

**Table 50:** Highest level of education

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Certificate	1	0.0
College	24	11
Degree	136	60
Masters	64	28
PHD	2	1
<b>Others</b>	<b>227</b>	<b>100</b>

Table 6 indicates that 60% of respondents possessed a bachelor's degree, 28% a master's degree, 11% a college diploma, and only 1% held a PhD, with few certificate holders. This highlights a significant level of advanced education among GDC personnel, which likely enhances their understanding of complex strategic management methods. Mugenda and Mugenda (2009) suggest that one's perspectives are influenced by their education. Thus, it can be concluded that the participants were well-equipped to provide constructive feedback on the organization's performance.

**Table 51:** Years of Experience

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Less than 1 Year	3	1%
Between 1 and 5 Years	6	3%
Between 5 and 10 Year	29	13%
Over 10 Years	189	83%
<b>Others</b>	<b>227</b>	<b>100%</b>

The results indicated that 83% of participants had over 10 years of employment, 13% between five and ten years, and 4% less than five years. This reflects the expertise of GDC personnel, enhancing the reliability of their feedback. Long-term employees possess a deep understanding of the company's strategy, and as Srisinthon (2021) argues, their experience increases the trustworthiness of evaluations regarding strategic management outcomes.

**Table 52:** Position Held

<b>Response</b>	<b>Frequency</b>	<b>Percent</b>
Top Management	4	2%
Middle Management	74	33%
Support staff	149	65%
<b>Total</b>	<b>227</b>	<b>100%</b>

From the findings, 33% of respondents were middle management, 65% were support personnel, and 2% were top management, enhancing the research's inclusiveness. Support workers emphasized operational understanding, while management

contributed strategic insight. According to Armstrong (2014), organizational roles influence perceptions of policies and performance. This diverse respondent composition enriches the research, linking organizational performance to strategic management techniques.

### Descriptive Statistics on Strategic Planning

According to the results in Table 9, the organization demonstrates a more than adequate embrace of strategic planning.

**Table 53:** Strategic Planning

Statement	Mean	STD
The organization follows a formal, structured strategic planning process.	4.339	0.620
Key stakeholders are engaged during the strategic planning phase.	4.348	0.733
The company regularly reviews its strategic plans.	4.308	0.705
The organization sets clear strategic goals.	4.383	0.657
Strategic decisions are guided by accurate data analysis.	4.137	0.755
<b>Overall mean</b>	<b>4.303</b>	

Formally, more the respondents indicated that the organization follows a formal, structured strategic planning process (Mean=4.339, STD=0.620). Also, those surveyed strongly indicated that key investors are engaged during the tactical planning phase (Mean=4.348, STD=0.733). The participants firmly agreed that clear strategic goals are both set (Mean=4.383, STD=0.657) and reviewed (Mean=4.308, STD=0.705). Also, the respondents agreed that strategic decisions are made based on sound analyses (Mean=4.137, STD=0.755). The comparatively low standard deviations (varying between 0.620 and 0.755) imply that respondents' views were tightly matched, demonstrating substantial agreement on the organization's strategic planning methods. The overall mean of strategic planning is 4.303. The results recorded here align with the findings of Leral, Rintari, and Moguche (2023). These authors also demonstrated, in their descriptive findings, which show that most of those surveyed agreed that their organizations had structured planning processes and stakeholder involvement. Likewise, results by Dua'a Adnan et al. (2022) showed higher mean scores related to the frequency of plan reviews and goal clarity, alluding to strong agreement on the importance of these elements.

### Descriptive Statistics on Organizational Performance

Presentation of results in Table 10 highlights the degree of performance of the company.

**Table 54:** Organizational Performance

Statement	Mean	STD
The company achieves its financial performance targets.	4.159	0.868
The organization maintains a high level of customer satisfaction.	4.101	0.789
The company introduces innovative solutions or services.	4.093	0.796

Statement	Mean	STD
Employees perform their duties efficiently.	4.119	0.698
The organization utilizes its resources efficiently.	3.863	0.800
<b>Overall Mean</b>	<b>4.067</b>	

Respondents concurred that the organization achieves its financial goals (Mean=4.159, STD=0.868) and they also agreed that organization maintains an elevated level of client fulfilment (Mean=4.101, STD=0.789). The respondents agreed that the company introduces innovative solutions or services (Mean=4.093, STD=0.796). Also, those surveyed indicated that employees perform their duties efficiently (Mean=4.119, STD=0.698) and they also indicated that the organization utilizes its resources efficiently (Mean=3.863, STD=0.800). The standard deviations (0.698–0.868) imply that respondents' perceptions were fairly consistent, suggesting overall agreement on performance factors, but modest variances existed for financial performance and resource usage. The Overall Mean of organizational performance of 4.067. These descriptive findings accord with Odanga (2024), who found comparable mean ratings for financial and customer satisfaction measures. Likewise, Mwanza and Dar (2025) observed high mean ratings for staff efficiency and creativity across similar firms.

### Correlation Analysis

The extent and trajectory of a relationship between two variables are assessed using correlation analysis. It measures how one variable changes in relation to another by utilizing correlation coefficients, which range from -1 to 1 and indicate a negative, positive, or no link (Franzese & Iuliano, 2018).

**Table 55:** Correlation Analysis

		Organizational Performance	Strategic Planning
<b>Organizational Performance</b>	Pearson Correlation	1	
	Sig. (2-tailed)		
<b>Strategic Planning</b>	N	227	
	Pearson Correlation	0.563	1
	<b>Sig. (2-tailed)</b>	< .001	
	N	227	227
	Pearson Correlation	0.684	0.741

The correlation analysis indicates a strong and positive relationship between Strategic Planning and organizational performance, with a correlation coefficient of  $r = 0.563$  ( $p < 0.001$ ), signifying high statistical significance. This suggests that effective strategic planning practices significantly enhance the performance of organizations, particularly

in the context of the Geothermal Development Company. The findings emphasize the importance of ongoing evaluation and improvement of strategic planning to foster better organizational outcomes.

**Regression Analysis**

Regression analysis involves statistical techniques to assess the relationship between dependent and independent variables.

**Table 56: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.808 <sup>a</sup>	0.653	0.647	0.351

a. Predictors: (Constant) strategic planning

According to the regression model summary in Table 12, the R-square is 0.653, implying that the independent variables of strategic planning can only explain 65.3% of the variation in organizational performance. Other independent factors absent from the regression model explained the remainder 34.7% variation in the dependent variable.

**Table 57: ANOVA**

	df	Sum of Squares	Mean Square	F	Sig.
<b>Regression</b>	4	51.428	12.857	104.495	< .001
<b>Residual</b>	222	27.315	0.123		
<b>Total</b>	226	78.742			

a. Dependent Variable: Organizational Performance

b. Predictors: Strategic planning

According to the analysis in Table 13, the p-value is less than 0.05. The F-statistic is 104.495, with a threshold of significance of < .001. The p-value is significant, suggesting that the independent factors are trustworthy and acceptable for predicting the dependent variable.

**Table 58: Regression Coefficients for the Overall Moderated Model**

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.
	B	Std. Error	Beta	
(Constant)	4.067	0.039		< .001
Strategic Planning	0.017	0.074	0.013	0.021

a. Dependent Variable: Organizational Performance.

$$Y = \beta_0 + \beta_1 X_1$$

$$Y = 4.067 + 0.017 X_1$$

The regression coefficients in Table 14 presented an overall regression model as follows: The  $B_0$  value of 4.067 is a constant value of organizational performance when all determinants are equal to zero as indicated in Table 14. The regression results show that strategic planning slightly positively affects organizational performance ( $\beta = 0.017$ ,  $p < .001$ ). Hence, changes in the practice of strategic planning account for 1.7% of changes in organizational performance. As shown in the descriptive statistics, although the majority indicated that there was some form of organized planning, several respondents pointed out inconsistencies in how plans were executed and how they fit with the general organizational purpose. Such inconsistencies might account for the negative and weak effect strategic planning has on performance. Results conform to those by Chepkorir and Rotich (2022) that show, in county governments, lack impact of follow-up on planning results shows a gap in performance impact. It would then imply that in the strategic planning process, the planning phase could be viewed as more formal while the implementation phase is ignored functionally resulting in minimal performance impact.

### Summary of Findings

The research found that the company successfully utilizes strategic planning, to boost performance. The findings indicate that the organization exhibits a robust commitment to strategic planning, characterized by above-average process structure and substantial stakeholder engagement. The establishment and regular review of clear goals are evident, and the strategy for decision-making is founded on thorough analyses. The organization's compliance strategy showcases effective collaboration and active participation in the planning phases. This analysis aligns with the conclusions of Fraihat et al. (2023), who noted that structured and participatory processes, along with the establishment of clear objectives, significantly enhance performance outcomes. Nonetheless, challenges related to effectiveness in Kenya's state corporations arise from contextual factors, including the organization's size, its market position, and prevailing unstable environments, which may impose limitations on available resources.

### CONCLUSION

Considering the findings, it was concluded that strategic planning within the organization was inclusive and systematically executed. This process involved stakeholder engagement, regular assessments, and prioritization in goal setting, ensuring that decisions made were the result of thorough analyses indicative of rational planning. Although the strategic planning process was found to be effective, its direct influence on performance appeared to be the weakest when compared to other organizational practices. This suggests that its role was primarily foundational, providing essential guidance and alignment without significantly impacting the organization's outcomes.

## RECOMMENDATIONS

The study recommends that state corporations in Kenya should improve strategic planning by keeping it organized, participatory, and continuously reviewed to respond to changing needs promptly. Because data-driven decision-making is practiced only to a modest degree, organizations could build their analytical capabilities to improve the precision and dependability of their planning. Improving the connection between planning and performance would facilitate strategic planning's stronger impact. Stakeholders' deeper engagement and the focus on adding definable outcomes would guarantee that planning propels planning effectiveness on organizational results as a powerful driver, beyond planning's basic functions.

The study suggests the necessity for deeper exploration into how various performance dimensions interact with strategic management outcomes, particularly highlighting the effectiveness of strategy monitoring over planning and formulation. It advocates for longitudinal research to discern causal relationships in state corporations, emphasizing robust strategic management frameworks that include thorough planning and effective monitoring for improved service delivery and performance. Recommendations encompass funding for projects enhancing strategic capabilities, integrating practical monitoring elements in educational programs, and continuous professional development for leaders. Notably, the research indicates that existing strategy components account for only 65.3% of organizational performance, indicating the need to examine overlooked factors such as leadership style and organizational culture to better understand performance drivers.

## LIMITATIONS OF THE STUDY

The study faced several limitations, including respondents' incomplete answers due to concerns over data misuse, which persisted despite confidentiality measures. Time and resource constraints were also present, but efficient planning allowed timely completion. Incomplete questionnaires were addressed through follow-ups and clarifications, improving accuracy in responses. Lastly, self-reporting bias was managed by aligning responses with the study's objectives and ensuring clarity.

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