EFFECT OF STRATEGIC LEADERSHIP ON ORGANIZATION PERFORMANCE OF STATE- OWNED SUGAR MANUFACTURING FIRMS IN WESTERN KENYA

WILLIAM M. WAKHISI

Abstract

Properly applied strategic leadership is precursory for effective strategy formulation, implementation and control especially in the current highly volatile business environment. Due to limited empirical findings locally on how strategic leadership affects performance of organizations, this study increased this knowledge by answering the question: what is the effect of strategic leadership on organization performance of state-owned sugar manufacturing firms in Western Kenya. The main objective of the study was to assess the influence of strategic leadership on organization performance of state-owned sugar manufacturing firms in Western Kenya. Specifically, the study aimed to; assess the influence of strategic direction setting on organization performance of state-owned sugar manufacturing firms in Western Kenya, determine the influence of core competence exploitation on organization performance of state-owned sugar manufacturing firms in Western Kenya, establish the influence of organization culture building on organization performance of state-owned sugar manufacturing firms in Western Kenya and assess the influence of organization controls on organization performance of state-owned sugar manufacturing firms in Western Kenya. The study was guided by upper echelon theory, environment dependency theory, contingency theory and trait theory. Target population was 917 employees from Chemelil, South Nyanza, Muhoroni, and Nzoia. Survey design was adopted for the study. Simple random sampling technique was used to arrive at the population sample; total sample size of 269 respondents was used. Data collection instruments were both primary and secondary. Primary data was collected by way of semi structured questionnaire. Secondary data collection involved documentary analysis to capture information on organization performance of state-owned sugar manufacturing firms in Western Kenya. Pilot study was carried out on a group of employees from Nzoia Sugar Company to ensure the research instruments capture the required information before carrying out the research. Descriptive and inferential statistics which included mean, frequency and regression was used in this study. The test criteria was to reject the first null hypothesis if the value of beta was not equal to zero ($\beta 1 \neq 0$). From the results, the beta value for strategic direction setting 0.346 at $p< 0.05$. This result implied 34.6% of change in Organization performance is attributed to Strategic direction setting. Therefore the first hypothesis was rejected. The test criteria was to reject the second null hypothesis if the value of beta was not equal to zero ($\beta 2 \neq 0$). From the results, the beta value for core competencies exploitation from the regression model was 0.503 at $p< 0.05$. This result implied that 50.3% of change in Organization performance is explained by Core Competencies exploitation. Therefore the second null hypothesis was rejected. The test criteria was to reject the third null hypothesis if the value of beta was not equal to zero ($\beta 3 \neq 0$). From the results, the beta value for organization culture building from the regression model was 0.399 at $p< 0.05$. This results implied

that 39.9% of change in Organization performance is attributed to Organization Culture building. Therefore the third null hypothesis was rejected. The test criteria was to reject the fourth null hypothesis if the value of beta was not equal zero ($\beta 4 \neq 0$). From the results, the beta value for organization controls from the regression model was 0.315 at $p< 0.05$. This result implied that 31.5% of change in Organization performance was explained by Organization controls, hence the fourth null hypothesis was rejected. In conclusion, the study established a statistically significant correlation between strategic leadership and organization performance of state-owned sugar manufacturing firms in Western Kenya. The findings of the current study form a basis for reference in future by interested parties. Further research should be carried out on the Influence of strategic leadership on organization performance of privately owned sugar manufacturing firms in order to make generalizations as relates to effect of strategic leadership on organization performance of sugar manufacturing firms in Western Kenya.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND TO THE STUDY.

Superior organizational performance is determined largely by the choices leaders make. Strategic leadership describes the role of a leader on the far side of the social relationship between the leader and followers (Carter & Greer, 2013; sculptor & McDonough, 2011). Strategic leadership focuses on a small group of executives referred to as the chief executive officers (CEO), top management teams (TMT) and the board of directors who have the overall responsibilities of a company (Lord, R. G, Devlin, S. H, Caldwell, C. O, & Kass, D., 2016); Strand, 2014).

Strategic leadership is one of the most critical issues facing organizations today. Strategic leadership takes into consideration personal interaction and expands that to include the responsibility of the leader to create a vision that defines the desired meaning and purpose for the organization as a whole (Carter & Greer, 2013; Sculptor & McDonough, 2011). Strategic leadership plays a major role in determining performance by enabling their organizations to cope with their external environment (Jansen, J. J. P., Vera, D. & Crossan, M., 2009). Shoemaker & Krupp (2015) argue that strategic leadership is not only concerned with the possession of unique abilities that allows for the absorption and learning of new information and ideas but having the adaptive capacity to appropriately respond to the dynamism and complexity of the external environment. They further posit that such abilities allow strategic leaders to continuously and tactically adjust the organization in response to the uncertain environment. Generally, empirical studies demonstrate that the external environment is a critical moderating variable that determines the relationship between strategic leadership and performance (Jansen et al, 2009; Goll, I., Johnson, N. B., & Rasheed, A. A., 2007). Strategic leadership considers the responsibility of the leader to set strategy and manage operations. According to (Thompson ,2004), the concept of strategic leadership picks a top-down structure and is anchored on organizational vision which emanates from the leader who acts as a change agent to assess the condition and then resolve among a number of ways to execute, so as to have things done, in obtaining the targeted results that include competitiveness hence performance.

Strategic leadership means the ability to anticipate and envision the future, maintain flexibility, think strategically and initiate changes that will create a competitive advantage for the organization in the future, (Daft, 2011). Strategic leadership is largely seen to be among the significant influencers of effective strategy execution (Josste & Fourie, 2009). Strategic leadership is charged with the task of formulating organizational strategies that enable the firm to achieve its goals and maintain a competitive advantage against other competitors in the market.

Thompson, A. A., Strickland, A. J. & Gamble, J. E. (2007) stated that in order for a corporate strategy to be successful it has to encompass the firm‘s external and internal situation, building a sustainable competitive advantage and improving the firm's performance. The top management should not only integrate and build its firm, but they should also reconfigure internal and external competencies to address the fast-changing environment. Thus, for effective strategy execution, strategic leaders must act as the key drivers. Thompson et al, (2007) point out that successful execution of an organization's strategies and objectives will be ensured if the firm's leadership is effective and also if the firm ensures a consistent firm culture.

Scholars have argued that top managers have sufficient discretion and strategic choices to influence performance (Crossland & Hambrick, 2011). Thus the role of CEOs in influencing their organizations' performance through their behaviors and strategic choices is critical (Quigley & Hambrick, 2015). The goal of Organization Performance (OP), is to create customer value through voluntary applications of productive assets provided by stakeholders (Carton, 2004). William (2002) states that performance of firms is gauged in terms of output and result, profits, the firm's structures and processes, attitude of staff, and how the firm reacts to the environment. The owners and the providers of the resources to a firm are always keen on the performance of a firm. It is through performance that resource owners are able to assess whether to continue investing in the firm or not. This underscores the significance of performance in a firm's continued survival. Richard (2009) states three areas in the organization's outcomes that can be used in measuring its performance: commercial performance (incomes, investment return), return to shareholders (return of the shareholders) and performance of the product in the market (annual turnover, market share), employee stewardship, customer satisfaction and CSR.

The concept of OP can be viewed narrowly as well as broadly. In a narrow sense, it refers to the financial, product market and shareholder return, while organizational effectiveness which is a broader concept includes both the financial indicators as well as the wider nonfinancial indicators such as, customer satisfaction, operations effectiveness and corporate social responsibility (Singh et al., 2016; Richard et al., 2009). It's also defined as a set of financial and non-financial constructs that enable strategic leadership to evaluate the extent of the accomplishment of organizational goals (Kaplan & Norton, 1992; Venkatraman & Ramanujam, 1996). Thus organizations have to take cognizance of its various stakeholder interests and thus, organizational effectiveness becomes the appropriate way to define performance (Venkatraman & Ramanujam, 1986). Objective measures of organization performance include return on investment (ROI), return on assets (ROA), return on sales (ROS), and other market share based measures that are assumed to represent precise theoretical concepts of OP and they are universal in nature (Ketokivi & Schroeder, 2004). This study used objective measures to evaluate the firm performance.

Studies have been done on strategic leadership and organization performance internationally and locally both in public and private in different sectors. Examples include; Lufthans (2012) studied the role of strategic leaders in influencing operational strategies of service firms in the US. Funda & Cihan (2014) conducted a study on the effect of strategic leadership styles on firm performance among Turkish SMEs. The study deployed a descriptive research design and established that only relationship-oriented and transformational leadership styles are significantly related to firm performance with transformational leadership having the strongest effect on a firm performance. The study was only limited to strategic leadership styles and failed to assess other strategic leadership aspects such as direction setting and organizational culture building. The researcher also restricted the findings to Turkish SMEs.

Omar & Mahmoud (2013) investigated the role of strategic leadership in building sustainable competitive advantage in the academic environment in private universities of Iraq. Kasper (2008) in Copenhagen investigated how companies successfully bridged the gap between strategy formulation and strategy execution. Jacob (2010) investigated the impact of strategic leadership on operational strategy and performance of business organizations in South Africa. Johlene (2010) investigated the role of middle management in strategy execution; a case study of a consulting engineering firm in South Africa.

Locally Kinyanjui (2015) investigated the perceived role of strategic leadership in strategy implementation at capital markets authority (CMA). In the public sector, Nthini (2013) investigated the effects of strategic leadership on the performance of commercial and financial state corporations in Kenya. The study found out that strategic leadership has a positive effect on the performance of government corporations. The respondents concurred with the fact that their institutions recorded a high net profit margin/ return on sales due to strategic leadership practices. The study did not address the moderating effect of the external environment on performance and the study was based on the financial sector. Nganga (2013) did a research on the effect of strategic leadership and performance of manufacturing firms in Kenya. The study established that there is a high linear relationship between performance of manufacturing firm and strategic leadership. He found out that firms which had leveraged on strategic leadership were able to withstand the economic challenges affecting the industry and align themselves to attain competitive advantage. The study did not address the moderating role of the external environment on the performance of the manufacturing firms.

Lekasi (2014) also investigated the challenges of strategic leadership in strategy implementation by the Independent Electoral and Boundaries Commission of Kenya (IEBC). Ngile (2015) also investigated on strategic management practices and organization culture adopted by Centum Investment limited, an investment company listed on NSE. It is quite apparent that most available literature is of studies carried out in the finance and other service sectors hence the need to have a study specifically applicable to the sugar manufacturing industry.

The history of the Kenyan Sugar industry revolves around sugar shortages, inefficiencies and inability to compete with imported sugar. Statistics from Kenya Sugar Directorate (KSD) 2018 indicate that though the domestic sugar consumption stands at over 800,000 tons per annum, the annual production from the industries has continued to decline. The trend of the production for the last three years; 638,7340 tons in 2015, the highest production in quantity Kenya has ever achieved, 580,000 tons in 2016 and 377,126 tons in 2017, all show a declining performance.

A number of researches done in the Kenyan Sugar industry reveal that the industry in Kenya, especially the state-owned firms, are experiencing a number of challenges that include intense internal industrial competition and external competition arising from the importation of cheap sugar from other sugar manufacturing countries within the continent (Nthenya, 2016), inefficient sugar processing resulting to high cost of sugar and poor infrastructure (Mauborgne & Kim, 2015). It is against this background that the idea of conducting this study on strategic leadership and organizational performance was born in the mind of the researcher with a view to finding out how the implementation of strategic leadership practices can help solve the problem of declining performance in the Kenyan state-owned sugar firms.

1.1.2. Sugar Manufacturing Firms in Western Kenya.

Records at the Kenya Sugar Directorate indicate that sugarcane farming was introduced in Kenya in 1902 but it was not until the year 1922 when Miwani Sugar Company was established near Kisumu. This was followed by subsequent construction of the following factories: Ramisi Sugar Company (1927), Muhoroni Sugar Company (1966), Chemelili Sugar Company (1968), Mumias Sugar Company (1973), Nzoia Sugar Company (1978), South Nyanza Sugar Company (1979), West Kenya Sugar Company (1981), Soin Sugar Company (2006), Kibos Sugar and Allied Industries Limited (2007) and Butali Sugar Company (2011). Ramisi sugar factory collapsed in 1988 while the Miwani sugar factory closed indefinitely in February 2001. Two other sugar factories were registered in 2011: Trans-Mara Sugar Company and Sukari Industries in Ndhiwa.

For this study, the factories of consideration were Nzoia, Chemilil, Muhoroni and South Nyanza sugar firms, which are all state-owned. The Kenyan sugarcane industry is a major employer and contributor to the national economy. It is one of the most important crops alongside tea, coffee, horticulture, and maize. Currently, the industry directly supports approximately 250,000 small-scale farmers who supply over 92 percent of the cane milled by the sugar companies (KSB 2013). An estimated six million Kenyans derive their livelihoods directly or indirectly from the industry.

Currently, the industry employs about 15,000 people directly and more than 500, 000 indirectly in the sugarcane business chain from production to consumption (KSD, 2017). In addition, the industry saves Kenya in excess of US $250 million (about KSh. 19.3 billion) in foreign exchange annually and contributes tax revenues to the exchequer. In the sugar belt zones, the sugar industry contributes to infrastructure development through road construction and maintenance; construction of bridges; and to social amenities such as education, health, sports and recreation facilities. The sugarcane industry provides raw materials for other industries such as bagasse for power cogeneration and molasses for a wide range of industrial products including ethanol. Molasses is also a key ingredient in the manufacturing of various industrial products such as beverages, confectionery, and pharmaceuticals.

With all the importance that the industry bears towards the Kenyan economy, the industry has continued to struggle hence registering dismal performance that has further resulted in persistent production deficits. The poor performance of the industry puts the livelihoods of more than 250,000 small scale farmers at a place of uncertainty since they depend on the sector. Reduced productivity in the sector is linked to several factors including the inadequate supply of sugar cane to factories; cane poaching; low levels of capacity utilization and poor organizational strategies that include lack of technological progress (KSB, 2011).

Much of the ongoing studies in the sugar industry in Kenya have addressed privatization or differentiation issues (Wanyande, 2001) and strategic human resource management practices, but few studies have been conducted on strategic leadership for the sugar industry in Kenya. There is therefore limited empirical evidence on the relationship between strategic leadership and organization performance of state-owned sugar manufacturing firms in Kenya. This study sought to fill the existing gap by exploring such relationships in state-owned sugar manufacturing firms in Western Kenya.

1.2 Statement of the Problem.

The sugar industry in Kenya is one of the major employers and contributor to the national economy, supporting over six million people directly or indirectly, besides saving the country in excess of USD$ 250 million in foreign exchange and contributes tax revenues to the exchequer. Farm households and rural businesses depend on the injection of cash derived from sugarcane. The survival of small towns and market places is also dependent on the incomes from the same. The industry is intricately weaved into the rural economies of most areas in Western Kenya. (Kenya Sugar Industry Strategic Plan, 2010–2014).

Despite the above scenario, records from KSD (2018) indicate that the performance of the sugar manufacturing firms have continued to register declining performance over the last three years, with total sugar produced in Kenya being 638,340 tons in 2015 to 377,126 tons in 2017 representing a decline of 41% in terms of sugar production against an increased local demand of up to 890,000 tons recorded in 2017.

The Institute of Economic Affairs (2016) indicates that the industry is under constant threat of collapsing due to perennial challenges ranging from lack of adequate raw material, low processing efficiency as a result of old and inefficient machinery, hence high production costs and inability to compete with imported sugar. According to Institute of Economic Affairs (2016), the estimated cost of producing a ton of sugar is about USD$600 in Western Kenya compared with $250- $350 in rival producers like Egypt and Sudan. Kenyan sugar manufacturing firms do not, therefore, have any competitive advantage in the world and regional market like COMESA. This study seeks to provide solutions to the problems facing the state-owned sugar manufacturing firms from a different perspective, namely strategic leadership.

Although many studies have been undertaken to address sugar industry problems in Kenya, particularly the state-owned firms, there is apparently limited literature on the effect of strategic leadership on the overall performance of the sector in the country. The current existing literature provides general recommendations on other management associated factors other than those addressed in the current study. Other studies such as the one conducted by Mithat, Tuba, Pinar & Esra (2011) focused on the relationship between strategic leadership and financial performance.

According to an argument by Qi (2010), an analysis of a firm's performance based on financial outputs alone is not sufficient since the firm environment in which it operates is ever changing. It was extremely important in this study to address the effect of strategic leadership on organizational performance of state-owned sugar firms in Kenya while addressing issues such as organizational direction setting, organizational controls, organizational culture building and effective management of organizational core competencies as aspects of strategic leadership with external environment as a moderating variable, so as to bridge the current knowledge gap. The identified gap was captured in the following question: What is the effect of strategic leadership on organization performance of state-owned sugar manufacturing firms in Western Kenya?

1.3 General Objective of the Study

To establish the effect of strategic leadership on organization performance of state-owned sugar manufacturing firms in Western Kenya.

1.3.1 Specific Objectives of the Study

i. To find out the effect of strategic direction setting on organization performance of state-owned sugar manufacturing firms in Western Kenya.
ii. To investigate the effect of core competencies exploitation on organization performance of state-owned sugar manufacturing firms in Western Kenya.
iii. To determine the effect of organization culture building on organization Performance of state-owned sugar manufacturing firms in Western Kenya.
iv. To establish the effect of organization controls on organization Performance of state-owned sugar manufacturing firms in Western Kenya.

1.4. Hypothesis

HO_1: There is no significant relationship between strategic direction setting and organization performance of state-owned sugar manufacturing firms in Western Kenya.

HO_2: There is no significant relationship between core competencies exploitation and organization performance of state-owned sugar manufacturing firms in Western Kenya.

HO_3: There is no significant relationship between organization culture building and organization Performance of state-owned sugar manufacturing firms in Western Kenya.

HO_4: There is no significant relationship between organization controls and organization Performance of state-owned sugar manufacturing firms in Western Kenya.

1.5 Scope of the Study

The study was carried out in the state-owned sugar manufacturing firms in Western Kenya namely; Nzoia Sugar Company, Chemilil Sugar Company, Muhoroni Sugar Company, and South Nyanza Sugar Company. The study covered a three year period between 2014/2015, 2015/2016 and 2016/2017 financial years. The geographical scope covered the counties of Bungoma, Kisumu, and Migori which are home to the state-owned sugar firms which were targeted in this study. The performance was measured in terms of growth (market share, profit margins, and sales volumes) for the sugar firms.

1.6 Significance of the Study

This study was aimed at helping academicians and researchers understand how strategic leadership affects organization performance of state-owned Sugar Manufacturing firms in Western Kenya. The findings from this research were to enrich the argument on strategic leadership and also contribute towards the current existing theories and literature relating to strategic leadership and organizational performance, especially within the sugar industry in Kenya through addressing the aspect of organization direction setting, core competence exploitation, organizational culture building, and organization controls. The findings also will provide reference information to researchers who will seek to expound on the concept of strategic leadership and the sugar industry performance.

The study was aimed at helping executives understand the importance of strategic leadership on organization performance of state-owned Sugar manufacturing firms in Kenya. This will help them in highlighting areas that need to be improved and make strategic leadership a tool of performance. The results of the study may also be used to help Policymakers (government) identify whether there is any improvement in the organization performance of state-owned Sugar Manufacturing firms that can directly be attributed to strategic leadership. The results of the study may be a source of information to investors as they make decisions of investing in the Kenyan sugar manufacturing industry.

1.7 Conceptual Framework.

According to Mugenda & Mugenda (2009), a conceptual framework is a diagrammatical representation of the hypothesized relationship between the independent and dependent variables in a study. The conceptual model used to guide this research was as depicted in the schematic diagram shown in figure1.1. Strategic Leadership was hypothesized as a multi-dimensional construct consisting of the following dimensions: Strategic Direction setting, Exploiting core competencies, Building an effective organizational culture and Establishing organization controls being the independent variables moderated by the external environment, which will be assumed to have an influence on the dependent variable: organizational performance. Strategic Leadership was considered as a significant determinant of state-owned sugar firm's organizational performance.

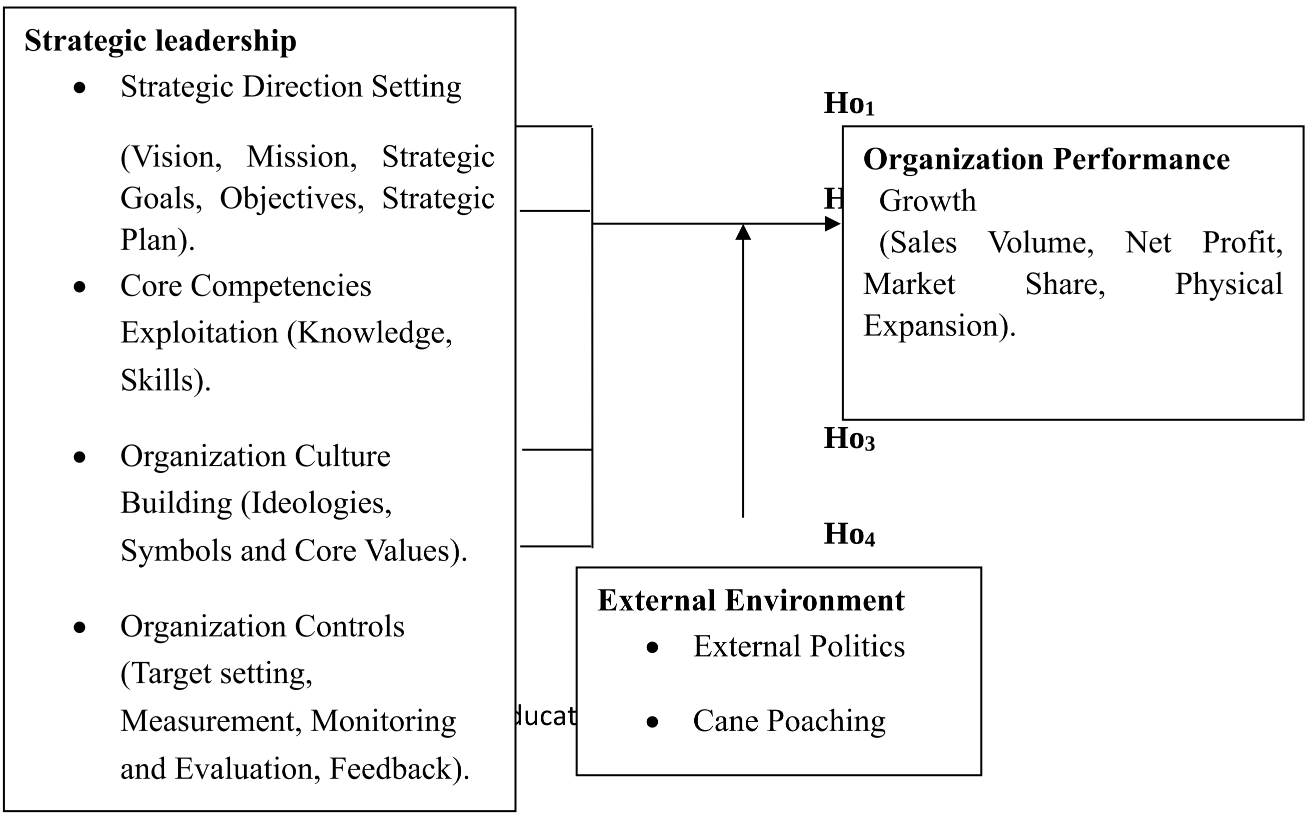
Figure 1. 1 Conceptual Framework

.

Relationship between Strategic Leadership and Organization Performance.

Independent variable

Dependent Variable



Moderating Variable

Figure 1.1 Conceptual Framework.

Source: Mugenda & Mugenda (2009).

1.8 Limitations of the Study.

Some of the respondents approached were reluctant in giving information fearing that the information sought would be used to intimidate them or print a negative image about them or the organization. To mitigate against this scenario, a proper introduction letter was necessary to build the respondents confidence knowing that the information was for academic purposes only.

Sugar firms operate on tight production schedules hence some respondents were not be able to complete the questionnaires in good time and this led to overstretching of the data collection period. To mitigate this limitation, the study made use of research assistants to persuade targeted respondents to fill up the questionnaires. The researcher also provided a period of, at least, five days to the respondents to answer the questions in the questionnaire.

The researcher also encountered problems in eliciting information from the respondents as the information required was subject to areas of feelings, emotions, attitudes, and perceptions. The researcher however, encouraged the respondents to participate without holding back the information they were having as the research instruments did not bear their names and was to be used for academic purposes only.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction.

This chapter discusses the concept of leadership, strategic leadership, strategic leadership theories, and empirical studies on strategic leadership, actions of strategic leadership; and strategic leadership, external environmental and organizational performance.

2.2 Theoretical Literature Review

2.2.1 Theoretical Basis.

This section provided for consideration of the theories supporting the study. A theoretical review of the theories that underlie a study is essential for academic research. According to Kombo & Tromp (2006), a theoretical framework is a collection of interrelated ideas based on theories, reasoned set of propositions derived from and supported by a general set of assumptions about the phenomena under investigation.

According to Kombo & Tromp (2006), theories provide indicators and examples of what is incorporated in the framework and theories are used to guide the work and help interpret the findings. While there are several theoretical perspectives that could be used on this subject, the researcher chose to use four contrasting but complementary theories, namely trait theory, contingency theory, environment dependency theory and the upper echelon theory. A brief discussion of these theories was as presented in the following sections.

2.2.2 Trait Theory

Trait theory is one of the earliest leadership theories and it focuses on what an effective leader is and not what an effective leader does. Traits are outward manners that crop from the things running within our subconscious that impact on effective leadership. In line with Bhatia (2009), trait theory postulates that there are sets of traits and characteristics that are related to successful leaders. The distinguished traits for successful leaders embody physical traits, social traits, and social characteristics, and task-related characteristics that are inborn and change a leader to achieve success.

Empirical studies supporting trait theory have found proof that there are traits that contribute to an organization's effectiveness and performance (Northouse, 2013). It has additionally encouraged and sustained the practice of diagnostic self and peer-evaluation, typically within the type of self-scoring questionnaires with pre-determined leadership attributes, amongst active and rising leaders seeking to define, develop and strengthen their core leadership traits and skills (Gordon, 2003). Levine (2008) offers a succinct analysis of trait theory, explaining that whereas, in its earliest form, it began to elucidate the 'complex set of individual characteristics that together form a leader', and was rooted within the concept that great leaders are 'born and not made' this notion is 'no longer uncritically accepted'.

Trait theory itself has evolved to think about its relative limitations in making an attempt to ascertain a causative link between an individual possessing particular temperament traits and ascending to successful leadership positions. A leader's effectiveness is known by the extent of inspiration that he has on how an employee or workers perform, how they're glad, and the way effective they're (DeRue, D. S., Nahrgang, J. D., Wellman, N. E. D., & Humphrey, S. E., 2011). Levine concludes that trait theory alone is not enough to elucidate or validate successful leadership, but can perhaps be used as a credible 'precondition' based on the amount of research done in this area.

Critics of this approach note that trait theorists have failed to provide a definitive list of leadership traits that can be changed or acquired in the training and development of leaders. The approach has historical limitations in failing to acknowledge the situated act of leadership and situational effects upon leaders, who may have traits that enable them to lead in one situation but not in another. Critics also point to the highly subjective interpretation of the value of individual traits amongst different researchers and writers (Northouse, 2007). The main criticism of this theory is that it pegs the effectiveness of a leader on inborn emotional mechanisms and restricts the importance of obtaining skills through imparting knowledge on individuals through school (Pervin, 1994).

In criticizing the trait theory Northouse (2013), argued out that leadership can be learned, nurtured and not necessarily an inborn thing as has been the case in human history where some very successful leaders emerged to diverse situations. Another criticism is that there is nothing inborn, divine, or mysterious as leadership qualities (Northouse, 2013). The point is that leaders do not succeed because they possess certain traits in isolation with other factors (Bhatia, 2009). There is evidence in the literature that individual traits matter although leadership effectiveness can also be attributed to other environmental factors (Bhatia, 2009; Northouse, 2013). Following these arguments, Bhatia (2009) posits that leadership quality and traits are not sufficient for achieving organizational effectiveness.

Perhaps in an attempt to conclude the discussion on traits, Northouse (2013) isolated five traits that lead to structure transformations specifically intelligence, sureness, determination, integrity, and sociability. These traits link well with strategic leadership practices. The attributes cited out in several trait theories link to strategic leadership practices in regard to leader characteristics, abilities, and effectiveness in responsibility or organization. Understanding the role of leadership traits in strategic leadership practices is vital particularly wherever success isn't obsessed with one issue. This is more necessary as a result of the traits, a specific leader possesses qualifies why he or she is an important asset within the organization's performance. The leader and afterward the leadership practices boost the aggressiveness of a corporation that is needed in state-owned sugar manufacturing firms. This theory contributes to the tenets for successful strategic leadership practice that underlie a leader's characteristics, abilities, and knowledge that drive an organizations' performance.

2.2.3 Contingency Theory

In an attempt to more precisely outline the effects of leadership and account for more variance in empirical studies of leader effectiveness, scholars in the 1960s and 1970s turned to contingency theories that took into consideration situational factors acting as potential constraints or opportunities for leaders. Fiedler's contingency theory was among the first to aim to reconcile previous inconsistent findings regarding leader traits and behaviors (Fiedler, 1964, 1967). He posited that leadership effectiveness depends on the interaction of leadership style with features of the situation he referred to FR-worker (LPC) score, a person would either be classified as a task- or relationship-oriented leader.

Situational favorableness was considered high when leader-member relations, task structure and/or position power were high. Under these circumstances, a leader presumably is supported by the situation because it provides some influence and potential power. Fiedler argued that task-oriented leaders would be more effective in highly favorable or highly unfavorable situations, whereas relationship-oriented leaders would be more effective in moderately favorable situations. Thus, rather than arguing that a certain style (e.g. relationship, orientation) is better at all times (as within the trait and behavioral theories), Fiedler acknowledged that the effectiveness of certain styles will depend upon the environment that they're embedded.

Similar to Fiedler's work, House's initial statement of path-goal theory focused on institutional moderators upon which leaders' effectiveness is contingent (House, 1971; House & Mitchell, 1974). Path-goal theory is grounded in Vroom's expectancy theory of motivation, which at its core suggests that people are more likely to engage during a specific behavior if they perceive a high probability that the behavior will lead to a valued outcome (Vroom, 1964). An effective leader, consistent with the path-goal theory, clarifies employees' paths to work goals and the link between work goals and valued personal outcomes, so making it explicit what employees need to do. Having a path laid out in front of them that leads to valued personal outcomes (e.g., merit pay, promotion) was posited as a motivator for employees to pursue those outcomes and engage in the desired behaviors.

According to the path-goal theory, the extent to which certain leadership styles (e.g. directive, and supportive, participative, and achievement-oriented leadership) aided in clarifying employees' paths relied on the employees' personal characteristics and on contextual demands with which employees may have to cope. Hersey & Blanchard (1982) proposed a practitioner-oriented situational leadership theory that placed leader effectiveness squarely in the interaction between leader behaviors and the followers' level of maturity. Specifically, the theory suggests that leaders should match their behaviors with the followers' maturity level by moving through the phases of telling, selling, participating, and delegating to correspond to increased follower readiness.

Contingency theory explains how conditional factors like culture, technology, competition impact on the design and operation of organizations. The effectiveness of a firm is therefore not always dependent on a fit or match among the kind of technology, environmental uncertainty, the extent of the organization, and its information structure (Vroom & Jago, 1988). Consistent with Hersey & Blanchard (1974), the contingency theory offers that there's no one dominant approach of leading which an effective style of leadership in one situation might not work in another. How effective a leader turns out depends on his behavior within the given situation. Fiedler & Garcia (1987) claim that a leader’s productivity within the high hierarchy of the firm depends on his ability to adapt or change his style. This theory is classified under the behavioral theories and argues that there exists no one best method in leading, organizing or making decisions in a firm. Instead, the best action is contingent (dependent) on both external and internal factors. Woodward (1998) developed different contingency approaches in the late 1960s. Historically, this theory has continuously sought to establish wide generalizations relating to the formal structures that are essentially joined with or best match the use of various technologies. This view emanated from the work by Woodward (1998), who argued that technologies directly influence the variations in such organizational characteristics including the width of management, centralized authority and the formalization of procedures and regulations. The sugar industry, in Western Kenya, operates in a very dynamic environment with market conditions changing every other time. The ability of the organization’s leaders to give a vision and path that lets a firm to change and innovate is important in encouraging an inspired reaction to new challenges. The Contingency theory is criticized as it does not explain the reasons behind why some leaders are effective in specific situations only. The theory is additionally criticized that the LPC scale used does not relate well with the other leadership gauges (Northouse, 2007). The contingency theory is relevant to the current study as it is directly linked to an organization’s internal strategic leadership characteristic that influences its performance. In relation to this research, these characteristics included; strategic direction setting, organizational culture building, core competence exploitation and use of organizational controls.

2.2.4 Environment Dependency Theory

The environment Dependency Theory (EDT) was advanced by Ansoff & Sullivan (1993). The concept postulates that performance is increased once organizations are able to anticipate and answer environmental shifts. The open systems and institutional theories anchor the EDT. The open systems theory posits an in-depth interaction between the organization’s internal and external settings. This implies that strategic leaders can higher understand the importance of the external setting and in turn, on its overall influence on performance (Scott, 2005).

Institutional theory suggests that the environment exerts pressures on organizations resulting in completely different responses as they obtain legitimacy so as to survive and prosper (Scott, 2005). The concept postulates that market dynamics and institutionalized social control practices are crucial factors that scale back environmental uncertainty and enhance performance (North, 1991). Thus, strategic leaders as institutional players have to be compelled to synthesize and interpret strategic stimulant choices and formulate, implement and monitor the suitable strategic responses (Scott, 2005). This study chose to build on the environment dependency theory (EDT), because it is predicated on the idea of the external environment that has an alleviatory result on the strategic leadership practices as an inducement for firm performance.

2.2.5 Upper Echelon Theory

The origin of upper echelon theory is traced to the research of Hambrick and Mason in 1984. According to the proponents of this theory, leaders' personal characteristics are reflected in the decisions they take in organizations. This theory was founded on the premise that organizational outcomes were directly influenced by the knowledge, experience, and expertise of the strategic leaders (Hambrick & Mason, 1984). The knowledge, experience, and skills are essential predictors of strategic leadership practice and organizational performance. The main highlight of this theory is that firms are replications of the intellect and ideals of their top leaders (Hambrick & Mason, 1984). Principles and inclinations of top leadership will affect their review of the environment, and the choices they make about the strategy of the organization. Over a given duration, the firm comes to mirror the leader.

The theory was further refined by Hambrick (2007) by introducing two further moderators: managerial discretion and executive job demand. The upper echelon theory offers that a firm's outcome is directly related to the extent of managerial discretion that exists. Managers with higher discretion have a higher opportunity to influence employees. The upper echelon theory and its subsequent refinement do not take into consideration the ethical requirements in the industry. Firms operations are not necessarily a reflection of the actions and beliefs of the top management. In some instances, the operations and practices of the firm are dictated by the ethical considerations even if the characteristics of the leadership are contrary to that (Van der Zee & Swagerman, 2009).

In summary, this theory presents clear theoretical and avails several empirical arguments for the key responsibility of strategic leadership (Elenkov, D. S., Judge, W., & Wright, P. (2005). The main variables in upper echelon theory include; age, the number of years, work experience, and educational background are useful in providing demographic background the leaders who are responsible for strategic practices in the organization. The strategic leaders' job demand stems from task challenges, performance challenges, and executive aspirations.

Hitt, Ireland, & Hoskisson (2009) related strategic leadership with envisioning, and predicting environmental changes, while at the same time enabling self-growth, by being flexible, while allowing others' growth by empowering them. Menz (2012) views strategic leaders as being critical organizational assets that engage in several strategic actions for the organization.

This theory was found relevant to this study as it argues for the role of strategic leadership in organizational performance. This was in line with the study's general objective of assessing the effect of strategic leadership on organizational performance. Given that strategic decisions are made at the highest level of the organization's leadership structure in the sugar industry, the guiding theory for this study was the Upper Echelon Theory.

2.2.6 Strategic Leadership

Strategic leadership is outlined as “the leader’s ability to predict, and maintain flexibility and to empower others to make strategic change as necessary” (Hitt, M. A., Ireland, R. D., & Hoskisson, R. E., 2012). It is multi-functional and relates to managing others as well as organizations in managing the challenges of today’s globalized business atmosphere. Strategic leadership is a managerial capability of a firm to expect, predict, keep flexibility, and endow others to come up with strategic change and a feasible way forward for the firm (Kjelin, 2009).

Consistent with Kirmi & Minja (2010), strategic leaders shape the formation of strategic intent and strategic mission and influences eminent strategic actions for the formulation of ways and implementation of ways that yields strategic competitiveness above-average returns. A number of scholars have determined substantial interest in strategic leadership, like mirrored in works by Vera & Crossan (2004), Colbert, Kristof-Brown, Bradley, & Barrick (2008), and de Luque, Washburn, Waldman, & House (2008). This interest was highlighted in the comprehensive treatment of strategic leadership by Finkelstein, Hambrick, & Cannella (2009). Carter & Greer (2013) wonder how a strategic leader affects organizational performance.

Further, Ireland & Hitt (1999) determined that strategic leaders create meaning and purpose for the organization with a strong vision and mission. It is evident from the literature that organizations are set up to realize certain strategic goals. It is the leader who has the potential to influence organizational members to contribute effectively towards the accomplishment of pre-determined goals and objectives (Obiwuru, Okwu, Akpa, & Nwankwere, 2011). This is further confirmed by Awan, Qureshi, & Arif (2012), who observed that effective leadership in NGOs/NFPs led to improved organizational performance. Strategic leadership is vital in all sorts of organizations.

In a review of strategic leadership in the 1st decade of the twenty-first century, Hitt, Haynes, & Serpa (2010) noted that a number of strategic organizational leaders have failed to deal effectively with environmental turbulence. The failures in most organizations were observed to be due to a scarcity of strategic leadership. Likewise, Kirimi & Minja (2010) observed that organizations fail once the leadership fails to sell their vision for the organization to its followers, have not convinced followers why they ought to be passionate, and that they fail to make employees loyal to the organizational agenda.

The empirical review found that strategic leadership guides organizations in ways that lead to the formation of strategic intent and strategic mission. (Goffee & Jones (2006) give proof that once leaders practice strategic leadership, this results in improved organizational performance. In affirmation to the current argument, Kirimi & Minja (2010) observe that strategic leadership is no doubt necessary to all or any organization. Likewise, Hughes & Beatty (2005), note that strategic leadership results in the achievement of the objectives of the organization. Similarly, Serfontein (2010) theorized that the first goal of a strategic leader is to realize a much better understanding of the business conditions, the environment and different aspects that help establish future challenges.

Strategic leadership provides organizational leaders the flexibility to make and re-create reasons for the organization‘s continued existence. Ahmed (2013) asserts that strategic leadership includes each of the management and leadership functions wherever the TMT work as partners in strategic issues (Ireland & Hitt, 2002). Consistent with Gill (2011), strategic leaders should be able to develop the organization‘s vision, mission, strategies and culture and particularly, monitor progress and changes within the environment with a view to ensuring they are relevant and valid. In recent years there has been increased interest in strategic leadership in organizations (Yukl, 2010).

Hambrick (1989) mentioned strategic leadership as focused on those people inside an organization who have the responsibility of the whole organization. Gerras (2010) observes that strategic leadership is the process utilized by a leader to have an effect on the action of a desirable and clearly understood vision by influencing the organizational culture, allocating resources, directing through policy and directive, and building consensus within a volatile, uncertain, complex, and ambiguous global environment that is marked by opportunities and threats. Hughes & Beatty (2005) asserted that individuals and teams enact strategic leadership when they think, act, and influence the sustainable competitive advantage of the organization. Strategic leaders initiate processes that guarantee their organization by scanning the environment to maintain an awareness of societal, international, technological, demographic, and economic developments. Competent leaders create the platform through which employees will perform at their peak efficiency (Post, Preston & Sachs, 2002). Strategic leadership is the ability to manage the organization's operations effectively and sustain high performance over time (Maccoby, 2001). Guillot (2003) defines strategic leadership as the ability of an experienced, senior leader who has knowledge and vision to create and execute plans and make consequential decisions in the volatile, uncertain, complex and ambiguous strategic environment.

Boal & Hooijberg (2001) suggested that effective strategic leaders must produce and maintain absorptive and adaptive capacity in addition to obtaining managerial wisdom. Absorptive capacity involves the flexibility to learn by new data, assimilating it and applying it. Adaptive capacity involves the flexibility to change due to variations and conditions. Managerial wisdom consists of discernment and intuition. Hughes & Beatty, Rowe (2001) said: "Individuals and teams enact strategic leadership when they act and influence in ways in which promote the sustainable competitive advantage of the organizations". Hickman (1998) confirms that: "Activities often related to strategic leadership embrace making strategic decisions; creating and communicating a vision of the future; developing key competencies and capabilities; developing organization structures, processes and controls; managing multiple constituencies; selecting and developing the next generation of leaders; sustaining an effective organizational culture; and infusing ethical value systems into an organizations culture."

According to Nel (2008), successful strategic leadership occurs when people across all levels and functions have a common understanding of the following aspects, knowledge of how strategic leadership is formulated, translated and communicated, implemented and assured within the organization; the formal business systems and processes that are required to optimize the organization's capacity and capability to fulfill its strategic leadership objectives; the specific and different roles, rights and accountabilities that each level, function, and stakeholders have to fulfill and clear understanding of personal and team roles to ensure optimum contribution.

2.3. Review of Variables

2.3.1 Strategic Leadership

Strategic leadership refers to all or any those activities that set the course for the organization and facilitate it to remain on its course in commission of its mission. Strategic leadership is related to the organization's vision, in addition to the concepts and actions that create the organization distinctive. Strategic leadership is a capability of corporations to anticipate, envision and maintain flexibility, and empower others to make a strategic probability and a viable way forward for the organization (Kjelin, 2009).

Leaders ought to offer direction to each a part of the organization. Montgomery (2008) argues that few leaders enable themselves to admit strategy and also the future. The leader should have the power to stay one eye on how the organization is presently adding value and also the alternative eye on changes, each within and outdoors the organization that either threaten its position or offer some new chance for adding value.

Regardless of their title and organization's performance, strategic leadership has substantial decision-making responsibilities that can't be delegated. Indeed, methods can't be developed and enforced to realize above-average returns without embracing strategic leadership (Finkelstein, S., Hambrick, D.C. &Cannella, S.A. (2008). Finkelstein et al. (2008) state that, the success or failure of any organization rests on its leadership. In order to realize and sustain superior organizational performance and win neutral confidence, strategic leadership should guide the firm in ways which end in the formation of strategic intent and mission.

The primary priority of any leadership is to develop their peoples' full potential. As such, the role of leadership ought to be remodeling the work into an area of accomplished genius (Sharma, 2007). Once the leadership dedicates itself to liberate instead of stifling the skills of the individuals it leads, it reaps quantum ends in terms of loyalty, productivity, creativity and devotion to the organization's compelling cause. This steering could result in goals that stretch everybody within the organization to enhance their performance (Goffee & Jones, 2006).

2.3.2 Determining Strategic Direction

Determining the strategic direction of the organization involves developing a long term vision and strategic goals. In step with Mutia (2015) determining strategic direction entails articulating the organization's mission and vision, developing the organization's strategic goals, objectives and turning out with a strategic plan. This view is supported by Ireland & Hitt (2005) who discovered that the task of determining the direction of the firm rests squarely on the strategic leader. Successful achievement of an organization's vision is extremely dependent upon firm leadership direction and leadership optimism. The organization's leaders should take personal accountability for interacting with stakeholder and other people across all levels to make sure that they comprehend and want to believe in the aim and vision of the organization (Serfonten, 2010). The development of organizational vision and the ability to manage the change engendered by visions, represent core organizational competencies that foster a competitive advantage for the organization (Eesakhani et al, 2008).

A significant factor in organizations that have successfully transformed themselves from that labor mightily to produce little more than business, as usual, is the possession of a long-term strategic intent that aligns the actions and beliefs of everybody within the organization towards a challenging goal. Strategic intent incorporates stretch targets that force firms to compete in innovative ways and maximize their use of resources (Wendy Layer, 2012). Nel (2008) warns that the biggest trap that leadership in organizations fall to is when they are so sure of their vision and direction that they fail to see new opportunities.

Therefore, when an organization's strategic leadership fails to unceasingly address the full spectrum of issues that may have an effect on the performance of the organization, it is probably that the organization will encounter challenges for which it is not prepared. It is therefore expected of leadership in the organization to provide for certainty together with uncertainty. It is additionally necessary for the leadership to create constant tension between the fascinating future and those elements of the present that would inhibit progress. To achieve this, leaders must continuously create burning platforms so that it is impossible for the organization to maintain the status quo.

2.3.3 Core Competencies Exploitation.

Core competencies are the resources and capabilities that offer an organization a competitive advantage over its rivals. A core competency could be a competitively important activity that an organization performs better than the other internal important activity and it is central to an organization's strategy and competitiveness. In line with Kathee (2013), good leadership skills embody a number of competencies related to the facilitation of daily work in organizations that include the setting of goals and setting plans towards attaining the goals, monitoring growth, establishing systems, sorting problems and settling at resolutions.

Nel (2008) argued that human capital is the cumulative knowledge and skills of a firm's entire workforce. The researcher adds that strategic leaders are therefore people who understand an organization's workers as a key internal resource upon which many key competencies are established and by that, organizational competitiveness is achieved with success. Globally, important investments within the economy are required in order that the organization obtains complete competitive benefit from its staff. These investments are key towards a strong long - term growth in modern economies that place confidence in knowledge, skills, and information (Nel & Beudeker, 2009).

The researchers add that developing employees gives rise to a motivated and well knowledgeable force that has the potential of performing very well. The comparatively unstable market conditions resulting from innovations, diversity of competitors and also the array of revolutionary technological changes occurring within the new competitive landscape, have caused core competencies instead of served markets to become the basis that organizations establish their long-term strategies (Porter, 1985). Core competencies allow the organization to adapt to dynamic conditions during a competitive environment and generate more efficient and effective performance (Wendy Layer, 2012).

2.3.4 Organizational Culture Building.

An organizational culture consists of a complex set of ideologies, symbols and core values that are shared throughout the organization and influences the way it conducts business. Corporate culture contains the core values shared by all or most employees. An applicable corporate culture can promote an entrepreneurial spirit, foster and facilitate a long-term vision and creates an emphasis on strategic actions linked to the production of high-quality goods and services (Kiakajouri et al, 2013).

A major reason for the interest in culture in the organization arises from the belief that certain organizational cultures result in positive organizational performance. An applicable culture can have important positive economic value for an organization (Serfonten, 2010). In other words, because the organizational culture influences how the firm conducts its business and it helps regulate and control employees' behavior, it can be a source of competitive advantage (Gupta & Govindarajan, 2000). Often the most powerful factors are subtle and difficult to observe unless one is part of the system.

The powerful rules that drive and hone leader behavior are often the unwritten and unspoken threads that are woven into the fabric of day-to-day life. Employees come to know these subtleties by how they are rewarded or punished. The rewards and punishments are themselves often subtle. They form the behavior and are most powerful once they are outside the leadership's awareness (Drucker, 1997).

2.3.5 Organizational Controls

Organization control refers to corporate leaders' understanding of the ways being enforced within the varied business units. Controls are necessary to assist make sure that firms achieve their desired outcomes (Redding, 2002). These are formal information based procedures employed by managers to take care of or alter patterns in organizational activities. Controls facilitate strategic leaders build credibility, demonstrate the value of strategies to the firm's stakeholders and promote and support strategic change (Shields, Deng, & Kato, 2000). Chikwe, Anyanwu, & Edeja (2016) observe that organization control is a tool of strategy implementation, a tool for assessing the external and internal environment and also a tool for providing feedback or feed-forward to the strategic management process.

A number of scholars have argued that organization control may be a formal target-setting, measurement, and feedback systems used to evaluate the processes of implementing the organization's strategic plan. In keeping with Chikwe et al. (2016) organization control involves tracking strategy implementation. This means that organization control is also concerned with detecting problems or changes in the method of strategic plan implementation through monitoring and evaluation. Ndegwa (2013) adds that organization control is a critical component in the strategic management process and it involves tracking, monitoring and evaluating the effectiveness of strategies as well as making any necessary adjustments and improvements on the strategy.

Ndegwa (2013) talks of organization control as a tool of strategy implementation for steering an organization through the changes that take place in the organization's external and internal situations and for providing feedback or feed-forward to the strategic management process. Daft & Marcic (2011), and Mutia (2015) note that organizational controls are formal information-based procedures used to maintain or alter organizational activities. Volberda, Morgan, Reinmoeller, Hitt, Ireland & Hoskisson (2011) note that balanced organization controls facilitate strategic leaders to build credibility, demonstrate the worth of the strategies to stakeholders and promote and support strategic change. Accordingly, Ndegwa (2013) clarifies that organization controls are the formal target-setting, measurement, and feedback systems employed by strategic leaders to judge whether or not a company or firm is achieving the required behavior and implementing its strategy with success. Similarly, Adams (2015) adds that organization control involves tracking the implementation process of the strategic plan.

2.3.6 External Environment

The external environment is defined as any external force that plays an important role in influencing performance (Machuki & Aosa, 2011). Organizations operating in turbulent external environments face either scarcity or abundance of critical resources that may influence organizational performance (Dess & Beard, 1984). In examining the influence of strategic leadership on performance, the effect of the external environment needs to be taken into account (Jansen, J. J. P., Vera, D. & Crossan, M., 2009). As this paper sought to find the direct effect of strategic leadership on the performance of sugar manufacturing firms in Western Kenya, the external environment was used as the moderating variable. The external environment had external politics and cane poaching as the constructs.

2.3.7 Growth

Organizational growth suggests various things to totally different organizations. The most effective strategic leaders will be capable of working with all organizational citizens to find ways to match the firm's resources, capabilities, and core competencies with relevant growth-oriented opportunities (Ireland & Hitt, 1999). There are several parameters an organization might use to measure its growth. Since the ultimate goal of most companies is profit, most companies can measure their growth in terms of net income, revenue, and different monetary data. Other business owners might use one of the following criteria for assessing their growth: sales, number of workers, physical expansion, the success of a product line, or increased market share. Ultimately, success and growth will be gauged by how well a firm does relative to the goals it has set for itself.

2.3.8. Strategic Leadership and Performance

The conception of organizational performance is based on the impression that a firm is the intentional coming together of assets for the intention of achieving a common purpose (Richard, 2009). The owners of the assets can commit to pledge them to a firm only if they are happy with the value that they obtain, compared to alternate usage of the assets. Therefore, the core of performance is the conception of value. As long as the higher worth is generated by the firm, the assets are going to be out there to them. Therefore, the supplier of the resource considers the creation of value as the main criteria for measuring the value of the firm. For increased growth, sales revenue has to grow through the market and product diversification (Breene & Nunes, 2006).

The leader comprehends the connection between competencies and value creation that determines performance in corporations (Breene & Nunes, 2006). Creation of value encompasses translating a plan regarding client necessities into an excellent combination of organizational procedures and skills that fulfill the needs at a low cost. Management of ability and talent is additionally fostered by a leader through investment in training and leadership development (Nel & Beudeker, 2009).

A high performing culture is commonly synonymous with a high performing firm. Strategic leadership contributes to improved performance because it transforms the firm and its operations to be optimized in terms of getting long term growth and survival and at the same time short term financial health (Lamb, 2009). Strategic leaders put emphasis on building the firm’s resources and competencies so as to achieve competitiveness in the market. Strategic leaders are aware that concentrating on the current things and ignoring the key issues that are affected by the turbulent environment can result in organizational disaster (Lamb, 2009). With this, a firm balances between short term success and future sustainability.

Strategic leaders take into account human capital as a key element in innovation and ability, and that they put a lot of effort sustaining the health of this force (Harris, 2008). Organizations forever have to be compelled to study new information and within the same scenario, to operationalize recently invented ways of learning (Nel, 2008). Development and disbursing of knowledge and information in a firm, and at the same time learning new information is critical to the long term sustainability of an entity. Most of the time, these actions are effected by a strategic leader. Strategic leadership allows the creation of a culture that encompasses organizational learning and sharing of knowledge (Nel, 2008). This has long term advantage since it assures a firm of its remaining extremely competitive in the market. There is an association between the leader's attributes, a firm's strategies, and its operational excellence.

When the owners and top management are concerned in determining a path of the firm, it automatically expands its performance. The main component of strategic leadership and organizational performance is the management's capability to utilize the organization's resources whereas taking into consideration this and future environmental factors (Ireland & Hitt, 2005). The survival and excellence of a firm are determined by its ability to withstand the market challenges and build a competitive advantage in the industry. This is achieved if the management employs strategic leadership skills in its operations. Strategic leadership is vital in making certain that the planned goals of the organization are effectively realized.

Firms would like competent leaders who are able to translate planned initiatives into actions and then results. Strategic leadership is the capacity to assess and interpret needs and opportunities outside the organization, to establish direction, to influence and align others towards a common goal, to motivate them and commit them to action, and make them responsible for performance. For an organization's performance to be effective, the leadership and senior management should demonstrate clear direction and commitment. Consistent with Hsieh & Yik (2005), the best-conceptualized vision is worthless if it can't be translated from conception to reality, and even the simplest vision will fail if an organization doesn't have a cadre of leaders with the proper capabilities at the proper levels in the organization. The major reason for the failure of efforts to achieve the firm's planned profitability and growth levels is that many firms do not acknowledge the leadership capacity that new goals will require, let alone treat leadership as the departure point of success. While most CEOs agree that leadership is vital, few properly assess leadership capacity systematically.

The gap between the number of available leaders and people required in the organization can have important negative consequences in the organization. Ultimately, the successful implementation of performance strategies is viewed as the prime responsibility of the strategic leaders of the organization. These leaders should, therefore, be personally and deeply engaged in the organization and must have an understanding of the business, the people and the environment (Bossidy & Charan, 2002). Thompson & Strickland (2003) emphasizes that for overall organizational success, strategic leadership should play key roles such as exerting the internal leadership needed to drive the implementation of performance goals forward and keep on improving on how the process is being executed; and managing transformational change through mobilization and sustaining of organizational resources toward the shared vision.

Those providing the assets can solely commit them to the organization so long as they are happy with the value they receive in exchange, relative to different uses of the assets. The leader needs to provide responsibility on the basis of trust or design control systems to monitor individual activity. The leader should additionally perceive the essential interaction between capabilities and value creation, a relationship that goes to the heart of high performance in business organizations (Breene &Nunes, 2006).

The investment in training and leadership development to enhance innovation and the development of talent has been observed as an important strategic focus in high-performing business organizations (Nel & Beudeker, 2009). Every high performing business organization also features a high-performance culture. There is a definite relationship among the leadership's characteristics, an organization's strategies and its performance. Once the board of directors and the leadership in the organization are involved in shaping an organization's direction, the organization usually improves its performance. The essential component of strategic leadership and organizational performance is that of the ability of the leadership to manage and utilize the organization's resource portfolio. This includes integrating resources to create capabilities and leveraging those capabilities through strategies to build competitive advantages and high performance (Ireland & Hitt, 2002).

2.4. Empirical Studies and Knowledge Gap.

In recent years there has been increased interest in "Strategic Leadership" by top executives (Yukl, 2010). According to Bateman & Snell (2009), strategic leadership gives purpose and meaning to organizations. A number of studies have been conducted in relation to strategic leadership and organizational performance. For instance, Funda & Cihan (2014) conducted a study on the effect of strategic leadership styles on firm performance among Turkish SMEs. The study used a descriptive research design and established that only relationship-oriented and transformational leadership styles are significantly related to firm performance with transformational leadership having the strongest effect on a firm's performance.

The study was limited to strategic leadership styles and thus, failed to assess other strategic leadership aspects such as strategic direction setting, core competencies utilization, organizational culture building and use of organizational controls. The researcher also restricted the findings to Turkish SMEs.

A study by Witts, J. O. (2016) on the Role of Strategic Leadership in enhancing Profitability revealed that strategic leadership skills significantly influences profitability. The study assumed a linear relationship between strategic leadership and performance without considering constraining factors such as the external environment as a moderating variable.

A study done by Ahmad, Kadzrina & Yen (2016) on strategic leadership, organization innovativeness, and information technology capability on effective strategy implementation: A Study of Tertiary Institutions in Nigeria, using descriptive, correlation and regression analyses methods, concluded that, strategic leadership behavior, organizational innovativeness, and IT capability promote effectiveness in institutions. The study did not, however, assess the effect of strategic leadership on organizational performance.

Mutia (2015), investigated the influence of Strategic Leadership on Church Growth in Kenya. The study found that there is a significant positive relationship between strategic leadership practices and organizational growth. The study did not investigate the indirect influence of strategic leadership practices on organizational growth as it did not include the moderating role of the external environment.

A study by Masungo et al. (2015) on Effect of Strategic Leadership on the Performance of Devolved Government System in Kakamega County, Kenya, adopted a Descriptive correlation survey research design. The study found out that strategic leadership significantly and positively affects performance. The research, however, limited its area of study to Kakamega County Government hence the findings may not be applicable to a business organization.

Kitonga, D. K, (2017) carried out a study on the influence of strategic leadership practices on performance in not for profit organizations in Nairobi County, Kenya. The analysis and results showed a significant positive correlation between strategic leadership practices and performance. The study focused on the direct relationship between strategic leadership practices and performance without incorporating the influence of the external environment as a moderating variable.

From these studies, it is evident that little research has been done on the area of strategic leadership and organizational performance. Most of the conducted studies have been carried out on other economies other than Kenya and on other sectors other than the sugar sector. Therefore, the findings from these studies may not necessarily be applicable to the sugar manufacturing firms. This study sought to fill this knowledge gap by assessing the effect of strategic leadership on organizational performance of state-owned sugar manufacturing firms in Kenya while measuring four strategic leadership aspects; strategic direction setting, core competence exploitation, organizational culture building and use of organizational controls.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research design which was used to carry out the research. It covers the research design, target population, the sampling design, data collection, validity and reliability of the instruments and data analysis.

3.2 Research Design

The research design typically includes how data was collected, what instruments were employed, how the instruments were used and the means used for analyzing the data collected. According to Bryman and Bell (2015), a research design is a strategy for data collection and analysis (explanatory, descriptive or causal). The study design allows the researcher to describe the relevant aspects of the study from the respondents (Sekaran & Bougie, 2013). According to Lewis, P. Saunders, M and Thornhill, A. (2012), a research design should explain the data sources and foreseen possible study limitations that include resources like time and money, availability and accessibility of data and related ethical issues.

The study adopted a descriptive survey design. An opinion by Kothari (2005), states that such a design entails the determination of likely respondents and also allows for the use of questionnaires and/or interviews so as to collect information relevant to the study objectives. The aim of the study was to develop a better understanding of strategic leadership and its effect on organizational performance from the managers' point of view. This survey design was found appropriate because it enabled the researcher to gather information on attitudes and opinions in relation to determining the relationship between a firm's top strategic leadership and organizational performance.

3.3 Target Population

A target population is the total collection of all units of analysis which a researcher wishes to consider for specifically intended study (Babbie, 2015). Creswell (2014) referred to the target population as the population from which a study seeks to generalize its results. In this study, the target population comprised all managers in the four state-owned sugar manufacturing firms, serving in various departments. The targeted sugar firms were; Chemelil, South Nyanza, Muhoroni, and Nzoia. The management staff in the four state-owned sugar firms were at the time a total of 917 employees which formed the researcher's target population.

Table 3. 1 Target Population

Sugar Firm	Target Population
Chemilil Sugar Company	265
Muhoroni Sugar Company	192
Nzoia Sugar Company	211
South Nyanza Sugar Company	249
Total	**917**

Source: Bureau of Labour Statistics, 2019.

3.4 Sampling Design

The sampling procedure is the process of selecting the sample or the subset from which the study was to be done (Kothari & Gaurav, 2014; Payne & Payne, 2004). This process consisted in defining the population, identifying the sampling frame, selecting a sampling procedure, determining the sample size, selecting the sample units and collecting data from the sampled units (Kothari & Gaurav, 2014). Most quantitative studies use probability (random) sampling, while qualitative studies often use non-probability (nonrandom) techniques (Cohen, Manion & Morrison, 2007; Creswell & Plano-Clark, 2007; Teddlie & Tashakkori, 2009).

Non-probability sampling was used for this study. The researcher opted to use purposive sampling due to the nature of the information required for this study. Managers in the state-owned sugar manufacturing firms were the target population. A purposive or judgmental sample is one that is selected based on the knowledge of a population and the purpose of the study. In this case, the researcher used a purposive sample because those being interviewed fit a specific purpose or description, (Babbie, 2001).

When conducting research, it is almost always impossible to study the entire population that you are interested in; it would be extremely time consuming and costly. As a result, researchers use samples as a way to gather data. A sample is a subset of the population being studied. It represents the larger population and is used to draw inferences about that population. It is a research technique widely used in the social sciences as a way to gather information about a population without having to measure the entire population.

3.5. Sample Size

The size of the sample should, according to Cohen, Manion, & Morrison (2011) depend on the purpose of the study, the nature of the population under scrutiny, the level of accuracy required, the anticipated response rate, the number of variables that are included in the research, and whether the research is quantitative or qualitative. A sample is a “Smaller (but hopefully representative) collection of units from a population” (Field, 2005).

This study used the sampling frame as indicated in table 3.2. The categories chosen possessed, in the opinion of the researcher, the appropriate exposure and practical knowledge of the items in the study. Purposive sampling technique was applied to consider only management employees working in the four state-owned sugar manufacturing firms. Using the Krejcie and Morgan table (Krejcie, RV., & Morgan,D.W., 1970), 269 respondents from lower, middle management and senior management from the four sugar firms were sampled. 68 respondents were be targeted from each sugar firm.

The purposive sampling technique is the deliberate choice of an informant due to the qualities the informant possesses. It is a technique that does not need underlying theories or a set number of informants. Simply put, the researcher decides what needs to be known and sets out to find people who can and are willing to provide the information by virtue of knowledge or experience they possess (Bernard 2002, Lewis & Sheppard, 2006). The selection was as follows:

Table 3. 2 Sampling Frame

Category	**Level**	**Chemilil**	**Muhoroni**	**Nzoia**	**South Nyanza**	**Total**
Senior Managers	Head of Department	6	7	14	7	34
	Divisional Managers/ Head of Sections	61	25	38	27	151
	Total	67	32	52	34	185
Middle Level Managers	Superintendents	36	25	13	58	132
	Total	36	25	13	58	
Supervisors		162	135	146	157	600
	Total					**917**

Source: Kenya Sugar Directorate (KSD), 2019.

A sampling frame is the source material or device from which a sample is drawn. It is a list of all those within a population who can be sampled and may include individuals, households or institutions. According to Saunders, Lewis, & Thornhill (2009), the sampling frame is a complete list of all the cases in the population from which the sample will be drawn. Mugenda (2011) states that the sampling frame or the survey frame is the list of the accessible population of people, events or documents that could be included in a survey and from which a study will pick a sample to collect data.

Since it may not be possible for a researcher to have direct access to the entire population of interest in social science research, a researcher must rely upon a sampling frame to represent all of the elements of the population of interest. In this study, the sampling frame was the same as the population which comprised the 4 state-owned sugar manufacturing firms, which were Chemilil, Muhoroni, Nzoia, and South Nyanza sugar manufacturing firms.

3.6 Data Collection Procedures.

Data collection is the process of gathering and measuring information on targeted variables in an established systematic fashion, which then enables one to answer relevant questions and evaluate outcomes. A review of literature reveals that several instruments can be used for data collection. Primary data was collected using semi-structured questionnaires and research interview guide. The questionnaires contained Likert Scale and open-ended questions.

The questionnaire had two main sections. The first part assisted in gathering personal information about the respondent whereas the second part was used for getting general information about the perception of respondents on the organization in relation to strategic leadership and state-owned sugar firm performance with the external environment being the moderating variable. The Drop and Pick method was used to administer the questionnaires (Kothari, 2004). People are more truthful while responding to the questionnaires regarding controversial issues in particular due to the fact that their responses are anonymous (Leedy & Ormrod, 2001). For qualitative data, interviews were conducted by the researcher using face to face strategy.

3.6.1 Data Collection Tools

Data was collected via semi-structured questionnaires for quantitative data. The questionnaires contained a five point Likert Scale with open-ended questions. This allowed for a greater variety of responses from participants. The information received was coded or reduced in some manner before analysis. Data Collection is an important aspect of any type of research study. Inaccurate data collection can impact the results of a study and ultimately lead to invalid results. Researchers prefer to use a Likert-type scale because it’s very easy to analyze statistically (Jackson, 2009).

3.7 Validity

Validity refers to the truthfulness of the research in regard to reality (Neuman, 2006; Leady & Ormrod, 2005; Welman, Kruger & Mitchell, 2005). Validity shows how well an instrument measures what is intended to be measured (Leady & Ormrod, 2005; Neuman, 2006 ;). Content validity measures the degree to which data collected represents the content of the concept being measured (Mugenda & Mugenda, 2009). Content validity was realized through rational analysis and review of the research questionnaires by the study supervisors to ensure readability, clarity and comprehensiveness. Construct validity was ensured by way of the research objectives and the number of questions in the questionnaires which was validated by the study supervisors at Masinde Muliro University of Science and Technology.

3.7.1 Reliability

Reliability measures the extent to which an instrument yields the same score when administered at different times, locations, or populations. Scale items were pre-tested for relevance, face validity, interpretation and readability with academics. Some modifications and slight changes in wording were required to fit the sugar industry context. The reliability of data for this study were measured using Cronbach's alpha coefficient.

Cronbach's alpha is a correlation coefficient whose value ranges from 0 to 1. By convention, the accepted alpha should be 0.70 or higher in order for research to retain an item on a scale for a study. The reliability value obtained was compared with the standard value alpha of 0.7 advocated by (Cronbach, 1951). The reliability test was conducted to check for the inter-item correlation in each of the variables in the questionnaires. The closer Cronbach's alpha coefficient is to one, the higher is the internal consistency reliability (Sekaran, 2003).

3.7.2. Pilot Study

Pilot testing is a small-scale trial, which is intended to assess the adequacy of the research design and of instruments that were used for data collection which is a small-scale version or trial run of the major study. The purpose is to ensure that everyone in the sample not only understands the questions but also understands them in the same way (Mugenda, 2008). Piloting tests the level of the language used and highlights probable typographic errors. For the study to be effective, the pilot sample must be representative of the variety of individuals that the main study was intended to cover. Hill (1998) proposes 10 to 30 respondents to pilot study in survey research. Three departments in Nzoia Sugar Company were randomly selected for pilot testing. After pilot testing of the instrument on the proposed number of people, the researcher looked at the pattern in the feedback and used the data to revise the instrument.

By piloting the study, the researcher among other benefits identified and changed any ambiguous, awkward, or offensive questions (Cooper and Schindler, 2003). Secondly the reliability and validity of the research instruments was ascertained. The researcher also familiarized with their administration for improved efficiency (Ogula, 2001).

3.8 Data Analysis and Presentation.

Data analysis is the part of an examination of what has been collected in a survey or experiment and making deductions and inferences, (Kombo, 2006). It involves compiling data from the field, sorting it, editing and analyzing it so that it is presented in a way that is easy for the reader to understand. Data analysis brings order, structure, and meaning to the mass of information collected by a researcher (Babbie, 2015).

Quantitative analysis is the numerical representation of observations for the purpose of explaining the phenomena that those observations reflect (Babbie, 2013). Data was processed using the statistical package for social sciences (SPSS) (Version 21) before being analyzed by the researcher, guided by the specific research objectives and the research hypotheses. Statistical package for social sciences enables the input of raw data, modification, and re-organization of data for simple, statistical and multivariate analyses (Blaxter, Hughes, & Tight, 2006). This software reduces the time required to analyze data, reduce errors involved in coding data, and analyze data with in-depth statistics and charts, and present results clearly with flexible reports and charts (Pickard, 2007).

The study used both descriptive and inferential statistics during data analysis. Two steps of detailed statistical analysis of data were involved. At the first stage, descriptive statistics analysis was performed to extract the mean and standard deviation of underlying study variables. At the second stage, multiple regression analysis was performed to understand the effects among these variables. Data presentation was in the form of tables, pie charts and graphs.

Table 3.9 Hypotheses Testing Framework and Analytical Model

Objective(s)	Research Hypotheses	Analytical Models and Analysis	Interpretation of results
i. To find out the effect of strategic direction setting on organization performance of state-owned sugar manufacturing firms in Western Kenya.	Ho1: There is no significant relationship between strategic direction setting and organization performance of state-owned sugar manufacturing firms in Western Kenya.	Simple Regression $OP= \beta_0+\beta_{21}SD+ \varepsilon$ Where : OP = Organization performance SD= Strategic direction setting	. R^2 determined how much change in OP is attributed to SD F-tested overall model statistical significance P-value determined the significance of the model. If p-value was found to be less or equal to 0.05 (p-value≤0.05) the hypothesis was rejected or otherwise
ii. To investigate the effect of core competencies exploitation on organization performance of state-owned sugar manufacturing firms in Western Kenya.	HO2: There is no significant relationship between core competencies exploitation and organization performance of state-owned sugar manufacturing firms in Western Kenya.	Simple Regression $OP= \beta_0+\beta_{21}CC + \varepsilon$ Where : OP = Organization performance CC= Core Competencies	R^2 determined how much change in OP was attributed to CC F-tested overall model statistical significance P-value determined the significance of the model. If p-value was found to be less or equal to 0.05 (p-value≤0.05) the hypothesis was rejected or otherwise

Objective(s)	Research Hypotheses	Analytical Models and Analysis	Interpretation of results
iii. To determine the effect of organization culture building on organization Performance of state-owned sugar manufacturing firms in Western Kenya.	HO3: There is no significant relationship between organization culture building and organization Performance of state-owned sugar manufacturing firms in Western Kenya.	Simple Regression $OP= \beta_0+\beta_{21}OCB + \varepsilon$ Where : OP = Organization performance OCB= Organization Culture building	. R^2 determined how much change in OP was attributed to OC F-tested overall model statistical significance P-value determined the significance of the model. If p-value was found to be less or equal to 0.05 (p-value≤0.05) the hypothesis was rejected or otherwise
iv. To establish the effect of organization controls on organization Performance of state-owned sugar manufacturing firms in Western Kenya.	HO4: There is no significant relationship between organization controls and organization Performance of state-owned sugar manufacturing firms in Western Kenya.	Simple Regression $OP= \beta_0+\beta_4OC+ \varepsilon$ Where : OP = Organization performance OC= Organization controls	. R^2 determined how much change in OP was attributed to OC F-tested overall model statistical significance P-value determined the significance of the model. If p-value was found to be less or equal to 0.05 (p-value≤0.05) the hypothesis was rejected or otherwise

Source: Researcher 2018

3.10. Ethical Considerations.

Ethical consideration is necessary to maintain the integrity of the study as well as the integrity of the researcher (Creswell, 2002). Ethical considerations protect the rights of participants by ensuring confidentiality. The study ensured that the rights and welfare of the human subjects involved in the study were protected. The information given by respondents was treated with confidentiality and their views were used for the purpose of this research only. A letter of self-introduction, the research permit from NACOSTI and permission to engage the respondents from the particular sugar manufacturing firm helped to cement the ethical conduct by the researcher.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter is a presentation of results and findings obtained from analysis of a field study. It is divided into six parts. The first part deals with the background information of the respondents, while the other five parts present findings from the analysis, based on the objectives of the study where both descriptive and inferential statistics have been employed.

4.2 Response rate

From the data collected, out of the 269 questionnaires administered, 178 were filled and returned. This represented 66.17% response rate, which was considered satisfactory to make conclusions. According to Mugenda & Mugenda (2003), 50% response rate is adequate, 60% is good and above 70% is rated as very good. This also corroborates Bailey (2000) assertion that a response rate of 50% is adequate, while a response rate greater than 70% is very good. Based on this recommendation, the study's response was good.

This fair response rate can be attributed to the data collection procedures, where the researcher used the drop and pick method. The questionnaires were self-administered; that is, the respondents completed them and were picked thereafter, which gave them greater freedom and motivation to objectively fill-in the questionnaires.

4.3 General information

This section presents the general information about the state-owned sugar manufacturing firms. It, thus, contains the length of time the respondents have worked in the firms, and firm's sales turnover.

4.3.1 Age of respondents.

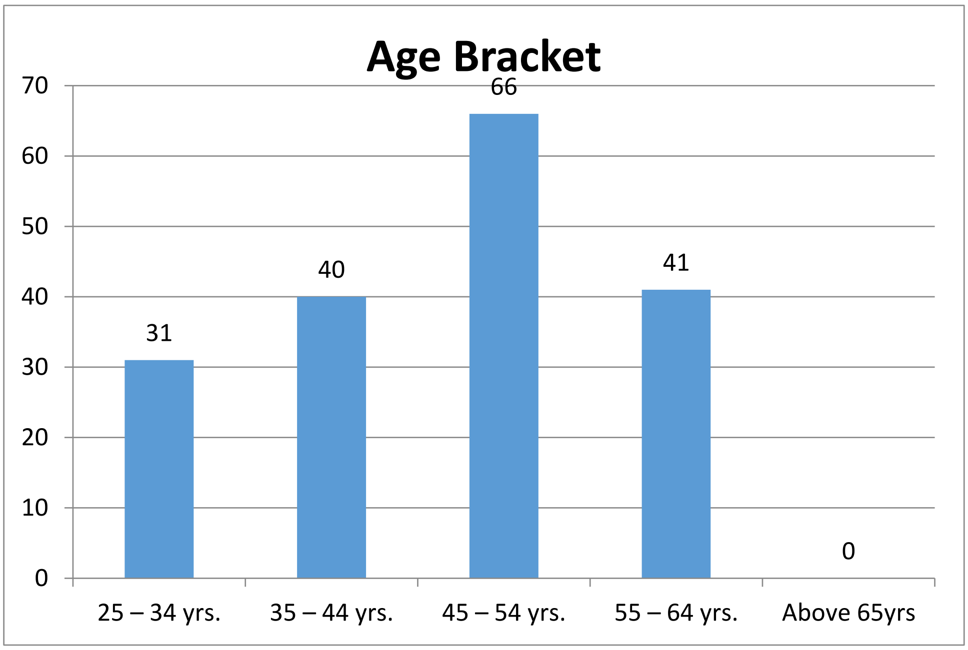
Table 4. 1 Age of respondents

Age (Years)	Frequency	Percentage
25 - 34	31	17.42
35 - 44	40	22.47
45 - 54	66	37.08
55 - 64	41	23.03
Total	**178**	**100**

Source: Author 2019.

From table 4.1 the results outline that, out of 178 respondents who participated in the study, 31(17.42%) respondents were 25-34 years old, 40 (22.47%) were between 35 to 44 years old, 66(37.08%) were between 45 to 54 years old while 41(23.03%) were between 55 to 64 years of age. Majority of the respondents were between 45 to 54 years of age.

Figure 4. 1 Distribution of Respondents by Age



From the results in table 4.1 of the respondents 31 were aged between 25-34 years, 40 were aged between 35- 44 years, 66 were aged between 45-54 years while the remaining 41 were aged between 55-64 years and none was above 65. Majority of the respondents, 147, were in the age bracket of 35 to 64 years. The age of the majority of respondents was considered important as it is the active age that is quite productive in determining the success of any given task (Sin, 2010).

Academic Qualification.

Table 4. 2 Academic Qualification

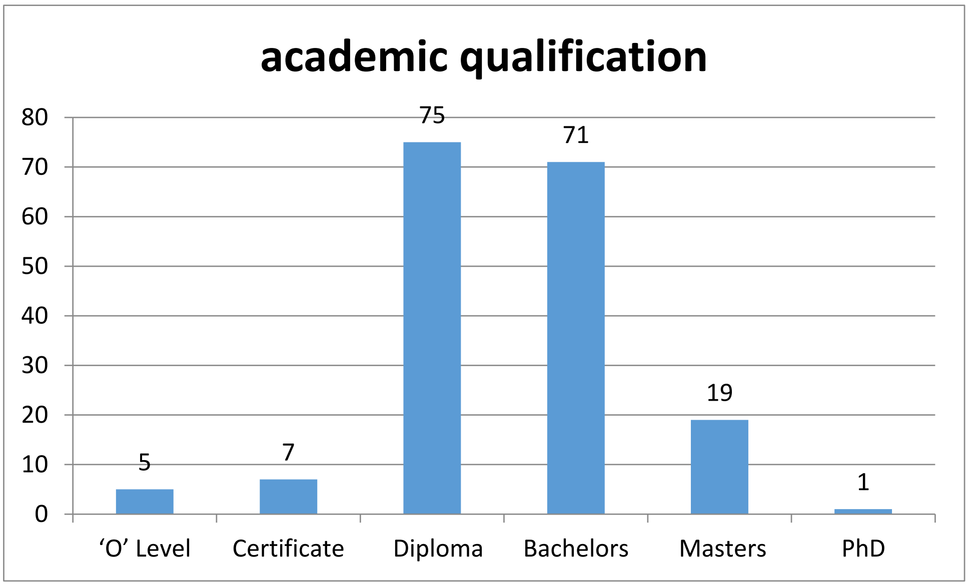
Academic Qualification	**Frequency**	**Percentage**
'O" Level	5	2.81
Certificate	7	3.93
Diploma	75	42.13
Bachelors	71	39.90
Masters	19	10.67
PhD	1	0.56
Total	**178**	**100**

Source: Author 2019

4.3.3 Distribution of Respondents by Academic Qualification.

Education qualification was key in determining the level of education of the respondents in relation to the effect of strategic leadership on organization performance of state-owned sugar manufacturing firms in Western Kenya. It was important to ascertain the education background of respondents as education imparts knowledge, values and skills that could influence the aspects of strategic leadership. The results were as shown in figure 4.2.

Figure 4. 2 Respondents by academic qualification



The results in figure 4.2 show that out of 178 respondents who participated in the study, 166 had college education. Of these, 75 had Diploma education, 71 had university education, 19 had masters and 1 had a Doctorate level while 12 had other professional qualifications. This shows that the level of education of the people involved in the strategic leadership of an organization impacts on the performance of state-owned sugar manufacturing firms in Western Kenya. Consequently, if the education level is low then the impact of strategic leadership on performance of the state-owned sugar factories could be low/poor.

Length of Service for the Organization

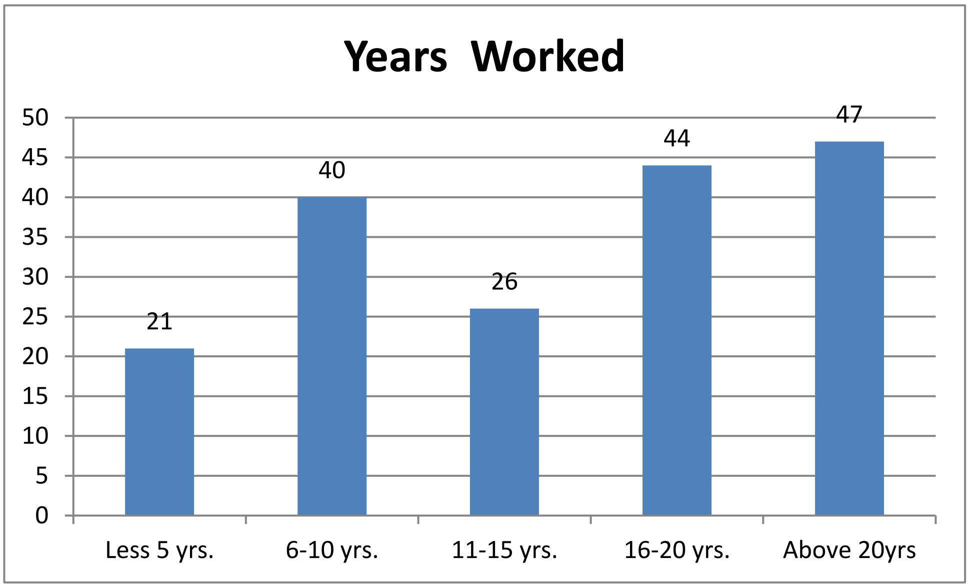
Table 4. 3 Length of Service for the Organization

Years Worked	Frequency	Percentage
Less 5 Years	21	11.80
6 – 10 Years	40	22.47
11 – 15 Years	26	14.61
16 – 20 Years	44	24.72
Above 20 Years	47	26.40
Total	**178**	**100**

Source: Author 2019

The respondents were also to indicate the years they have worked for the organization. Summary of the results is presented in figure 4.3.

Figure 4. 3 Distribution of Respondents by Years worked for the organization



The results show that out of the 178 respondents who participated in the study, 21 respondents had less than 5 years of work experience, 40 had between 6 to 10 years of work experience, 26 had between 11-15 years of work experience, 44 had between 16 to 20 years of work experience and 47 had over 20 years of work experience. Majority of the respondents had over 20 years of work experience in the sugar manufacturing firms. Experience is an important factor in determining the effectiveness of strategic leadership on organization performance of state-owned sugar manufacturing firms.

4.4. Descriptive Analysis

This section discusses descriptive statistics based on the following sub-thematic areas: Organization strategic direction setting, Organizational Core Competencies Exploitation, Organizational Culture Building and Organizational Controls.

4.4.1 Organization strategic direction setting

Table 4. 4 Organization strategic direction setting

Organization strategic direction setting	No Extent	Little Extent	Moderate Extent	Great Extent	Very Great Extent
There is a formal direction setting process (strategic plan) that results in clear strategic direction.	3 (1.69%)	15 (8.43%)	41 (23.03%)	100 (56.18%)	19 (10.67%)
There is a written mission statement that clearly outlines who we are, what we do and for whom	1 (0.56%)	6 (3.37%)	33 (18.54%)	93 (52.25%)	45 (25.28%)
The mission and vision statements are regularly	7 (3.93%)	53 (29.78%)	64 (35.96%)	37 (20.79%)	17 (9.55%)

reviewed and if necessary, revised.					
Our decisions are incisive, informed and bold at all levels of the organization	19 (10.67%)	57 (32.02%)	73 (41.01%)	23 (12.92%)	6 (3.37%)
Top management communicates policies to the employees regularly	6 (3.37%)	28 (15.73%)	60 (33.71%)	70 (39.33%)	14 (7.87%)
The workforce understand the organization's performance goals	5 (2.81%)	21 (11.8%)	70 (39.33%)	68 (38.2%)	14 (7.87%)
Employees are encouraged to achieve goals	5 (2.81%)	19 (10.67%)	50 (28.09%)	80 (44.94%)	24 (13.48%)
Average	**6.57 (3.69%)**	**28.43 (15.97%)**	**55.86 (31.38%)**	**67.29 (37.8%)**	**19.86 (11.16%)**

To find out the extent to which organization strategic direction setting apply to organizations, the following statements were analyzed.

Statement one; There is a formal direction setting process (strategic plan) that results in clear strategic direction. Out of 178 who responded, 3 (1.69%) had no extent, 15(8.43%) had little extent, 41 (23.03%) were moderate extent, 100(56.18) great extent 19 (10.67%) had Very great extent respectively. The statement mean 6.57(3.69%) against 3 (1.69%), 28.43 (15.97%) against 15(8.43%), 55.86 (31.38%) against 41 (23.03%), 67.29 (37.8%) against 100(56.18%) and 19.86 (11.16%) against 19 (10.67%)

Statement Two; There is a written mission statement that clearly outlines who we are, what we do and for whom. Out of 178 who responded, 1 (0.56%) had no extent, 6 (3.37%) had little extent, 33 (18.54%) were moderate extent, 93 (52.25%) great extent 45 (25.28%) had Very great extent respectively. The statement mean 6.57 (3.69%) against 1(0.56%), 28.43 (15.97%) against 6 (3.37%), 55.86 (31.38%) against 33 (18.54%), 67.29 (37.8%) against 93 (52.25%) and 19.86 (11.16%) against 45 (25.28%).

Statement Three; The mission and vision statements are regularly reviewed and if necessary, revised. Out of 178 who responded, 7 (3.93%) had no extent, 53 (29.78%) had little extent, 64 (35.96%) were moderate extent, 37 (20.79%) great extent 17 (9.55%) had Very great extent respectively. The statement mean 6.57(3.69%) against 7 (3.93%), 28.43 (15.97%) against 53 (29.78%). 55.86 (31.38%) against 64 (35.96%), 67.29 (37.8%) against 37 (20.79%) and 19.86 (11.16%) against 17 (9.55%).

Statement Four; our decisions are incisive, informed and bold at all levels of the organization. Out of 178 who responded, 19 (10.67%) had no extent, 57 (32.02%) had little extent, 73 (41.01%) were moderate extent, 23 (12.92%) great extent 6 (3.37%) had Very great extent respectively. The statement mean 6.57(3.69%) against 19 (10.67%), 28.43 (15.97%) against 57 (32.02%). 55.86 (31.38%) against 73 (41.01%), 67.29 (37.8%) against 23 (12.92%) and 19.86 (11.16%) against 6 (3.37%).

Statement Five; Top management communicates policies to the employees regularly. Out of 178 who responded, 6 (3.37%) had no extent, 28 (15.73%) had little extent, 60 (33.71%) were moderate extent, 70

(39.33%) great extent 14 (7.87%) had Very great extent respectively. The statement mean 6.57(3.69%) against 6 (3.37%), 28.43 (15.97%) against 28 (15.73%), 55.86 (31.38%) against 60 (33.71%), 67.29 (37.8%) against 70 (39.33%) and 19.86 (11.16%) against14 (7.87%).

Statement Six; The workforce understand the organization’s performance goals. Out of 178 who responded, 5 (2.81%) had no extent, 21 (11.8%) had little extent, 70 (39.33%) were moderate extent, 68 (38.2%) great extent 14 (7.87%) had Very great extent respectively. The statement mean 6.57(3.69%) against 5 (2.81%), 28.43 (15.97%) against 21 (11.8%), 55.86 (31.38%) against 70 (39.33%), 67.29 (37.8%) against 68 (38.2%) and 19.86 (11.16%) against 14 (7.87%).

Statement Seven; Employees are encouraged to achieve goals. Out of 178 who responded, 5 (2.81%) had no extent, 19 (10.67%) had little extent, 50 (28.09%) were moderate extent, 80 (44.94%) great extent 24 (13.48%) had Very great extent respectively. The statement mean 6.57(3.69%) against 5 (2.81%), 28.43 (15.97%) against 19 (10.67%), 55.86 (31.38%) against 50 (28.09%), 67.29 (37.8%) against 80 (44.94%) and 19.86 (11.16%) against 24 (13.48%).

4.4.2 Organizational Core Competencies Exploitation

Table 4. 5 Organizational Core Competencies Exploitation

Organizational Core Competencies Exploitation	No Extent	Little Extent	Moderate Extent	Great Extent	Very Great Extent
Core competencies are aligned with organizational objectives	6 (3.37%)	22 (12.36%)	68 (38.2%)	73 (41.01%)	9 (5.06%)
Rewards/incentives for employees are aligned with goals and/or creativity	19 (10.67%)	47 (26.4%)	76 (42.7%)	29 (16.29%)	7 (3.93%)
Amenities to attract highly skilled labour are in place	15 (8.43%)	69 (38.76%)	68 (38.2%)	18 (10.11%)	8 (4.49%)
Our organization has adequate financial resources to undertake its core business activities	40 (22.47%)	94 (52.81%)	30 (16.85%)	9 (5.06%)	5 (2.81%)
Our organization has adequate staff to perform all organizational tasks required to achieve organization mission and performance targets	10 (5.62%)	44 (24.72%)	71 (39.89%)	43 (24.16%)	10 (5.62%)
The leadership of our organization has the requisite capability to make the organization achieve its mission.	1 (0.56%)	33 (18.54%)	51 (28.65%)	82 (46.07%)	11 (6.18%)
The management of our organization favors a strong R &	44 (24.72%)	70 (39.33%)	40 (22.47%)	20 (11.24%)	4 (2.25%)

D, technological leadership and innovation.					
Average	**19.29(10.83%)**	**54.14(30.42%)**	**57.71(32.42%)**	**39.14(21.99%)**	**7.71(4.33%)**

To determine the extent to which core competencies exploitation affects the organization performance of state-owned sugar manufacturing firms the above statements were analyzed as indicated below:

Statement one: Core competencies are aligned with organizational objectives. Out of 178 who responded, 6 (3.37%) had no extent, 22(12.36%) had little extent, 68 (38.2%) were moderate extent, 73(41.01) great extent 9 (5.06%) had Very great extent respectively. The statement mean 19.29(10.83%) against 6 (3.37%), 54.14 (30.42%) against 22(12.36%), 57.71(32.42%) against 68. (38.20%), 39.14 (21.99%) against 73(41.01%) and 7.71 (4.33%) against 9 (5.06%)

Statement Two; Rewards/incentives for employees are aligned with goals and/or creativity. Out of 178 who responded, 19(10.67%) had no extent, 47(26.4%) had little extent, 76 (42.7%) were moderate extent, 29 (16.29%) great extent 7 (3.93%) had Very great extent respectively. The statement mean 19.29(10.83%) against 19(10.67%), 54.14(30.42%) against 47(26.40%), 57.71(32.42%) against 76 (42.70%), 39.14 (21.99%) against 29(16.29%) and 7.71 (4.33%) against 7 (3.93%)

Statement Three; Amenities to attract highly skilled labour are in place Out of 178 who responded, 15 (8.43%) had no extent, 69 (38.76%) had little extent, 68 (38.2%) were moderate extent, 18 (10.11%) great extent 8 (4.49%) had Very great extent respectively. . The statement mean 19.29(10.83%) against 15 (8.43%), 54.14 (30.42%) against 69(38.76%), 57.71(32.42%) against 68 (38.20%), 39.14 (21.99%) against 18(10.11%) and 7.71 (4.33%) against 8 (4.49%)

Statement Four; our organization has adequate financial resources to undertake its core business activities. Out of 178 who responded, 40 (22.47%) had no extent, 94(52.81%) had little extent, 30 (16.85%) were moderate extent, 9 (5.06%) great extent 5 (2.81%) had Very great extent respectively. The statement mean 19.29(10.83%) against 40(22.47%), 54.14 (30.42%) against 94(52.81%), 57.71(32.42%) against 30(16.85%), 39.14 (21.99%) against 9(5.06%) and 7.71 (4.33%) against 5(2.81%)

Statement Five; our organization has adequate staff to perform all organizational tasks required to achieve organization mission and performance targets. Out of 178 who responded, 10 (5.62%) had no extent, 44 (24.72%) had little extent, 71 (39.89%) were moderate extent, 43 (24.16%) great extent 10 (5.63%) had Very great extent respectively. . The statement mean 19.29(10.83%) against 10(5.62%), 54.14 (30.42%) against 44(24.72%), 57.71(32.42%) against 71(39.89%), 39.14 (21.99%) against 43(24.16%) and 7.71 (4.33%) against 10(5.62%)

Statement Six: The leadership of our organization has the requisite capability to make the organization achieve its mission. Out of 178 who responded, 1 (0.56%) had no extent, 33 (18.54%) had little extent, 51 (28.65%) were moderate extent, 82 (46.07%) great extent 4 (2.25%) had Very great extent respectively. The statement mean 19.29(10.83%) against 1(0.56%), 54.14 (30.42%) against 33(18.54%), 57.71(32.42%) against 51(28.65%), 39.14 (21.99%) against 82(46.07%) and 7.71 (4.33%) against 11(6.18%).

Statement Seven; The management of our organization favors a strong R & D, technological leadership and innovation. Out of 178 who responded, 44 (24.72%) had no extent, 70 (39.33%) had little extent, 40 (22.47%) were moderate extent, 20 (11.24%) great extent 4 (2.25%) had Very great extent respectively. The statement mean 19.29(10.83%) against 44(24.72%), 54.14 (30.42%) against 70(39.33%), 57.71(32.42%) against 40(22.47%), 39.14 (21.99%) against 20(11.24%) and 7.71 (4.33%) against 4(2.25%)

4.4.3 Organizational Culture Building

Table 4. 6 Organizational Culture Building

Organizational Culture Building	No Extent	Little Extent	Moderate Extent	Great Extent	Very Great Extent
Effective organization culture is stressed on all key managerial constituencies within the organization	5 (2.81%)	29 (16.29%)	70 (39.33%)	70 (39.33%)	4 (2.25%)
Adopting a culture that fosters positive performance is emphasized within the organization	10 (5.62%)	26 (14.61%)	76 (42.7%)	60 (33.71%)	6 (3.37%)
The currently adopted organization culture effectively impacts customers, stakeholders, employees and leadership in all levels	5 (2.81%)	58 (32.58%)	80 (44.94%)	22 (12.36%)	13 (7.3%)
There exists a participative culture for key strategic decisions within the organization	19 (10.67%)	75 (42.13%)	63 (35.39%)	14 (7.87%)	7 (3.93%)
Core values are emphasized in the organization	10 (5.62%)	30 (16.85%)	57 (32.02%)	67 (37.64%)	14 (7.87%)
Symbols are emphasized in the organization	34 (19.1%)	70 (39.33%)	50 (28.09%)	15 (8.43%)	9 (5.06%)
Ideologies are shared within the organization	15 (8.43%)	30 (16.85%)	85 (47.75%)	41 (23.03%)	7 (3.93%)
Average	**14(7.87%)**	**45.43(25.52%)**	**68.71(38.6%)**	**41.29(23.19%)**	**8.57(4.82%)**

In finding out the extent to which organizational culture building affects organization performance of state-owned sugar manufacturing firms, the above statements were analyzed as below:

Statement one: Effective organization culture is stressed on all key managerial constituencies within the organization. Out of 178 who responded, 5 (2.81%) had no extent, 29(16.29%) had little extent, 70(39.33%) were moderate extent, 70(39.33%) great extent 4 (2.25%) had Very great extent respectively. The statement mean 14(7.87%) against 5(2.81%), 45.43(25.52%) against 29(16.29%), 68.71(38.60%) against 70(39.33%), 41.29(23.19%) against 70(39.33%) and 8.57(4.82%) against 4(2.25%)

Statement Two; Adopting a culture that fosters positive performance is emphasized within the organization. Out of 178 who responded, 10(5.62%) had no extent, 26(14.61%) had little extent, 76(42.7%) were moderate extent, 60(33.71%) great extent 6(3.37%) had Very great extent respectively. The statement mean 14(7.87%) against 10(5.62%), 45.43(25.52%) against 26(14.61%), 68.71(38.60%) against 76(42.70%), 41.29(23.19%) against 60(39.71%) and 8.57(4.82%) against 6(3.37%)

Statement Three; The currently adopted organization culture effectively impacts customers, stakeholders, employees and leadership in all levels. Out of 178 who responded, 5 (2.81%) had no extent, 58 (32.58%) had little extent, 80 (44.94%) were moderate extent, 22 (12.36%) great extent 13 (7.3%) had Very great extent respectively The statement mean 14(7.87%) against 5(2.81%), 45.43(25.52%) against 58(32.58%), 68.71(38.60%) against 80(44.94%), 41.29(23.19%) against 22(12.36%) and 8.57(4.82%) against 13(7.30%).

Statement Four; There exists a participative culture for key strategic decisions within the organization. Out of 178 who responded, 19 (10.67%) had no extent, 75 (42.13%) had little extent, 63 (35.39%) were moderate extent, 14 (7.87%) great extent 7 (3.93%) had Very great extent respectively. The statement mean 14(7.87%) against 19(10.67%), 45.43(25.52%) against 75(42.13%), 68.71(38.60%) against 63(35.39%), 41.29(23.19%) against 14(7.87%) and 8.57(4.82%) against 7(3.93%).

Statement Five; Core values are emphasized in the organization. Out of 178 who responded, 10 (5.62%) had no extent, 30 (16.85%) had little extent, 57 (32.02%) were moderate extent, 57 (32.02%) great extent 14 (7.87%) had Very great extent respectively. The statement mean 14(7.87%) against 10(5.62%), 45.43(25.52%) against 30(16.85%), 68.71(38.60%) against 57(32.02%), 41.29(23.19%) against 67(37.64%) and 8.57(4.82%) against 14(7.87%).

Statement Six; Symbols are emphasized in the organization. Out of 178 who responded, 34 (19.1%) had no extent, 70 (39.33%) had little extent, 50 (28.09%) were moderate extent, 15 (8.43%) great extent 9 (5.06%) had Very great extent respectively. The statement mean 14(7.87%) against 34(19.10%), 45.43(25.52%) against 70(39.33%), 68.71(38.60%) against 50(28.09%), 41.29(23.19%) against 15(8.43%) and 8.57(4.82%) against 9(5.06%).

Statement Seven; Ideologies are shared within the organization. Out of 178 who responded, 15 (8.43%) had no extent, 30 (16.85%) had little extent, 85 (47.75%) were moderate extent, 41 (23.03%) great extent 7 (3.93%) had Very great extent respectively. The statement mean 14(7.87%) against 15(8.43%), 45.43(25.52%) against 30(16.85%), 68.71(38.60%) against 85(47.75%), 41.29(23.19%) against 41(23.03%) and 8.57(4.82%) against 7(3.93%)

4.4.4 Organizational Controls

Table 4. 7 Organizational Controls

Organizational Controls	No Extent	Little Extent	Moderate Extent	Great Extent	Very Great Extent
The strategic plan informs annual operational plan, guides organization activities and is reviewed quarterly	3 (1.69%)	19 (10.67%)	60 (33.71%)	83 (46.63%)	13 (7.3%)

Work plans address the organization's objectives, targets, strategies, timelines, monitoring and budget	5 (2.81%)	14 (7.87%)	86 (48.31%)	57 (32.02%)	16 (8.99%)
Actions are in place to manage risks and issues in the organization	12 (6.74%)	54 (30.34%)	63 (35.39%)	41 (23.03%)	8 (4.49%)
Financial controls are emphasized	10 (5.62%)	22 (12.36%)	43 (24.16%)	81 (45.51%)	22 (12.36%)
There are provided Frequent and detailed control reports	6 (3.37%)	28 (15.73%)	56 (31.46%)	62 (34.83%)	26 (14.61%)
There exists the ability to manage new business strategies	16 (8.99%)	83 (46.63%)	61 (34.27%)	14 (7.87%)	4 (2.25%)
There are regular results management meetings	7 (3.93%)	22 (12.36%)	39 (21.91%)	79 (44.38%)	31 (17.42%)
Average	**8.43(4.74%)**	**34.57(19.42%)**	**58.29(32.74%)**	**59.57(33.47%)**	**17.14(9.63%)**

To investigate the extent to which organizational controls impacts on organization performance of state-owned sugar manufacturing firms, the following statements were analyzed.

Statement one: The strategic plan informs annual operational plan, guides organization activities and is reviewed quarterly. Out of 178 who responded, 3 (1.69%) had no extent, 19 (10.67%) had little extent, 60 (33.71%) were moderate extent, 83 (46.63%) great extent 13 (7.3%) had Very great extent respectively. The statement mean 8.43(4.74%) against 3 (1.69%), 34.57(19.42%) against 19(10.67%), 58.29(32.74%) against 60(33.71%), 59.57(33.47%) against 83(46.63%) and 17.14(9.63%) against 13(7.30%).

Statement Two; Work plans address the organization's objectives, targets, strategies, timelines, monitoring and budget. Out of 178 who responded, 5 (2.81%) had no extent, 14 (7.87%) had little extent, 86 (48.31%) were moderate extent, 57 (32.02%) great extent 16 (8.99%) had Very great extent respectively. The statement mean 8.43(4.74%) against 5(2.81%), 34.57(19.42%) against 14(7.87%), 58.29(32.74%) against 86(48.31%), 59.57(33.47%) against 57(32.02%) and 17.14(9.63%) against 16(8.99%).

Statement Three; Actions are in place to manage risks and issues in the organization. Out of 178 who responded, 12 (6.74%) had no extent, 54 (30.34%) had little extent, 63 (35.39%) were moderate extent, 41 (23.03%) great extent 8 (4.49%) had Very great extent respectively. The statement mean 8.43(4.74%) against 12(6.74%), 34.57(19.42%) against 54(30.34%), 58.29(32.74%) against 63(35.39%), 59.57(33.47%) against 41(23.03%) and 17.14(9.63%) against 8(4.49%).

Statement Four; Financial controls are emphasized. Out of 178 who responded, 10 (5.62%) had no extent, 22 (12.36%) had little extent, 43 (24.16%) were moderate extent, 81 (45.51%) great extent 22 (12.36%) had Very great extent respectively. The statement mean 8.43(4.74%) against 10(5.62%), 34.57(19.42%) against 22(12.36%), 58.29(32.74%) against 43(24.16%), 59.57(33.47%) against 81(45.51%) and 17.14(9.63%) against 22(12.36%).

Statement Five; There are provided Frequent and detailed control reports. Out of 178 who responded, 6 (3.37%) had no extent, 28 (15.73%) had little extent, 56 (31.46%) were moderate extent, 62 (34.83%) great extent 26 (14.61%) had Very great extent respectively. The statement mean 8.43(4.74%) against 6(3.37%), 34.57(19.42%) against 28(15.73%), 58.29(32.74%) against 56(31.46%), 59.57(33.47%) against 62(34.83%) and 17.14(9.63%) against 26(14.61%).

Statement Six: There exists the ability to manage new business strategies. Out of 178 who responded, 16 (8.99%) had no extent, 83 (46.63%) had little extent, 61 (34.27%) were moderate extent, 14 (7.87%) great extent 4 (2.25%) had Very great extent respectively The statement mean 8.43(4.74%) against 16(8.99%), 34.57(19.42%) against 83(46.63%), 58.29(32.74%) against 61(34.27%), 59.57(33.47%) against 14(7.87%) and 17.14(9.63%) against 4(2.25%).

Statement Seven; There are regular results management meetings. Out of 178 who responded, 7 (3.93%) had no extent, 7 (3.93%) had little extent, 39 (21.91%) were moderate extent, 79 (44.38%) great extent 79 (44.38%) had Very great extent respectively. The statement mean 8.43(4.74%) against 7(4.74%), 34.57(19.42%) against 22(12.36%), 58.29(32.74%) against 39(21.91%), 59.57(33.47%) against 79(44.38%) and 17.14(9.63%) against 31(17.42%).

4.4.5 Actions contribute to performance of the organizations

Table 4. 8 Actions contribute to performance of the organizations

Actions contribute to performance of the organizations	No Extent	Little Extent	Moderate Extent	Great Extent	Very Great Extent
Determining a strategic direction for the organization	1 (0.56%)	18 (10.11%)	53 (29.78%)	82 (46.07%)	24 (13.48%)
Exploiting and maintaining core competencies	5 (2.81%)	28 (15.73%)	74 (41.57%)	59 (33.15%)	12 (6.74%)
Sustaining an effective organization culture	5 (2.81%)	35 (19.66%)	55 (30.9%)	56 (31.46%)	27 (15.17%)
Establishing balanced organization controls	3 (1.69%)	23 (12.92%)	54 (30.34%)	75 (42.13%)	23 (12.92%)
Average	**3.5(1.97%)**	**26(14.61%)**	**59(33.15%)**	**68(38.2%)**	**21.5(12.08%)**

To find out the extent to which the following actions contribute to performance of the organizations, analysis on the statements were done.

Statement one: Determining a strategic direction for the organization. Out of 178 who responded, 1 (0.56%) had no extent, 18 (10.11%) had little extent, 53 (29.78%) were moderate extent, 82 (46.07%) great extent 24 (13.48%) had Very great extent respectively. The statement mean 3.5(1.97%) against 1(0.56%), 26(14.61%) against 18(10.11%), 59(33.15%) against 53(29.78%), 68(38.20%) against 82(46.07%) and 21.5(12.08%) against 24(13.48%).

Statement Two; Exploiting and maintaining core competencies. Out of 178 who responded, 5 (2.81%) had no extent, 28 (15.73%) had little extent, 74 (41.57%) were moderate extent, 59 (33.15%) great extent 12

(6.74%) had Very great extent respectively. The statement mean 3.5(1.97%) against 5(2.81%), 26(14.61%) against 28(15.73%), 59(33.15%) against 74(41.57%), 68(38.20%) against 59(33.15%) and 21.5(12.08%) against 12(6.74%).

Statement Three; Sustaining an effective organization culture. Out of 178 who responded, 5 (2.81%) had no extent, 35 (19.66%) had little extent, 55 (30.9%) were moderate extent, 56 (31.46%) great extent 27 (15.17%) had Very great extent respectively. The statement mean 3.5(1.97%) against 5(2.81%), 26(14.61%) against 35(19.66%), 59(33.15%) against 55(30.90%), 68(38.20%) against 56(31.46%) and 21.5(12.08%) against 27(15.17%).

Statement Four; Establishing balanced organization controls. Out of 178 who responded, 3 (1.69%) had no extent, 23 (12.92%) had little extent, 54 (30.34%) were moderate extent, 75 (42.13%) great extent 23 (12.92%) had Very great extent respectively The statement mean 3.5(1.97%) against 3(1.69%), 26(14.61%) against 23(12.92%), 59(33.15%) against 54(30.34%), 68(38.20%) against 75(42.13%) and 21.5(12.08%) against 23(12.92%).

4.4.6 Statements applying to organizational performance of organizations.

Table 4. 9 Statements applying to organizational performance of organizations

statements apply on organizational performance organizations	No Extent	Little Extent	Moderate Extent	Great Extent	Very Great Extent
Return on investment/asset/equity is high (above the industry average)	32 (17.98%)	60 (33.71%)	71 (39.89%)	13 (7.3%)	2 (1.12%)
Net profit margin/return on sales is high (above the industry average)	41 (23.03%)	71 (39.89%)	51 (28.65%)	13 (7.3%)	2 (1.12%)
The firm's market share is higher than that of competitors	36 (20.22%)	84 (47.19%)	49 (27.53%)	8 (4.49%)	1 (0.56%)
Annual turnover is high (above the industry average)	37 (20.79%)	91 (51.12%)	46 (25.84%)	3 (1.69%)	1 (0.56%)
Annual employee turnover (other than retired or discharged) is high (above the industry average)	14 (7.87%)	66 (37.08%)	61 (34.27%)	31 (17.42%)	6 (3.37%)
Customer satisfaction is high (above the industry average)	18 (10.11%)	36 (20.22%)	77 (43.26%)	36 (20.22%)	11 (6.18%)
Average	**29.67(16.67%)**	**68(38.2%)**	**59.17(33.24%)**	**17.33(9.74%)**	**3.83(2.15%)**

To determine the extent to which the listed statements apply to organizational performance of state-owned sugar manufacturing firms, the following analysis of the statements were done. Statement one: Return on investment/asset/equity is high (above the industry average). Out of 178 who responded, 32 (17.98%) had no extent, 60 (33.71%) had little extent, 71 (39.89%) were moderate extent, 71 (39.89%) great extent 2

(1.12%) had Very great extent respectively. The statement mean 29.67(16.67%) against 32(17.98%), 68(38.20%) against 60(33.71%), 59.17(33.24%) against 71(39.89%), 17.33(9.74%) against 13(7.30%) and 3.83(2.15%) against 2(1.12%).

Statement Two; Net profit margin/return on sales is high (above the industry average). Out of 178 who responded, 41 (23.03%) had no extent, 71 (39.89%) had little extent, 51 (28.65%) were moderate extent, 51 (28.65%) great extent 2 (1.12%) had Very great extent respectively. The statement mean 29.67(16.67%) against 41(23.03%), 68(38.20%) against 71(39.89%), 59.17(33.24%) against 51(28.65%), 17.33(9.74%) against 13(7.30%) and 3.83(2.15%) against 2(1.12%).

Statement Three; The firm's market share is higher than that of competitors. Out of 178 who responded, 36 (20.22%) had no extent, 84 (47.19%) had little extent, 49 (27.53%) were moderate extent, 8 (4.49%) great extent 1 (0.56%) had Very great extent respectively. The statement mean 29.67(16.67%) against 36(20.22%), 68(38.20%) against 84(47.19%), 59.17(33.24%) against 49(27.53%), 17.33(9.74%) against 8(4.49%) and 3.83(2.15%) against 1(0.56%).

Statement Four; Annual turnover is high (above the industry average). Out of 178 who responded, 37 (20.79%) had no extent, 91 (51.12%) had little extent, 46 (25.84%) were moderate extent, 3 (1.69%) great extent 1 (0.56%) had Very great extent respectively. The statement mean 29.67(16.67%) against 37(20.79%), 68(38.20%) against 91(51.12%), 59.17(33.24%) against 46(25.84%), 17.33(9.74%) against 3(1.69%) and 3.83(2.15%) against 1(0.56%).

Statement Five; Annual employee turnover (other than retired or discharged) is high (above the industry average). Out of 178 who responded, 14 (7.87%) had no extent, 66 (37.08%) had little extent, 61 (34.27%) were moderate extent, 31 (17.42%) great extent 6 (3.37%) had Very great extent respectively. The statement mean 29.67(16.67%) against 14(7.87%), 68(38.20%) against 66(37.08%), 59.17(33.24%) against 61(34.27%), 17.33(9.74%) against 31(17.42%) and 3.83(2.15%) against 6(3.37%).

Statement Six: Customer satisfaction is high (above the industry average). Out of 178 who responded, 18 (10.11%) had no extent, 36 (20.22%) had little extent, 77 (43.26%) were moderate extent, 36 (20.22%) great extent 11 (6.18%) had Very great extent respectively. The statement mean 29.67(16.67%) against 18(10.11%), 68(38.20%) against 36(20.22%), 59.17(33.24%) against 77(43.26%), 17.33(9.74%) against 36(20.22%) and 3.83(2.15%) against 11(6.18%).

4.5 Test of Statistical Assumption Analysis of Likert –Type Data.

Given that the study used a questionnaire that was put on a Liker scale, there were two major diagnostic tests that were carried out; namely normality tests and multi-collinearity test. This tests were important to qualify the use of regression in the latter sections of this chapter. They were as discussed in the following sub-sections.

4.5.1 Normality Test

Based on these tests, it was important to carry out the Normality Test before analysis of the linear regression model. The coefficient alpha is an appropriate measure of variance attributable to subjects and variance attributable to the interaction between subjects and items (Keya & Rahmatullah, 2016). Factor analysis is an exploratory tool used to help the researcher make decisions on whether the independent variables under study explains the dependent variable (Field, 2005). Before then, the variables under study were assumed to be normally distributed. To establish whether the variables under study are normally distributed or not, the normality test compares the shape of the study sample distribution to the shape of a normal curve. The study used Kaiser-Meyer-Olkin (KMO) to measure sampling normalcy and adequacy. The results were as shown in table 4.10.

Table 4. 10 Normality and Adequacy Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.833
Bartlett's Test of Sphericity	Approx. Chi-Square	3237.681
	df	181
	Sig.	.000

The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy is an index used to examine the appropriateness of factor analysis. High values (between 0.5 and 1.0) indicate factor analysis is appropriate and thus indicate that data came from a normally distributed population. Values below 0.5 imply that factor analysis may not be appropriate and may not have come from a normally distributed data (Kaiser, 1974). The KMO and Bartlett's Test normally ranges between 0 and 1. Kaiser (1974) recommends 0.5 as minimum (barely accepted), values between 0.7 - 0.8 acceptable and values above 0.9 are superb. The results of the normality test were as shown in table 4.10. From the results, Kaiser-Meyer-Olkin Measure of Sampling Adequacy was 0.833 which was acceptable and significant since p=0.000, thus indicating the results of the sample size were adequate and that the data was normally distributed. From this analysis, the study therefore qualified to allow carrying out a regression model to establish the relationship between the independent and dependent variables of the study.

4.6 Hypotheses Testing

4.6.1 Test of relationship for the variable by regression analysis.

According to Alin (2010), regression exists when two independent variables in a statistical model are linearly related such that the coefficient regression R^2 is either greater than -1 or less than 1. The study carried out regression analysis between strategic leadership and organization performance of state-owned sugar manufacturing firms in Western Kenya

Table 4.12 Overall Multiple Regression of strategic leadership on Organization Performance

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics: R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.267[a]	.076	.063	5.39437	.076	4.356	4	206	.002	.346

a. Predictors: (Constant), SD, CC, OCB, OC

b. Dependent Variable: OP

Key: SD= Strategic direction setting, CC= Core Competencies, OC= Organization Culture building, OC= Organization controls, OP = Organization performance

The results in Table 4.12 show that combined strategic leadership account for 8% change in Organization performance given R square (r^2= 0.076, p=0.000). The multiple regression models were observed to be valid with an F change value of 4.356 (df 1, 206). Table 4.19 shows the individual effect of strategic leadership constructs on Organization performance.

Table 4.18 Beta Coefficients of strategic leadership on Organization performance.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.943	7.053		.408	.006
	SD	.288	.371	.346	.878	.005
	CC	.633	.215	.503	2.623	.006
	OCB	.058	.328	.399	1.246	.002
	OC	.332	.329	.315	.986	.007

a. Dependent Variable: OP

Key: SD= Strategic direction setting, CC= Core Competencies, OCB= Organization Culture building, OC= Organization controls, OP = Organization performance

From the results in Table 4.18, the unstandardized beta value for the multiple regressions was 2.943. The individual beta (R coefficients) for the strategic leadership were as follows, Strategic direction setting = 0. 346, at p=0.005, Core Competencies = 0. 503, at p=0.006, Organization Culture building = 0. 399, p=0.002, Organization controls = 0. 315, at p= 0.007.

The study set out the first null hypothesis;

HO1: There is no significant relationship between strategic direction setting and organization performance of state-owned sugar manufacturing firms in Western Kenya

The test criteria were to reject the null hypothesis if the value of beta is not equal to zero ($\beta_1 \neq 0$). From the results, the beta value for strategic direction setting from the regression model was 0.346 at $p< 0.05$. These results imply 34.6% of change in Organization performance is attributed to Strategic direction setting. Therefore the first hypothesis was rejected.

The study set out the second null hypothesis;

HO2: There is no significant relationship between core competencies exploitation and Organization performance of state-owned sugar manufacturing firms in Western Kenya.

The test criteria were to reject the null hypothesis if the value of beta is not equal to zero ($\beta_2 \neq 0$). From the results, the beta value for Core Competencies from the regression model was 0.503 at $p< 0.05$. These results imply 50.3% of change in Organization performance is explained by Core Competencies. Therefore the second hypothesis was rejected.

The study set out the third null hypothesis;

HO3: There is no significant relationship between organization culture building and organization Performance of state-owned sugar manufacturing firms in Western Kenya

The test criteria were to reject the null hypothesis if the value of beta is not equal to zero ($\beta_3 \neq 0$). From the results, the beta value for Organization Culture building from the regression model was 0.399 at $p< 0.05$. These results imply 39.9% of change in Organization performance is attributed to Organization Culture building. Therefore the third hypothesis was rejected.

The study set out the fourth null hypothesis;

HO4: There is no significant relationship between organization controls and organization Performance of state-owned sugar manufacturing firms in Western Kenya.

The test criteria were to reject the null hypothesis if the value of beta is not equal to zero ($\beta_4 \neq 0$). From the results, the beta value for Organization controls from the regression model was 0.315 at $p< 0.05$. These results imply 31.5% of change in Organization performance is explained by Organization controls. Therefore the fourth hypothesis was rejected.

The study set out the second null hypothesis;

The overall regression model of the effect of strategic leadership on f Organization performance;

$OP= 2.952+ 0.371X_1 + 0.503X_2+ 0.339X_3+ 0.315X_4+ e$

Where OP= Organization Performance

X_1= Strategic direction setting

X_2= Core Competencies

X_3= Organization Culture Building

X_4= Organization Controls

e= Error term

The Coefficients of regression for strategic leadership on Organization performance

	Organization Performance	Effect of Strategic Direction Setting	Effect of Core Competencies Exploitation	Effect of Organization Culture Building	Effect of Organization Controls
Organization Performance	1				
Effect of Strategic Direction Setting	0.3461	1			
Effect of Core Competencies Exploitation	0.5031	0.1822	1		
Effect of Organization Culture Building	0.3991	0.8502	0.2867	1	

Effect of Organization Controls	0.3153	0.2639	0.8200	0.1434	1

CHAPTER V

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS.

5.1Introduction.

This chapter presents the summary of findings of effect of strategic leadership on organization performance of state-owned sugar manufacturing firms in Western Kenya, conclusions and recommendations. The chapter is, thus, structured into summary of findings, conclusions, recommendations for policy and research.

5.2 Summary of findings.

The findings of this study show that state-owned sugar manufacturing firms had a relatively high CEO turnover (an average of 3 within a 10-year period). The CEOs outstanding leadership attributes included ability to initiate change and implement strategies. In addition, leadership actions that were profound within the state-owned sugar manufacturing firms included: organization direction setting, exploiting and maintaining core competencies, organization culture building and organization controls. The findings show that these leadership actions have a significant contribution to the performance of state-owned sugar manufacturing firms. The findings revealed that the state-owned sugar manufacturing firms aligned their core competencies with organizational objectives, encourage and putting pressure on employees to achieve organizational goals and also nurture a culture that fosters positive performance. It was however, observed that the state-owned sugar manufacturing firms were weak at attracting skilled labor. Reward system was rarely .aligned to the firms' goals and employee creativity and leaders' ability to manage new business strategies was rated low. The findings on performance show that the state-owned sugar manufacturing firms have not been able to surpass their set/planned sales targets. The state-owned sugar manufacturing firms' key performance indicators were customer retention, financial targets, reduction of employee turnover and returned defective goods. Additionally, the state-owned sugar firms' employees were committed to customer focus, quality checks, efficiency and effectiveness and discipline. The study established a high linear relationship between performance of state-owned sugar manufacturing firm and strategic leadership.

5.3 Conclusions.

The study established statistically significant correlation effect of strategic direction setting and organization performance of state-owned sugar manufacturing firms in Western Kenya. There is need for the management to carry out strategic direction setting since it influences organization performance of state-owned sugar manufacturing firms in Western Kenya. The management should also put in place a team to spearhead strategic direction setting within the organizations. Every head of section should practice strategic direction setting within their sections to enhance the overall organization performance of state-owned sugar manufacturing firms.

There exists statistically significant correlation effect between core competencies exploitation and Organization performance of state-owned sugar manufacturing firms in Western Kenya. There is need for the management to develop core competencies within the organizations since it influences organization performance of state-owned sugar manufacturing firms in Western Kenya. The management should also put in place a team that identifies and develops activities that the firms outdo the competition so as to ensure maximum exploitation of the firm's resources portfolio. Every head of section should impress upon staff under them to enhance their skills through training for better exploitation of their potential.

There exist a statistically significant correlation effect between organization culture building and organization Performance of state-owned sugar manufacturing firms in Western Kenya. Organization culture has a great impact on the performance of state-owned sugar manufacturing firms in Western Kenya. By developing the appropriate organization culture through shared values and ideologies, the performance of the organizations is enhanced. Organization culture can be enhanced through trainings on culture change and the responsible managers being change agents to impact on the entire staff in the organizations. A performance oriented culture can be can also be sustained by way of rewarding outstanding performers.

There exists a statistically significant correlation effect between organization controls and organization Performance of state-owned sugar manufacturing firms in Western Kenya. Controls help the organizations to plan and allocate the appropriate resources for achieving the intended goals and objectives. There is need for the management in sugar manufacturing firms together to achieve organization controls. On the overall, there was established a significant correlation effect between the four specific objectives of strategic leadership and performance of state-owned sugar manufacturing firms in Western Kenya. Based on these findings, it is evident that strategic leadership positively contributes to overall performance of organizations.

5.4 Recommendations.

The sugar industry in Kenya plays a major role in the social-economic development including food security, employment creation, rural development and a source of livelihood for over 8 million Kenyans. It is a source of income to over 400,000 smallholder farmers who supply over 90% of the sugar cane milled by the sugar manufacturing firms. In recognition of this significant role played by the sugar manufacturing sector: The following managerial recommendations are offered: The significant relationship between strategic leadership and performance suggests the need for boards of directors to encourage empirically sound leadership within state-owned sugar manufacturing firms. There is need for skill development in these areas for the state-owned sugar manufacturing firms in Western Kenya to make more significant contribution to the manufacturing sector development in Kenya as a whole. The good organization performance of the state-owned sugar manufacturing firms in Western Kenya is the result of a series of strategic leadership factors over time. It is recommended that strategic leadership should be viewed as part of an integrated process and be incorporated into a 'strategy loop' that creates opportunity to continuously append new information and translate the information into effective actions. Leadership in these organizations should be viewed as 'work in progress' that is subject to revision and change in the light of ongoing interactions between the organizations and their external environment. To survive in the highly competitive and turbulent business environment coupled with rapid technological changes, there is need for state-owned manufacturing firms in Western Kenya to enhance strategic leadership actions by aligning rewards and incentives to performance goals, innovation or creativity. The strong correlation between these two suggests that there would be increase in performance if they are enhanced. The study also recommended that boards of directors avoid high CEO turnover in order for state-owned sugar manufacturing firms in Western Kenya to allow for the minimum period of time required for implementation of strategic plans as proposed within the organizations.

5.5 Recommendations for further research.

The respondents who participated in this research are representative from a specific sector of the Kenyan economy. It is recommended that future research focus on strategic leadership and performance of firms in all major sectors of the economy. The impact of the external environment including cane poaching and external politics should be studied in detail to help organizations understand how to navigate through ever changing political players and reducing land sizes for cane development. Lastly, since the CEOs turnover was found to be high, it is recommended that further studies could be undertaken to determine the effect of leadership turnover on the achievement of organizations' strategic goals and targets.

REFERENCES

Ahmad, A.P., Kadzrina, B.A. and Yen, W.C., (2016). The Effect of Strategic Leadership, Organization Innovativeness, Information Technology Capability on Effective Strategy Implementation: A Study of Tertiary Institutions in Nigeria. Journal of Business and Management, 18, 9 (1): PP 109-115.

Ahmed, S. (2013). Effective not-for-profit management: Context, concepts and competencies. CRC Press Taylor & Francis: New York.

Awan, K.Z., Qureshi, I.E.W., & Arif, S. 2012. "The Efffective Leadership Style in NGO's: Impact of Servant Leadership Style on Employees' Work Performance and Mediation Effect of Work Motivation". International Journal of Economics and Management Sciences.

Babbie, E. (2001). The Practice of Social Research: 9th Edition. Belmont, CA: Wadsworth Thomson.

Babbie, E. (2013). The basics of social research. Cengage Learning: Canada USA.

Babbie, E. R. (2015). The practice of social research. Nelson Education.

Bateman, T. S., & Snell, S. A. (2009), Management: Leading and collaborating in competitive world.

Bernard, H.R. 2002. Research Methods in Anthropology: Qualitative and quantitative methods. 3rd edition. AltaMira Press, Walnut Creek, California.

Bhatia, R. C. (2009). Business organization and management, (3rd Ed.). Ane Books Pvt. Ltd.: New Delhi.

Blaxter, L., Hughes, C. & Tight, M. (2006). How to research. (3rd Ed.). New York: Open University Press.

Boal, K. B., & Hooijberg, R. (2001). Strategic leadership research: Moving on The Leadership Quarterly, 11(4), 515-549

Bossidy, L. & Charan, R. (2002), Execution: The Discipline of Getting Things Done. New York: Crown Business.

Breene, T., & Nunes, P. F. (2006), Going the distance: How the world's best companies achieve high performance. The Journal of High- performance business No. 3.

Bryman, A., & Bell, E. (2015). Business research methods. Oxford University Press, The USA.

Carter, S. M., & Greer, C. R., (2013). Strategic leadership: Values, Styles, an Organizational Performance, Journal of Leadership & Organizational Studies, 20(4), 375 – 393.

Chikwe, G. C, Anyanwu, P. C., & Edeja, S. M. E. (2016). Examination of Strategic Control a Continuous Improvement as Competition Enablers in Small and Micro Enterprises: A Study of Selected Pure Water Manufacturing Firms in Ebonyi State. Advanced Research Journal of Multidisciplinary Discoveries Business Management, 1(1).

Cohen, L. Manion, L. & Morrison, K. (2007). Research methods in education. (6th Ed.). London: Routledge Falmer.

Cohen, L., Manion, L., & Morrison, K. (2011). Research Methods in Education (7th Ed.). London: Routledge.

Colbert, A. E., Kristof-Brown, A. L., Bradley, B. H., & Barrick, M. R. (2008).CEO transformational leadership: The role of goal importance congruence in top management teams. Academy of Management Journal, 51, 81-96.

Creswell, J. (2002). Educational research: Planning, conducting, and evaluating quantitative and qualitative research. Upper Saddle River, NJ: Merrill Prentice Hall.

Creswell, J. W. (2014). Research design: Qualitative, quantitative, and mixed methods approaches, (4th Ed.). Los Angeles: Sage.

Creswell, J. W., & Plano-Clark, V. L., (2007). Designing and conducting mixed methods research. Thousand Oaks, CA: Sage.

Cronbach, L. J. (1951). "Coefficient alpha and the internal structure of tests". Psychometrika, 22(3), 297-334.

Daft R. L and Marcic D. (2011). Management: The New Workplace. (7th Edition). South-Western, Cengage learning

Daft, R. L. & Marcic, D. (2013). Management: The new workplace. South-Western; Cengage Learning: Australia.

Daft, R. L. (2011). The leadership experience. (5th Ed.). Cincinnati, Ohio: Cengage Learning South-Western.

de Luque, M. S., Washburn, N. T., Waldman, D. A., & House, R. J. (2008). Unrequited profit: How stakeholder and economic values relate to subordinates' perceptions of leadership and firm performance. *Administrative Science Quarterly, 53*(4), 626-654. http://dx.doi.org/10.2189/asqu.53.4.626

DeRue, D. S., Nahrgang, J. D., Wellman, N. E. D., & Humphrey, S. E. (2011). Trait and behavioral theories of leadership: An integration and meta-analytic test of their relative validit Personnel Psychology, 64(1), 7-52.

Dess, G. G., & Robinson, R. B. (1984). Measuring Organizational Performance in the Absence of Objective Measures: The Case of the Privately – held Firm and Conglomerate Business Unit. *Strategic Management Journal*, 5 (3), 265–279.

Drucker, P. F. (1997), The next 20 years, Executive Upside, The future that has already happened. Harvard Business Review, 75(6):22.

Elenkov, D. S., Judge, W., & Wright, P. (2005). Strategic leadership and executive innovation influence: An international multi cluster comparative study. Strategic Management Journal, 26, 665-682.

Fiedler, F. 1964. A contingency model of leadership effectiveness. In L. Berkowitz (Ed.), *Advances in Experimental Social Psychology*, Vol. 1: 149-190. New York, NY: Academic Press.

Fiedler, F. E. (1967). A theory of leadership effectiveness. New York: McGraw-Hill.

Fiedler, F. E., and Garcia, J. E. (1987), New Approaches to Leadership, Cognitive Resources And Organizational Performance. New York: John Wiley and Sons.

Field, A. (2005). Discovering statistics using SPSS. (2nd Ed.). London: Sage. Sandra C. Duhé. University of Lousiana, Lafayette.

Finkelstein, S., Hambrick, D.C. &Cannella, S.A. (2008), Strategic Leadership: Theory and Research on Executive. New York: Oxford University Press.

Finkelstein, S., Hambrick, D. C., & Cannella, A. A. (2009). Strategic leadership: Theory and research on executives, top management teams, and boards. Oxford University Press, USA.

Funda O.   , Cihan T. (2014). Effect of Strategic Leadership Styles on Firm Performance: A study in a Turkish SME. Yeditepe University, İstanbul.

Gerras, S. J., Clark, M., Allen, C., Keegan, T., Meinhart, R., Wong, L., & Reed, G. (2010) . Strategic leadership primer. Army War College Carlisle Barracks PA.

Gill, R. (2011). Theory and practice of leadership. London: Sage publications-Thousand Oaks.

Goffee, R. & Jones, G. (2006), Why Should Anyone be Led by You. Massachusetts: Harvard Business School.

Goll, I., Johnson, N. B., & Rasheed, A. A. (2007). Knowledge Capability, Strategic Change, and Firm Performance: The Moderating Role of the Environment, *Management Decision*, 45 (2), 161 – 179.

Gordon, J. ed. 2003. The Pfeiffer Book of Successful Leadership Development Tools. San Francisco: Pfeiffer.

Guillot, W. M. (2003), Strategic Leadership: defining the challenge. Air & Space, Power Journal- Winter.

Gupta, A. K., & Govindarajan, V. (2000), Knowledge management's social dimension: Lessons from Nucor Steel. MIT Sloan Management Review October 15.

Hambrick, D. C., & Mason, P. A. (1984). Upper echelons: The organization as a reflection of its top managers. Academy of management review, 9(2), 193-206.

Hambrick, D. C. (1989). Guest editor's introduction: Putting top managers back in the strategy picture. Strategic Management Journal, 10, 5-15.

Hambrick, D. C. (2007). Upper echelons theory: An update.Academy of Management Review, 32, 334-343.

Hersey P. & Blanchard K. (1974). So you want to know your leadership style? Training and Development Journal

Hersey P. and Blanchard K. H (1982). Management of organizational behavior: utilizing human resources. (4th Edition). Prentice-Hall.

Hickman, G. R. (1998). Leading organizations: Perspectives for a new era. Thousand Oaks, CA: Sage.

Hitt, M.A.,Ireland, R.D.& Hoskisson,R.E. (2007).Strategic Management: Competitiveness and Globalization (ed). Ohio: Thomson/South-Western.

Hitt M. A., Haynes K. T., and Serpa R. (2010). Strategic leadership for the 21stcentury. Business Horizons. vol. 53, issue 5, 437-444.

Hitt, M. A., R. Ireland, D., & Hoskisson, R. E. (2011). Strategic Management, Competitiveness and Globalization, South-Western Cengage Learning, Mason, USA.

Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2012). *Strategic management cases: competitiveness and globalization*. Cengage Learning.

House, R. J. (1971). A path-goal theory of leader effectiveness. Administrative Science Quarterly, 16(3), 321–339.

House, R. & Mitchell, T. 1974. Path goal theory of leadership. *Journal of Contemporary Business*, 3: 81-97.

Hsieh, T.Y. & Yik, S. (2005), Leadership as the Starting Point of Strategy. McKinsey Quarterly,1:67-76.

Hughes, R. L., & Beatty, K. M. (2005). Becoming a strategic leader: Your role in your organization's enduring success. San Francisco: Wiley & Sons. Institute of Economic Affairs © 2019. All Rights Reserved

Ireland, R. D. & Hitt, M. A., (2005). Achieving and maintaining strategic competitiveness in the 21stCentury: The role of strategic leadership. Academy of Management Executive, 19(4), 65-77

Ireland, D. & Hitt, M. (2005). Achieving and maintaining competitiveness in the 21st century: the role of strategic leadership, Academy of Management Executive, 19(4), 63-77.

Ireland, Hiskisson& Hitt (2009). The management of strategy.

Ireland, R. D., & Hitt, M. A. (1999). Achieving and maintaining strategic competitiveness in the 21st century: The role of strategic leadership.The Academy of Management Executive, 13(1), 43 57.

Jackson, S.L. (2009). Research Methods and Statistics: A Critical Thinking Approach 3rd edition. Belmont, CA: Wadsworth

Jansen, J. J. P., Vera, D. & Crossan, M. (2009). Strategic Leadership for Exploration and Exploitation: The Moderating Role of Environmental Dynamism, *The Leadership Quarterly*, 20 (1), 5–18.

Jooste, C.& Fourie, B. (2009). The role of strategic leadership ineffective strategy implementation: perceptions of South African strategic leaders. South Africa: South African Business Review, 13(3):51-68.

Kaplan, R. S., & Norton, D. P. (1992), The balanced scorecard- measures that drive performance. Harvard Business Review Jan- Feb: 70(1), 71-9.

Katee, E. N., (2013).Effect of strategic leadership on the performance of commercial and financial state corporations in Kenya. MBA thesis, UoN.

Kenya Sugar Board, 2014. The Kenya Sugar Strategic Plan 2009-2014.Nairobi: KSGB

Kenya Sugar Industry (2010). Strategic Plan, 2010–2014. Enhancing Industry Competitiveness. Kenya Sugar Board

Kenya Sugar Board, (2014 – 2017).Year Books of sugar statistics: Kenya Sugar Board, Nairobi.

Kinyanjui, L.(2015). The perceived role of strategic leadership on strategy implementation at Capital Markets Authority, Unpublished MBA Project, University of Nairobi.

Kirimi, B. A., & Minja, D. (2010). Transformational corporate leadership. Wake Forest, NC: IPI Publishers.

Kitonga, D. M. (2017). *Strategic Leadership Practices and Organizational Performance in Not-For-Profit Organizations in Nairobi County in Kenya.* (Unpublished Doctoral Thesis). Jomo Kenyatta University of Agriculture and Technology, Kenya

Kjelin, E. (2009), A Concept Analysis for Strategic Leadership. EBS Review No. 26, 37-57.

Kombo DK. (2006). Proposal and thesis writing: An introduction. Nairobi: Paulines Publications Africa.

Kombo, D. & Tromp, D., (2006), Proposal & Thesis Writing, Nairobi, Kenya Paulines Publication Africa.

Kothari, C. (2004), Research Methodology (2nd ed.). New Delhi: New Age International Publications.

Kothari, C. R. & Gaurav, G. (2014). Research Methodology-Methods and Techniques (3rd Ed.). New Delhi: New Age International Publishers Ltd.

Kothari, R.(2005). Research Methodology. New Delhi: K.K Gupta for New Age International.

Krejcie, R.V., & Morgan, D. W., (1970). Determining Sample Size for Research Activities. Educational and Psychological Measurement.

Lamb, K. (2009). Ten years of the strategic quarterly: contributions and challenges for the future. *Strategic Quarterly, 11 (4).*

Leedy, P. & Ormrod, J. (2001). Practical research: Planning and design (7th ed.). Upper Saddle River, NJ: Merrill Prentice Hall. Thousand Oaks: SAGE Publications

Leady, P. D., & Ormrod, J. E. (2005) Practical research: Planning and design. (8th Ed.). New Jersey: Pearson Education.

Leady, P. D., & Ormrod, J. E. (2005) Practical research: Planning and design. (8th Ed.). New Jersey: Pearson Education.

Lear, L. W. (2012). The relationship between strategic leadership and strategic alignment in high-performing companies in South Africa. (Doctoral thesis) University of South Africa, Pretoria.

Levine, K.J. 2008. “Trait Theory,” in Leadership: The Key Concepts, A. Marturano and J. Gosling, eds., Abingdon: Routledge, p.163-166.

Lewis, J.L. & S.R.J. Sheppard. 2006. Culture and communication: can landscape visualization improve forest management consultation with indigenous communities? *Landscape and Urban Planning.*

Lewis, P. Saunders, M and Thornhill, A. (2012). Research Methods for Business Students. Pearson Education Ltd., Harlow.

Lin, H., & McDonough III, E. F. (2011). Investigating the role of leadership and organizational culture in fostering innovation ambidexterity. *IEEE Transactions on Engineering Management*, *58*, 497-509.

Lord, R. G, Devlin, S. H, Caldwell, C. O, & Kass, D. (2016). Leadership in the National Football League: Do Leaders Make a Difference? In Leadership Lessons from Compelling Contexts. *Monographs in Leadership and Management,* 8, 29 – 66.

Lufthans, G.(2012). The perceived role of strategic leadership on competitiveness of banks in the US, University of Maryland; The James McGregor Burns Academy of leadership.

Maccoby M. (2001). Successful Leaders Employ Strategic Intelligence.

Machuki, V. N., & Aosa, E.(2011). The Influence of the External External Environment on the Performance of Publicly Quoted Companies in Kenya. *Prime Journal of Business Administration and Management*, 1 (7), 205 – 218

Mahmoud .K.A (2013). The Role Of Strategic Leadership In Building Sustainable Competitive Advantage In The Academic Environment. Graduate Business School, Tenaga, Malaysia. Published Thesis.

Maurborgne, R., & Kim W. Chin. (2015). Business strategy: Red ocean traps, Harvard Business Review.

Menz, M. (2012). Functional top management team members: A review, synthesis, and research agenda. Journal of Management, 38(1), 45-80.

Mithat K, Tuba B , Pınar G and Esra A.(2011). Strategic Leadership Styles and Organizational Financial Performance: A Qualitative Study on Private Hospitals.

Montgomery, C. A. (2008), Putting Leadership back into strategy. Harvard Business Review, 86(1), 54-60.

Mugenda M.O & Mugenda G. A. (2009), Research Methods Quantitative and Qualitative Approaches. Nairobi: ACTS Press.

Mugenda, A. G. (2011) Social science research: Theory and principles. Nairobi: ARTS Press.

Musango, T.W, Marangu, W.N, Obunga, C.A and Lilungu, D., (2015). Effect of Strategic Leadership on the Performance of Devolved Government System in Kakamega County, Kenya. European Journal of Business and Management, 7(13).

Mutia, P. M. (2015). Strategic leadership and its influence on church growth in Kenya. DBA Thesis, Nairobi: USIU-Africa.

Ndegwa C. W. (2013). Assessment of data quality and information use of the community health information system: A case study of Karurumo Community health unit- Embu County, Kenya. Unpublished Project.

Nel, C. & Beudeker, N., (2009), Revolution: How to create a high performance organization. Cape Town: The Village of Leaders Products.

Nel, C. (2008), High performing organizations. Unpublished document. Stellenbosch: University of Stellenbosch.

Neuman, W. L. (2006). Social research methods: qualitative and quantitative approaches. (6th Ed.). Boston: Pearson.

Nganga, U. M. (2013). Strategic leadership and performance of manufacturing firms in Kenya, MBA Thesis (Unpublished), Nairobi: University of Nairobi.

Northouse, P. G. (2007). *Leadership: theory and practice*. 4th ed. Thousand Oaks, CA: Sage Publications

Northouse, P. G. (2013). Leadership: Theory and practice (6th Ed.). Thousand Oaks, CA: Sage Publications, Inc.

Nthini, E. K. (2013). Effect of strategic leadership on the performance of commercial and financial state corporations in Kenya (MA Thesis), Nairobi: University of Nairobi.

Nthenya S.C. (2016). Competitive Strategies And Performance Of Sony Sugar Company Ltd, In Kenya.

Obiwuru, T. C., Okwu, A. T., Akpa, V. O. & Nwankwere, I. A., 2011. Effects of leadership style on organizational performance: A survey of selected small scale enterprises in Ikosi-Ketu council development area of Lagos State, Nigeria. Australian Journal of Business and Management Research.

Payne, G., & Payne, J. (2004). Key concepts in social research. London: SAGE Publications.

Pervin, L. A. (1994). Further Reflections on Current Trait Theory *Psychological Inquiry*, 5(2), 169-178.

Pickard, A. J. (2007). Research method in information. London: Facet Publishing.

Porter, M. E. (1985). Competitive Advantage: Creating and Sustaining. Superior Performance. New York, NY. The Free Press.

Post, J. E., Preston, L. E. & Sachs, S. (2002). Redefining the corporation: Stakeholder management and organizational wealth. Stanford, CA: Stanford University Press.

Qi, Y, (2010). The impact of budgeting process on performance in small and medium-sized-firms in China (Doctoral dissertation, University of Twente, China).

Razak A. MN (2010). Keynote address by the Honorary Prime Minister at Invest Malaysia

2010, Kuala Lumpur

Redding, G. (2002), The capitalistic business system of China and its rationale. Asia Pacific Journal of Management, 19, 221-249.

Richard et al. (2009), Measuring Organizational Performance: Towards Methodological Best Practice. Journal of Management, May 6.

Rowe, W. G. (2001), Creating Wealth in Organizations: The Role of Strategic Leadership. Academy of Management Executive, 15(1): 81-94

Saunders, M., Lewis, P., & Thornhill, A. (2009). Research Methods for Business Students (5th Ed.). Harlow: Financial Time Prentice Hall.

Sekaran, U. & Bougie, R. (2013) Research methods for business: A skill building approach (6th Ed.). USA: John Willey & Sons' publisher.

Sekaran, U. (2003). Research methods for business: a skill-building approach, 4th edition. Singapore: John Wiley and Sons, Inc.

Serfontein, J. J. (2010), The impact of strategic leadership on the operational strategy and performance of business organizations in South Africa. Dissertation, University of Stellenbosch, South Africa.

Sharma, R. (2007), Leadership Wisdom: The Eight Rituals of Visionary Leaders. New Delhi: Jaico Publishers.Shields, M. D.

Shields, M. D., Deng, F. J., & Kato, Y. (2000), The design and effects of control systems: Tests of direct – and indirect- effects models. Accounting, Organizations and Society, 25(2) 185-202.

Shoemaker, P. J. H., Krupp, S., & Howland, S. (2013). Strategic Leadership: The Essential Skills. *Harvard Business Review*, 91 (1 – 2), 131 – 134.

Strand, R. (2014). Strategic Leadership of Corporate Sustainability *Journal of Business Ethics*, 123 (4), 687–706.

Teddlie, C., & Tashakkori, A. (2009). Foundations of mixed methods research: Integrating quantitative and qualitative approaches in the social and behavioral sciences. Thousand Oaks, CA: Sage

Thompson, J. A., & Strickland, A. I. (2003). Strategic management- concepts and cases (13th ed.). Chicago, II: McGraw-Hill/ Irwin.

Thompson, B. 2004. *Exploratory and confirmatory factor analysis: Understanding concepts and applications*. Washington, DC: American Psychological Association.

Thompson, A. A., Strickland, A. J. & Gamble, J. E. (2007). Crafting and Executing Strategy- Concepts and Cases, (15th Edition), USA: McGrawHill.

van der Zee, A., & Swagerman, D. M. (2009). The upper echelon theory and ethical behaviour: an illustration of the theory and a plea for its extension towards ethical behaviour. Journal of Business Systems, Governance and Ethics, 4(2), 27 - 43.

Vera, D. &Crossan, M. 2004.Strategic leadership and organizational learning. Academy of Management Review, 29(2): 222–240.

Volberda H,W, Morgan R.E, Reinmoelle P., M. A, Ireland D, R,and Hoskisson R. E (2011). Strategic Management: Competitive & Globalisation: Concepts Only, 1st Edition. Cengage Learning.

Vroom, V. H. 1964. *Work and motivation*. New York, NY: Wiley.

Vroom, V. H. & Jago, A.G. (1988). *The new leadership: managing participation in organizations.* Englewood Cliffs, NJ: Prentice Hall

Wanyande P. (2001), Management Politics in Kenya's Sugar Industry: Towards an Effective Policy Framework.A. J. of Political Science 2001 6(1): 123-140): https://www.ajol.info.

Wendy, L.L., (2012). The relationship between strategic leadership and strategic alignment in high-performing companies in South Africa. Thesis, University of South Africa.

Welman, C., Kruger, F. & Mitchell, B. (2005). Research methodology. (3rd Ed.). Cape Town: Oxford University Press.

Williams, R. S. (2002), Managing Employees Performance, Design and Implementation in Organizations. Singapore, Senglee Press.

Witts, J. O., (2016). *The Role of Strategic Leadership in Banking Profitability*. (Unpublished Doctoral Thesis). College of Management and Technology.Walden University, South Africa.

Yukl, G. (2010), Leadership in organizations 7th Ed. Upper Saddle River, N.J, London, Pearson