

## **Influence of Incremental Strategy Implementation Style on Performance of Commercial State Corporations in Kenya**

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### **ABSTRACT**

**This research study sought to determine how the incremental strategy implementation style influenced the performance of commercial state corporations in Kenya. This research study employed the positivist research philosophy and a descriptive research design. The target population was 1813 staff working in middle-level management in commercial state corporations in Kenya. The multistage sampling method was applied to draw 327 respondents from the target population. Data was collected using semi-structured questionnaires. Using linear regression analysis through the SPSS statistical software, this research study established that the incremental strategy implementation style had a positive and significant influence on the performance of commercial state corporations in Kenya. Further, this research study found that high commitment, incremental improvement over time, and experimental nature positively and significantly influenced the financial performance of commercial state corporations in Kenya. In addition, this research study established that high commitment and incremental improvement over time positively and significantly influenced the customer satisfaction of commercial state corporations in Kenya, but its experimental nature had no statistically significant influence on customer satisfaction. This research study concludes that adoption of the incremental strategy implementation style enhances the performance of commercial state corporations in Kenya, and therefore recommends that in order to achieve enhanced performance, the management of commercial state corporations should ensure high stakeholder commitment, experimenting during the implementation of strategy, and incrementally improving strategy during implementation.**

**Key Words:** *Incremental Strategy, Implementation Style, Organizational Performance*

## I. INTRODUCTION

Scholars have identified strategy implementation style as among the factors that contribute to the performance of a firm. Krumwiede, Eaton, and Eggett (2008) posit that organizational performance is considered a broad concept and therefore its definition is dependent on the context of the users, including their needs and perspective. According to Njoroge (2015), the performance of an organization can be evaluated by looking at its operations and how they relate to its mission. This research study used the balanced scorecard framework to operationalize the performance of commercial state corporations in Kenya. The Constitution of Kenya 2010, under Article 232, defines the values and principles of public service which require the government to, among others, ensure the efficient, effective, and economic use of resources, as well as the effective provision of public services (Kenya Law, 2010). This research study, therefore, focused on two perspectives of the balanced scorecard: the financial perspective (efficient, effective as well as the economic use of resources), and customer satisfaction (effective provision of public services). Strategy implementation styles refer to how people behave, do things, and act in an organization. Different implementation styles are considered suitable for different purposes in an organization.

The Miles and Snow topology of strategies categorizes organizations based on their style of strategy implementation (Miles et al., 1978). Boyne and Walker (2010) on the other hand argue that organizations often use different styles during the implementation of a strategy, and are at times likely to pursue a mix. One of the styles used in the implementation of strategy is the incremental strategy implementation style. This research study employed the contingency theory as the guiding theory. The contingency theory postulates that the best approach in leading an organization is dependent (contingent) on the extrinsic and intrinsic circumstances of the organization in question (Govindarajan, 2017; Scott, 1981; Friedberg; 1997). A contingent leader effectively utilizes their own leadership style in an event or situation (Shonhadji & Maulidi, 2020). Contingent leaders are also considered flexible, and therefore choose and adapt specific strategy implementation styles in order to match a specific event, at a particular time (Morgan, 2007). The theory explains the use of the incremental strategy implementation style and how it influences the performance of commercial state corporations in Kenya.

The incremental strategy implementation style is aligned to the learning school of thought which was advanced by Mintzberg (1994), Quinn (1980), and Pettigrew and Whipp (1991) in order to address the strategy implementation gap. The learning school considers strategy formulation and implementation as conjoined and cyclic. The incremental strategy implementation style makes use of the fluctuating nature of change management and is more often portrayed by high employee commitment coupled with learning and experimentation to ensure steady and continuous improvement (Princy & Rebeka, 2019; Genc, 2017). This research study looked at the incremental strategy implementation style from three dimensions: high commitment, incremental improvement over time, and experimental nature. The implementation of strategies is an important foundation both in the performance of an organization and in service delivery. However, strategy implementation has, over the years, been considered one of the most problematic and complicated areas in strategic management. According to Krumwiede, Eaton, and Eggett (2008), while the formulation of a strategy may be considered hard, its implementation is even harder. Further, different studies highlight the high failure rate of strategy implementation (Mbaka & Mugambi, 2014; Katamei, Omwono & Wanza, 2015). In Kenya, public institutions, and more specifically state corporations, have formulated strategic plans that they are required to implement (Government of Kenya, 2013). However, while some of these institutions have implemented these strategic decisions either partially or fully, performance in the public sector remains low, and in most cases continues to decline (Government of Kenya, 2013; Public Service Commission, 2016;

Public Service Commission, 2017; Public Service Commission, 2018; Public Service Commission, 2019). Genc (2017) argues that the strategy implementation style adopted by an organization determines the success of strategy implementation, which in turn influences the performance of an organization.

While there are a number of studies that have been done on the incremental strategy implementation style and organizational performance, the findings vary. In a study by Andrews et al. (2011) on the influence of strategy implementation styles on the performance of service departments in Welsh local authorities, the scholars found that an incremental implementation style had no considerable influence on performance when applied distinctly. On the contrary, a study by Genc (2017) on the association between strategy implementation and performance in local government agencies in Turkey found that the incremental style of strategy implementation positively and significantly influenced the performance of organizations. Accordingly, due to the differences in the socio-economic and political environment, and the public sector policies and strategies used in Kenya, the findings of these studies may not be applied in the Kenyan context. Further, while these studies were conducted in Turkey and Wales, scholars posit that similar research based on other national and regional contexts would add knowledge and contribute to this key area of research, especially in a non-Western setting (Andrews et al., 2011; Genc, 2017). In Kenya, studies have mainly focused on strategy implementation and organizational performance, and not on the style adopted during the implementation of the strategy (Mailu, Ntale & Ngui, 2018; Kipkorir & Ronoh, 2017). To fill this literature gap, this research study sought to determine how the incremental strategy implementation style influences the performance of commercial state corporations in Kenya.

The incremental strategy implementation style focuses on the dynamic nature of change management, and the need to encourage and facilitate the review of organizational strategies on the fly by the people involved and responsible for implementing the strategies (Andrews, Beynon & Genc, 2017). Genc (2017) studied the association between strategy implementation and performance in local government agencies in Turkey and found that the incremental style of strategy implementation significantly influenced the performance of organizations. Taylor and Buumba (2020) studied the association between the incremental style of strategy implementation and the performance of local authorities in Copperbelt Province, Zambia. They established that the incremental style of strategy implementation positively influenced performance. According to Genc (2017), high commitment is an approach to managing people that entails developing and increasing the level of commitment amongst employees towards the organization. A high level of stakeholder commitment is associated with enhanced organizational performance. Using a descriptive research design, Kohtama et al. (2012) studied how personnel commitment influenced the performance of companies in Finland. The research study determined that participative strategic planning positively influenced employee commitment to implementing strategic decisions, which consequently enhances the organization's performance. Salum (2017) studied how high commitment by top management influences the execution of strategic plans in the public sector in select government agencies in Tanzania. The research study revealed that management commitment positively influences the execution of strategic plans in the public sector.

Organizations should always ensure incremental improvements and a workable process that should be constantly monitored for further improvements. All organizations need incremental improvement, at times known as 'rapid improvement', since it helps to simplify the flow of processes (Princy & Rebeka, 2019; Maletic, Maletic & Gomiseck, 2012). The continuous effort to enhance goods, services, and organizational processes enhance performance. Yoshioka-

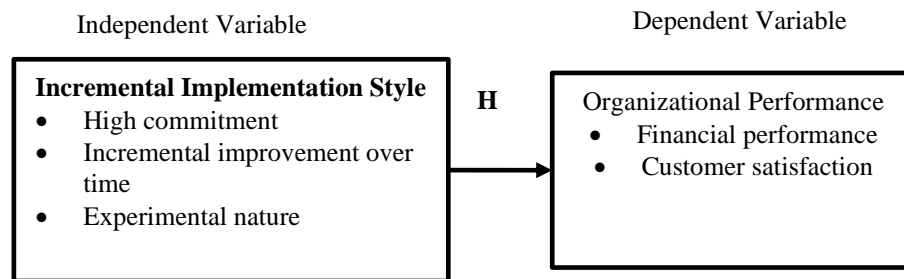
Kobayashi, Miyanoshta, and Kanama (2020) studied incremental product innovations among companies in the food-manufacturing industry in Japan and found that increased utilization of incremental innovation in product development and packaging led to an increase in organizational performance. Tarus, Boit, and Korir (2017) studied how incremental innovation influenced the competitive advantage of commercial banks and telecommunication companies in Eldoret and found that incremental innovation significantly and positively influenced competitive advantage.

Experimentation is the action or process of trying out or engaging in new activities, methods, ideas, or strategies. Experimentation during strategy implementation provides insight into cause-effect relationships by showing the outcome that is obtained when a particular variable is changed (Mohamud, Hussein & Mohamud, 2018). Experimenting with the effectiveness of organizational processes before full implementation improves performance. Princy and Rebeka (2019) examined the experimental nature of strategy implementation on organizational performance in India and established that the experimental nature of strategy implementation positively influenced the performance of organizations. In Somalia, Mohamud, Hussein, and Mohamud (2018) studied how experimental nature influenced organizational effectiveness among Waaya Arag and Beder electronic companies, and established that experimental nature significantly influences firm performance. The following null hypothesis was tested:

**H<sub>1</sub>:** An incremental strategy implementation style does not significantly influence the performance of commercial state corporations in Kenya.

Figure 1 shows the conceptual framework for this research study and the relationship between the independent and dependent variables. The independent variable in this study was the incremental strategy implementation style, and the dependent variable was the performance of commercial state corporations in Kenya.

**Figure 1:**  
*Conceptual Framework*



## II. METHODOLOGY

This research study employed the positivist research philosophy and a descriptive research design. This research design is very reliable in providing answers to questions of where, who, how, and when, that are related to the phenomenon under investigation (Viechtbauer, Smits & Kotz, 2015). The target population was 1813 employees in middle-level management (job groups N-Q) in 30 commercial state corporations in Kenya that participated in the 2019 Public Service Commission performance evaluation. The multistage sampling method (homogenous purposive sampling, stratified random sampling, and simple random sampling) was employed due to the

various groups in the population. Yamane (1967) sample size formula was employed to determine the size of the sample, which resulted in a sample size of 327. Secondary data was obtained from annual reports by various state corporations. This research study used semi-structured questionnaires to gather primary data. Qualitative data were analyzed using thematic analysis. The Statistical Package for Social Sciences (SPSS version 24) statistical software was employed to analyze quantitative data. Descriptive statistics included percentages, mean and standard deviation. Pearson correlation coefficient, Analysis of Variance (ANOVA), and linear regression analysis were the inferential statistics used.

### III. RESULT

This research study collected 321 of the 327 questionnaires administered, translating to a response rate of 98.17%. As part of the general information, the findings indicated that 43.3% of the participants in this study specified that they had served in their state corporation for 11 to 20 years while 27.4% indicated 5 to 10 years. In addition, most of the middle-level managers in commercial state corporations (61.7%) had a master's degree and 26.8% had an undergraduate degree. The results depict that 38.9% of the respondents supervised between 5 and 10 employees, 19.1% of the respondents supervised 10-15 employees, and 13.1% supervised less than 5 employees. The length of service, the level of education, and the supervision of employees may influence the ability to implement strategies among commercial state corporations in Kenya.

#### *A. Descriptive Statistics for Incremental Strategy Implementation Style and Organizational Performance*

The results of the descriptive statistics established that most of the respondents agreed that their organizations first experiment by implementing part of a strategy before implementing the rest of the strategy ( $M=3.975$ ,  $SD=0.651$ ). In addition, most of the respondents agreed that in their organizations, there is a loose distinction between the formulation of strategy and the implementation of the strategy ( $M=3.888$ ,  $SD=0.925$ ). Besides, most of the respondents agreed that in their organizations, management involves staff in decision-making ( $M=4.231$ ,  $SD=0.827$ ). Further, most of the respondents agreed that their organizations continually look out for new opportunities to exploit ( $M=4.128$ ,  $SD=0.810$ ). Most of the respondents also agreed that their organizations consider the efficiency of public services during the implementation of the strategy ( $M=4.100$ ,  $SD=0.772$ ). Besides, most of the respondents agreed that their organizations consider the effectiveness of public services during the implementation of strategy ( $M=4.013$ ,  $SD=0.880$ ).

In addition, most of the respondents agreed that their management ensures that responsibilities are decentralized during the implementation of the strategy ( $M=4.084$ ,  $SD=0.772$ ). Further, most of the respondents agreed that their management emphasizes creativity during the implementation of the strategy ( $M=4.237$ ,  $SD=0.680$ ). Besides, most of the respondents agreed that in their organizations, stakeholders believe in the goals of the organization ( $M=4.231$ ,  $SD=0.645$ ). Most of the respondents agreed that their organizations ensure employee independence during the implementation of the strategy ( $M=4.215$ ,  $SD=0.652$ ). Most of the respondents also agreed that their organizations ensure employee independence during the implementation of the strategy ( $M=4.215$ ,  $SD=0.652$ ). In addition, most of the respondents agreed that their organizations ensure that employees believe in organizational goals ( $M=4.224$ ,  $SD=0.637$ ). Further, most of the respondents agreed that their organizations ensure that there is a willingness to exert effort on behalf of the organization among employees ( $M=4.153$ ,  $SD=0.626$ ). Besides, most of the respondents agreed that their organizations ensure a strong desire to maintain membership in the

organization among employees ( $M=4.240, SD=0.614$ ). Most of the respondents agreed that in their organizations, employees are satisfied with their jobs ( $M=4.308, SD=0.625$ ).

Further, most of the respondents agreed that their organizations have monthly plans for implementing strategy ( $M=4.196, SD=0.639$ ). Most of the respondents also agreed that when implementing strategies, their organizations often refine the strategies as they go along ( $M=4.103, SD=0.622$ ). In addition, most of the respondents agreed that their organizations ensure frequent monitoring of the implementation of the strategy ( $M=4.305, SD=0.633$ ). Besides, most of the respondents agreed that their organizations have created a culture of looking for better ways of doing things ( $M=4.212, SD=0.646$ ). Further, most of the respondents agreed that their organizations have a structure that supports strategy implementation ( $M=4.299, SD=0.655$ ). Most of the respondents also agreed that their organizations have trained all teams on project management ( $M=4.221, SD=0.701$ ). Besides, most of the respondents agreed that their organizations ensure a never-ending transformation ( $M=4.312, SD=0.635$ ).

Most of the respondents agreed that their organizations implement strategies by piloting them first before implementing them in full ( $M=4.031, SD=0.774$ ). Besides, most of the respondents agreed that their organizations utilize lessons learned to improve the implementation of strategies ( $M=4.146, SD=0.725$ ). Most of the respondents also agreed that their organizations are always looking for new ways of implementing strategies ( $M=4.175, SD=0.662$ ). Further, most of the respondents agreed that in their organization, strategy implementation involves first trying to understand the future ( $M=4.097, SD=0.712$ ). In addition, most of the respondents agreed that their organizations first try the implementation of a strategy to understand possible weaknesses ( $M=4.065, SD=0.798$ ). Most of the respondents also agreed that their organizations first try the implementation of a strategy to understand resource requirements ( $M=4.000, SD=0.806$ ).

*Correlation Analysis:* The results, as summarized in Table 1, indicate that high commitment ( $r = 0.586, p\text{-value} = 0.000$ ), incremental improvement over time ( $r = 0.522, p\text{-value} = 0.000$ ) and experimental nature ( $r = 0.495, p\text{-value} = 0.000$ ) had a moderate positive association with financial performance of commercial state corporations in Kenya. Additionally, high commitment ( $r = 0.591, p\text{-value} = 0.000$ ), incremental improvement over time ( $r = 0.582, p\text{-value} = 0.000$ ) and experimental nature ( $r = 0.370, p\text{-value} = 0.000$ ) had a moderate positive association with customer satisfaction of commercial state corporations in Kenya.

**Table 1:**

*Correlation Coefficients for Incremental Strategy Implementation Style and Organizational Performance*

		1	2	3	4	5
1. High commitment	Pearson Correlation	1				
	P-value					
2. Incremental improvement over time	Pearson Correlation	.722**	1			
	P-value	.000				
3. Experimental nature	Pearson Correlation	.545**	.535**	1		
	P-value	.000	.000			
4. Financial Performance	Pearson Correlation	.586**	.522**	.495**	1	
	P-value	.000	.000	.000		
5. Customer satisfaction	Pearson Correlation	.591**	.582**	.370**	.756**	1
	P-value	.000	.000	.000	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

*B. Regression Analysis of the Incremental Strategy Implementation Style on Organizational Performance*

Before fitting the regression model, preliminary tests for assumptions of regression were conducted. The results of the tests showed that the assumption of linearity was not violated, that there was homoscedasticity in the variance of the errors of the regression model, that the regression residuals had a moderately normal distribution, and that the errors in the regression model did not have a serial correlation.

*C. Regression Analysis of the Incremental Strategy Implementation Style on Financial Performance*

**Model Summary:** The R-squared between the incremental strategy implementation style and the financial performance of commercial state corporations in Kenya was 0.397. This indicates that the incremental strategy implementation style can explain 39.7% of the financial performance of commercial state corporations in Kenya. This further implies that 60.3% of the financial performance of commercial state corporations in Kenya is accounted for by other factors not considered in the model, and the error term. **Analysis of Variance:** The F-calculated (69.503) was higher than the F-critical (3.871), and the p-value (0.000) was less than the significance threshold (0.05). This indicates that the model fits the data well. The null hypothesis was therefore rejected and thus the conclusion that the incremental strategy implementation style significantly influenced the financial performance of commercial state corporations in Kenya.

**Regression Coefficients:** This research study assessed the significance of the incremental strategy implementation style constructs in predicting the financial performance of commercial state corporations in Kenya. From the research study findings, the regression model is:

$$\text{Financial Performance} = 1.398 + 0.364 (\text{High commitment}) + 0.141 (\text{Incremental improvement over time}) + 0.222 (\text{Experimental nature}) + \epsilon$$

The findings, as depicted in Table 2, indicate that the beta coefficient ( $\beta = 0.364$ ) for high commitment was positive and significant at a 5% significance level ( $p = 0.000$ ). This means that a unit change in high commitment would cause an increase of 0.364 units in the financial performance of commercial state corporations in Kenya. Further, the beta coefficient ( $\beta = 0.141$ ) for incremental improvement over time was positive and significant at 5% significance level ( $p = 0.030$ ). This means that a unit change in incremental improvement over time would cause an increase of 0.141 units in the financial performance of commercial state corporations in Kenya. Additionally, the beta coefficient ( $\beta = 0.222$ ) for experimental nature was positive and significant at 5% significance level ( $p = 0.000$ ). This means that a unit change in experimental nature would cause a change of 0.222 units in the financial performance of commercial state corporations.

**Table 2:**

*Regression Coefficients for Incremental Strategy Implementation Style and Financial Performance*

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	1.398	.202		6.924	.000
High commitment	.382	.069	.364	5.551	.000
Incremental improvement over time	.132	.061	.141	2.175	.030
Experimental nature	.173	.042	.222	4.132	.000

- a. Predictors: (Constant), High commitment, Incremental improvement over time, Experimental nature
- b. Dependent Variable: Financial performance

*D. Regression Analysis of the Incremental Strategy Implementation Style on Customer Satisfaction*

**Model Summary:** The R-squared between the incremental strategy implementation style and customer satisfaction in commercial state corporations in Kenya was 0.399. This indicated that the incremental strategy implementation style can explain 39.9% of customer satisfaction in commercial state corporations in Kenya. This further implied that 60.1% of customer satisfaction in commercial state corporations in Kenya is accounted for by other factors not considered in the model, and the error term.

**Analysis of Variance:** The F-calculated (70.219) was higher than the F-critical (3.871), and the p-value (0.000) was less than the significance threshold (0.05). This indicates that the model fits the data well. The null hypothesis was therefore rejected and thus the conclusion that the incremental strategy implementation style significantly influenced customer satisfaction in commercial state corporations in Kenya.

**Regression Coefficients:** The researcher examined the significance of the incremental strategy implementation style constructs in predicting customer satisfaction in commercial state corporations in Kenya. From the results summarized in Table 3, the regression model is:

$$\text{Customer Satisfaction} = 1.650 + 0.356 (\text{High commitment}) + 0.323 (\text{Incremental improvement over time}) + \varepsilon$$

The findings, as depicted in Table 3, indicated that the beta coefficient ( $\beta = 0.356$ ) for high commitment was positive and significant at 5% significance level ( $p = 0.000$ ). This means that a unit change in high commitment would lead to an increase of 0.356 units in customer satisfaction in commercial state corporations in Kenya. Moreover, the coefficient ( $\beta = 0.323$ ) for incremental improvement over time was positive and significant at 5% significance level ( $p = 0.000$ ). This means that a unit change in incremental improvement over time would lead to an increase of 0.323 units in customer satisfaction in commercial state corporations in Kenya.

**Table 3:**

*Regression Coefficients for Incremental strategy implementation style and Customer Satisfaction*

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.650	.186		8.870	.000
	High commitment	.345	.063	.356	5.442	.000
	Incremental improvement over time	.279	.056	.323	4.983	.000
	Experimental nature	.002	.038	.003	.063	.950

- a. Predictors: (Constant), High commitment, Incremental improvement over time, Experimental nature
- b. Dependent Variable: Customer satisfaction



### *E. Qualitative Results for the Incremental Strategy Implementation Style*

Regarding the commitment of stakeholders during strategy implementation, the respondents indicated that stakeholders in most of the commercial state corporations were committed to strategy implementation and that they were involved through annual general meetings and sensitization meetings. Concerning whether strategies were piloted first before full implementation, the respondents indicated that piloting was conducted, and it helped in understanding the strategy and enabling learning among stakeholders. The respondents indicated that conducting a pilot test before implementing the strategy enables the implementation team to identify possible challenges. Regarding the partial implementation of strategy in their organizations, the respondents indicated that their organizations implemented strategies depending on urgency and sensitivity.

This research study developed a model for predicting the influence of the incremental strategy implementation style on the performance of commercial state corporations in Kenya. This research study also established that the incremental strategy implementation style positively and significantly influenced the performance of commercial state corporations in Kenya. These findings concur with Buumba (2020) and Genc (2017) who established that an incremental strategy implementation style has a positive effect on organizational performance. The present research study established that the incremental strategy implementation style significantly influenced the financial performance of commercial state corporations in Kenya. This research study also found that the incremental strategy implementation style significantly influenced the customer satisfaction of commercial state corporations in Kenya. These findings are similar to the observation by Guohui and Eppler (2008) that the incremental strategy implementation style significantly influenced organizational performance.

The research findings further support the contingency theory which argues that the best approach to solving an organizational problem is dependent (contingent) on the extrinsic and intrinsic circumstances of the organization in question (Govindarajan, 2017). These research study results are also aligned with the learning school of thought which considers the formulation and implementation of strategies in an organization as conjoined and cyclic (Baroto, Arvand & Ahmad, 2014). Previous research studies on the incremental strategy implementation style were conducted in other countries such as Turkey, Wales, and Zambia. The present study filled the contextual gap by examining how the incremental strategy implementation style influenced the performance of commercial state corporations in Kenya. Organizations that adopt an incremental strategy implementation style need to ensure the commitment of all stakeholders and promote a culture of experimentation and learning during the implementation of the strategy. The findings of this research study imply that for commercial state corporations to improve their performance, the organization needs to first experiment by implementing part of a strategy before implementing the rest of the strategy. Further, the findings of this research study imply that an organization needs to continually look out for new opportunities to exploit while ensuring that management involves staff in decision-making.

This research study established that high commitment positively and significantly influenced the financial performance of commercial state corporations in Kenya. In addition, the present study revealed that high commitment positively and significantly influenced customer satisfaction in commercial state corporations in Kenya. These research findings agree with the observation by Kohtama et al. (2012) that participative strategic planning positively influenced employee commitment toward implementing strategic decisions, which consequently enhances the organization's performance. The findings of this research study also concur with Salum (2017)

who established that management commitment positively influences the execution of strategic plans in the public sector.

This research study found that incremental improvement over time positively and significantly influenced the financial performance of commercial state corporations in Kenya. In addition, the findings of the present study indicated that incremental improvement over time positively and significantly influenced customer satisfaction in commercial state corporations in Kenya. The research findings agree with the observation by Yoshioka-Kobayashi, Miyanoshita, and Kanama (2020) that increased utilization of incremental innovation increased organizational performance. The results of the present research study also agree with the findings by Tarus, Boit, and Korir (2017) that incremental innovation significantly and positively influenced competitive advantage. This research study revealed that experimental nature positively and significantly influenced the financial performance of commercial state corporations in Kenya. These research findings agree with the argument by Andrews, Beynon, and Genc (2017) and Princy and Rebeka (2019) that the experimental nature of strategy implementation positively influenced the performance of organizations. However, its experimental nature had no statistically significant influence on customer satisfaction in commercial state corporations in Kenya. The findings contradict the observations by Genc (2017) and Mohamud, Hussein, and Mohamud (2018) that experimental nature positively influenced organizational performance.

#### IV. CONCLUSION

This research study concluded that adopting the incremental strategy implementation style enhances the financial performance of commercial state corporations. This research study also established that high commitment during strategy implementation positively and significantly influenced the financial performance of commercial state corporations in Kenya. In addition, the present study established that incremental improvement over time positively and significantly influenced the financial performance of commercial state corporations in Kenya. Further, this research study established that adopting an experimental nature during the implementation of strategy positively and significantly influenced the financial performance of commercial state corporations in Kenya. The present study also concludes that adopting the incremental strategy implementation style enhances customer satisfaction in commercial state corporations. The results of this study indicated that high commitment positively and significantly influenced customer satisfaction in commercial state corporations in Kenya. This research study also established that incremental improvement over time positively and significantly influenced customer satisfaction in commercial state corporations in Kenya. However, the present study also presented a contradictory finding which indicated that adopting an experimenting culture during the implementation of strategy does not lead to enhanced customer satisfaction in commercial state corporations in Kenya.

The findings of the present research support the contingency theory which argues that the best approach to solving an organizational problem is dependent (contingent) on the extrinsic and intrinsic circumstances of the organization in question. The findings are also aligned with the learning school of thought which considers the formulation and implementation of strategy as conjoined and cyclic. In practice, the adoption of the incremental strategy implementation style would lead to an improvement in both financial performance and customer satisfaction.

## V. RECOMMENDATIONS

The incremental strategy implementation style enhances financial performance. This research study, therefore, recommends that in order to enhance financial performance, the top management of commercial state corporations should continually explore its operating environment for new opportunities to exploit. The top management should also ensure that the other levels of management are involved in decision-making in order to improve organizational learning and the fine-tuning of strategies, thus leading to an improvement in revenue generation. Further, the present study recommends that in order to ensure that stakeholders are committed, the top management in commercial state corporations should ensure that all stakeholders are involved in both the formulation and implementation of the strategy. This research study recommends that middle-level management in commercial state corporations should develop monthly operational plans and develop a mechanism for monitoring progress in the implementation of strategic goals. This study also recommends that top management should ensure that all levels of management are trained on project management. This will enhance their understanding of the project design and implementation process, and thus ensure that the cost of strategic projects is within budget.

In order to identify and address possible weaknesses in strategy, the top and middle-level management should adopt a mechanism of first implementing part of a strategy, after which lessons learned are incorporated into the strategy before it is implemented in full. This will help in reducing the cost of strategy implementation as weaknesses can be identified and rectified before implementing the strategy in full. Adopting the incremental strategy implementation style enhances the level of customer satisfaction. This research study, therefore, recommends that in order to increase the level of customer satisfaction, the top management should continually explore its operating environment for new opportunities to exploit. Seeking new opportunities leads to new products and services and thus enhanced consumer satisfaction. The top management should also ensure that the other levels of management are involved in decision-making. Involving all levels of management in decision-making increases their commitment to both strategy implementation and to the organization, thus ensuring the effective provision of services to customers.

Further, the present research study recommends that in order to ensure that stakeholders are committed, the top management in commercial state corporations should ensure that all stakeholders are involved in both the formulation and implementation of the strategy. Top management should also grant employees some level of independence when performing their duties which should lead to staff getting a sense of trust and ownership of the organization. In order to enhance organizational processes and services, this research study recommends that middle-level management in commercial state corporations should develop monthly operational plans and develop a mechanism for monitoring progress in the implementation of strategic goals. The present study also recommends that top management should ensure that all levels of management are trained on project management. This will enhance their understanding of the project design and implementation process, and thus ensure that the resultant products and services meet consumer needs and expectations. This research study was conducted among commercial state corporations in Kenya and hence its findings may not be generalizable among other state corporations in Kenya. The present study, therefore, recommends that the context of future research could consider other state corporations or an aggregation of all state corporations in Kenya.

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