

# The Moderating Role of Stakeholder Involvement in the Relationship between Strategic Planning and Service Delivery

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## Abstract

In keeping with the New Public Management dispensation, state corporations in Kenya have taken up strategic planning with a view to effect reforms for improved service delivery. New Public Management particularly advances a customer-centric approach to public administration for improved service delivery, with the public, who are the recipients of public service, as key stakeholders in public administration. Despite this, service delivery in the Agribusiness sub-sector in the country is riddled with inadequacies highlighted by among other complaints, unpaid produce supplies, dwindling finances, slumped agricultural extension services and low produce prices. Against this backdrop, the study set out to establish the effect of strategic planning on service delivery and assess how stakeholder involvement influences the relationship between strategic planning and service delivery among agribusiness state corporations in Kenya. Grounded on the New Public Management and Stakeholder theories, the study adopted the positivism paradigm and the descriptive cross-sectional research design. Targeting 73 state corporations pertinent to agribusiness in the country, primary data was collected by use of a structured questionnaire with institutional heads as the units of observation. Both descriptive and inferential statistics were then employed in data analysis. It was established that strategic planning has a significant positive influence on service delivery. Stakeholder involvement was however found to not have a significant moderating effect on the relationship between strategic planning and service delivery. This was attributed to the technocratic approach in the formulation of the strategic plans among state corporations and the numerically limited nature of most stakeholders in state corporations represented in the boards of directors. Following a significant direct effect of stakeholder involvement on service delivery among Agribusiness state corporations in the country, state corporations are implored to involve stakeholders in strategic planning and observe meaningful participation, communication and dispute resolution in the engagement.

**Key Words:** Strategic Planning, Stakeholder Involvement, Service Delivery, New Public Management, Agribusiness

## 1.0 Introduction

As a management tool, strategic planning has over time earned sustained currency in the public services domain as a deliberate effort to yield prudent decisions and resulting actions that afford public sector organizations not only an improvement in service delivery, but also assurance that institutional units are operating towards a common purpose and objectives. The concept of strategic planning has been incorporated by virtually all sectors of economies, as an integral avenue towards enhancing organizational performance (Garrison, Wakefieldm & Kim, 2015). Shared motivation and point of consensus through stakeholder involvement at strategy planning helps form internal alignment and unity of purpose towards effective strategic implementation which results in adequate service delivery (Mikalef & Pateli, 2017).

Small and medium scale farmers in the country continuously face a myriad of challenges including among others, unpredictable weather patterns, post-harvest losses, inaccessible markets among others (Mashombo, 2014; Deloitte, 2017). In keeping with the New Public Management (NPM) dispensation, state corporations in Kenya have taken up strategic planning with a view to effect reforms for improved service delivery and address such challenges as the foregoing. These include among others, the National Agribusiness Strategy (2012), the National Youth Agribusiness Strategy covering the years 2017 to 2021, the Climate Smart Agriculture Strategy covering the years 2017 to 2026 and the Agricultural Transformation and Growth Strategy covering the years 2019 to 2029 (GoK, 2012, 2017, 2019). Notwithstanding, and highlighted by complaints from various players, the sector is yet to realize its full potential. The study was thus motivated to establish how institutions charged with discharging essential services to farmers leverage strategic plans to realize effective service delivery thereof, and how this is influenced by stakeholder involvement (Kenya National Bureau of Statistics, 2016).

Effective service delivery presupposes that the government guarantees, provides and promotes a citizen-oriented administration; and makes good administration a policy objective deliberately put into practice through various legislative and regulatory mechanisms (Samal & Pradhan, 2015). The concept of service delivery has been previously operationalized (Lufonyo, 2018; Garrison et al; 2015) through the International Development Research Centre (IDRC) framework which measures service delivery along four dimensions including effectiveness, efficiency, relevance and financial viability. Against the backdrop of NPM advancing a customer-centric approach to service delivery, the present study used the IDRC framework as it is deemed to factor in Kenya's public's anticipation of services which is the most adequate way to measure public value in the public sector, which is service delivery. This is particularly of pertinence in the context of strategic planning for improved service delivery in the public sector.

The purpose of strategic planning in institutions within the public sector is in the content and not the planning process, which is to guarantee the capability of a public organization to deliver value to the public, which is paramount in differentiating nonprofit, private and public sector organizations (Trigeorgis & Reuer, 2017). The present study adopted the operationalization of strategic planning by Hofer (1979) and Bryson et al, 2016, as involving an institution's vision/mission, objectives/goals, internal analysis, external analysis and action plan.

The whole strategy development process gets more manageable when an organization breaks down its environment into identifiable individual or group stakeholders (Graham, 2015). In the context of service delivery among state corporations in general and with reference to the functions of agribusiness state corporations, the main stakeholders include the ministries and state corporations whose core mandates impact agricultural production and its enablers, farmers as well as businesses and organizations involve in the agribusiness value chain. In the study, stakeholder involvement was operationalized in line with Dess et al. (2012) and (Floyd & Wooldridge, 2017), as including stakeholder planning and analysis which concerns among others, the determination of the likely rapport among stakeholders themselves; and dissemination and disclosure of information which entails the provision of adequate, accessible and timely information concerning a project with a view to provide informed, effective and meaningful participation in the design and execution of a project.

An interrelationship among the foregoing concepts of strategic planning, organizational capabilities and stakeholder involvement, is however yet to be explored in empirical literature, hence the conceptual gap motivating the present study. Previous studies have particularly explored the concept with regard to the formality of strategic plans among public sector institutions (Ugboro, Obeng & Ora, 2011), factors that affect the execution of public sector strategic plans (O'Toole & Kenneth, 2015) and strategic planning criteria in the public sector (Lufonyo, 2018). Further, extant studies have assessed the concept of service delivery differently, largely with case study context-specific measures (Korir, Rotich & Bengat, 2015). Whereas some of the studies have assessed its direct linkage with the concepts of strategic planning, stakeholder involvement (Kajoba, 2016) and organizational capabilities (Leonard, Scholl & Beauvais, 2015), limited studies have examined both the direct and indirect associations in one conceptual model, hence the present study. The present study therefore set out to establish the effect of strategic planning on

service delivery among agribusiness state corporations; and assess how stakeholder involvement influences the relationship between strategic planning and service delivery among agribusiness state corporations.

## 2.0 Materials

A number of models and theories anchor the relationship between strategic planning, stakeholder involvement and service delivery of agribusiness state corporations in Kenya. Of relevance with regard to the present study include NPM and stakeholder theory. Proposed by Hood (1991), NPM forms the main anchoring theory in the present study. Hood (1991) defines NPM as a sequence of procedures and organization themes pertaining to public sector reforms with a view to improve its efficiency and competitiveness in service delivery and resource use. NPM is a method of administering public sector institutions which is employed in public service and government agencies and institutions at both national and sub-national levels (Hood, 1991). NPM emerged as a replacement to the traditional public management model in the mid-1980s and 1990s as a reaction to the insufficiencies of the traditional model of public administration (Batley & Larbi, 2004).

In the present study context, NPM underpins how Agribusiness State Corporations develop their strategic plans with a view to leverage their stakeholder involvement to realize efficiency, effectiveness, relevance, responsiveness and customer satisfaction. The study particularly determined whether as with the private sector, NPM reforms have been successful in refocusing service delivery towards customer service, cognizant of the centrality of the public who are the customers to government institutions and the recipients of the services.

The new public management theory anticipates as one of its principles, a public service that is both citizen-centric and that contractualizes the relations between the public institutions and the appointing authorities with satisfaction of both the public and the appointing principles as their performance yardstick (Verhoest, 2003). Accordingly, the stakeholder theory is concerned with organizational-stakeholder dynamics and posits that participation, involvement and cooperation of the different actors in public administration is a crucial mechanism for realizing territorial development (Charreaux 1997).

Against this backdrop, the theory underpinned the stakeholder involvement variable in the study. The theory was instrumental in demonstrating how agribusiness state corporations in Kenya involve stakeholders and how the same influences the relationship between strategic planning and service delivery among agribusiness state corporations; as well as how stakeholder involvement in combination with strategic planning and organizational capabilities jointly influence service delivery.

The concept of strategic planning has been explored in pertinent global, regional and local contexts in relation to service delivery. In the United States, Poister (2017) studied the link between performance and strategic planning among national and federal public agencies. The study employed a desktop review design and found that both national and federal public agencies ought to connect their respective continuing performance management systems and strategic management more thoroughly in a reciprocating association. The study was however linearly conceptualized with no indirect confounding factors studied, warranting the present study.

In Abu Dhabi, Al Sudain and Arunprasad (2017) assessed in a descriptive survey how public sector organizations in Abu Dhabi perform in relation to strategic planning practices. The study found that public sector institutions are progressively taking strategic planning practices in expectation that the same will result in improved service delivery. The study was however general to the public sector as a whole and not specific to a particular sub-sector of the public service which presents a contextual gap. The study was also conducted in Abu Dhabi which is a developed economy hence socio-economically different from the Kenyan context.

In Canada, Elbanna, Andrews and Pollanen (2016) found a significant and positive influence of formal strategic planning on service delivery in Canadian public service institutions. Similar results were also reported by Jimenez (2013) who found in a study of US city governments that strategic planning was linked

to perceptions of enhancing the city governments' fiscal performance during the great recession. Similarly, Poister, Edwards, Pasha and Edwards (2013) who found a positive influence of formal strategic planning on cost-effectiveness or operating efficiency measures in an analysis of public transport organizations in the USA. The studies were however general to the public sector as a whole and not specific to state corporations or a particular sub-sector of the public service which presents a contextual gap. The studies were also conducted in developed economies hence socio-economically different from the Kenyan context.

In Uganda, Kakooza, Tusiime, Odoch and Bagire (2015) assessed how the delivery of health services in public institutions is affected by the application of strategic management with a focus on management style, communication, process and structure and found a positive effect of each strategic management practice on service delivery. In Tanzania, Lufonyo (2018) studied how service delivery is influenced by public sector reforms and management. It was found that reforms and strategic management practices significantly and positively influence service delivery. Both studies however explored the broader concept of strategic management which fails to give focus to such narrower practices as strategic planning.

In Kenya, Korir, Bengat and Rotich (2015) explored how performance management influences public service delivery and established a positive and significant relationship. The study was however also linearly conceptualized with a focus on the direct effects overlooking the indirect linkages, further warranting the present study. Additionally, the research was contextualized to NHIF which is a single institution, results of which may not be reflective of a whole sector which the present study focuses on. Against this backdrop, the study hypothesized that strategic planning does not have a significant effect on service delivery of state corporations in the agribusiness sub-sector ( $H_{01}$ ).

In a comparative evaluation of six collaborative processes, Edelenbos and Klijn (2016) assessed stakeholder engagement in decision making among public sector organizations. The study found that during strategic planning, in order to assure representation of all structures at the grassroots level, an institution ought to consult stakeholders. Whereas the study assessed the association between strategic planning and stakeholder involvement, there was no express linkage to the concept of service delivery. In Belgium, Floyd and Wooldridge (2017) assessed the middle management standpoint on the strategic planning process. Findings indicate that that in every organization, middle management involvement had a notable influence on the strategic planning process. The study was however carried out in Belgium, an industrialized economy socio-economically different from Kenya. There was further no express linkage to the concept of service delivery, hence the present study which seeks to bridge this gap by assessing the direct linkage between strategic planning and service delivery.

Johnsen (2017) analyzed the influences of stakeholder involvement, strategic types, formal strategic planning and their interactions on service delivery among Norwegian municipalities. Employing administrative performance data, the analysis revealed minimal significant positive influence of the interaction among stakeholder involvement, strategy content and strategic planning on service delivery. Similarly, Mulgan (2009) found in their study that stakeholder involvement from parties that are affected including businesses and citizens may enhance the decision-making quality; that involving top management and politicians may enhance commitment to the strategy; and that involving employees and middle management may decrease resistance towards change. The studies were however general to the public sector as a whole and not specific to state corporations or a particular sub-sector of the public service which presents a contextual gap. The studies were also conducted in developed economies hence socio-economically different from the Kenyan context.

In Malawi, Chizimba (2016) studied the sustainability of donor funded projects and found that stakeholders had the power to either block or support the process of strategic planning. The study also concludes that when developing strategic plans with a view to move from single towards triple bottom line reporting, stakeholders ought to be deliberated upon, considering economic, social and environmental concerns. The study however failed to demonstrate how the interaction between stakeholder involvement and strategic planning influences service delivery in public sector organizations. Against this backdrop, the study

hypothesized that stakeholder involvement does not significantly moderate the effect of strategic planning on service delivery of agribusiness state corporations in Kenya (H<sub>02</sub>).

### 3.0 Methods

The study targeted the 73 Agribusiness state corporations in Kenya (Inspectorate of State Corporations, 2020). Agribusiness state corporations were taken to refer to all parastatals whose core functions have a direct bearing on agricultural production and its enablers including among others, producers, factors of production, crop and animal husbandry, marketing, sales, import, export, productivity, research and competition. The unit of analysis in the study included the 73 agribusiness state corporations in Kenya all of which are headquartered in Nairobi city county. The study was a census survey of all the 73 institutional heads from state corporations in the agribusiness sub-sector in Kenya. The researcher adopted both the ‘drop and pick later’ technique whereby the institutional heads were given the questionnaires and allowed time to respond considering their busy schedules with administration at the topmost level. Follow-up phone calls were made to avoid non-response. Email surveys were also carried out in instances where institutions resorted to minimize physical paperwork as a precautionary practice occasioned by the Coronavirus Disease (COVID-19). At data analysis, both a simple linear regression and a hierarchical regression analysis were conducted to test the null hypotheses. The following regression models were adopted:

$$Y = \alpha + \beta_1 SP + \varepsilon \dots\dots\dots I$$

$$Y_1 = \alpha + \beta_1 SP + \varepsilon$$

$$Y_2 = \alpha + \beta_1 SP + \beta_2 SI + \varepsilon$$

$$Y_3 = \alpha + \beta_1 SP + \beta_2 SI + \beta_3 SP \cdot SI + \varepsilon \dots\dots\dots II$$

Where:  $\alpha$  is the intercept; Y is service delivery;  $\beta_1$  and  $\beta_2$  are beta coefficients; SP is strategic planning; SI is stakeholder involvement;  $\varepsilon$  is the error term

### 4.0 Results

The study advanced the null hypotheses that stakeholder involvement does not significantly moderate the relationship between strategic planning and service delivery (H<sub>01</sub>); and that stakeholder involvement does not significantly moderate the effect of strategic planning on service delivery of agribusiness state corporations in Kenya (H<sub>02</sub>). To test the hypotheses, the study performed both a simple linear regression and a hierarchical regression analysis in line with Cooper and Schindler (2014). The coefficients of variation, p-values, regression coefficients, the F-statistic and the significance of the interaction term were used to interpret the hypothesis test results.

#### 4.1 Strategic Planning and Service Delivery

The study stated the first hypothesis as: Strategic planning does not have a significant effect on service delivery of state corporations in the agribusiness sub-sector (H<sub>01</sub>). To test Hypothesis H<sub>01</sub>, a simple linear regression analysis was performed, which produced the model summary, Analysis of Variance (ANOVA) and regression coefficients. It was on the basis of the statistical significance of the regression coefficients that the hypothesis test results were interpreted.

**Table 1: Model Summary for the Relationship Between Strategic Planning and Service Delivery**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.779 <sup>a</sup>	.607	.600	10.76460	2.142
a. Predictors: (Constant), Strategic Planning					
b. Dependent Variable: Service Delivery					

The results in Table 1 show a correlation value (R) of .779 which depicts that there is a strong, linear dependence between the variables, strategic planning and service delivery. An R Square value of .607 was

further established indicating that strategic planning explains 60.7% of the variations in service delivery, while the remaining 39.3% is accounted for by other factors not included in the present regression model. ANOVA test results were further produced as depicted in Table 2.

**Table 2: ANOVA Results for Relationship Between Strategic Planning and Service Delivery**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10380.004	1	10380.004	89.578	.000 <sup>b</sup>
	Residual	6720.846	58	115.877		
	Total	17100.850	59			
a. Dependent Variable: Service Delivery						
b. Predictors: (Constant), Strategic Planning						

The ANOVA test results in Table 2 was performed at 95% confidence level to show the model goodness of fit were. Relative to the total sum of squares (17100.850), the regression sum of squares is 10380.004 implying that the regression model explains about 60.7% of the variability in the data set while the residual sum of squares is 6720.846 implying that 39.3% of the variability in the dataset is left unexplained. The results further demonstrate that the model predicting the relationship between strategic Planning and service delivery was significant (F = 89.578, p-value < 0.05).

**Table 3: Regression Coefficients for the Relationship Between Strategic Planning and Service Delivery**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.177	11.314		.634	.528
	Strategic Planning	1.011	.107	.779	9.465	.000

a. Dependent Variable: Service Delivery

The results in Table 3 reveal that strategic planning had a significant positive influence on service delivery ( $\beta = .779$ ,  $t = 9.465$ ,  $p < 0.05$ ). Therefore, the results imply that strategic planning has a significant influence on service delivery, violating the null hypothesis ( $H_{01}$ ) that strategic planning does not have a significant effect on service delivery of state corporations in the agribusiness sub-sector. The null hypothesis was therefore rejected. Table 4 presents a summary of the test results for hypothesis 1.

**Table 4: Summary Test Results for Hypothesis 1**

Hypothesis	Beta	R	R <sup>2</sup>	Sig.	Conclusion
$H_{01}$ : Strategic planning does not have a significant effect on service delivery of state corporations in the agribusiness sub-sector	.779	.779	.607	P = .000 <.05	Reject $H_{01}$

The summary results in Table 4 reveal that strategic planning has a statistically significant effect on service delivery as indicated by a statistically significant standard beta value of .779 ( $P < 0.05$ ), explaining 60.7% of the variance in service delivery. The standardized beta coefficient of .779 implies that for every 1% change in strategic planning, there was a corresponding 77.9% change in service delivery. The regression analysis can thus be rewritten as follows:

$$SD = 7.177 + .779SP$$

It can be implied from the findings that for desirable and improved service delivery among Agribusiness State Corporations in the country, strategic planning is a critical success factor. This owes to strategic planning affording an institution consistency of actions and focusing all units within the institution towards a common purpose and objectives in line with the mission and vision charted out, which leads to

improvements in service delivery. Beyond inspiring a unity of purpose in the institution, strategic planning further provides a road map through which the organizational goals and objectives can be realized by detailing actionable steps towards the same.

Particularly in the agribusiness sector and the constant advancements in technology and innovation, strategic plans allow the Agribusiness state corporations to foresee their future through both internal and external environmental analyses, and to prepare accordingly. As such, through environmental scanning, state corporations are able to anticipate certain unfavorable situations pertinent to their service delivery before they occur and take essential measures to avoid them. Agribusiness state corporations can therefore be proactive as opposed to merely reactive to situations as they arise, with a strong strategic plan. This allows the institutions to be abreast with the ever-dynamic trends in the environment and adapt their service delivery accordingly.

The findings are consistent with Andrews, Boyne, Law and Walker (2012), in whose extensive study on the effect of strategic management on the service delivery of public service organizations in Welsh multi-purpose local authorities found no significant influence of rational planning on in itself on service delivery but establish a significant effect of strategy on service delivery. The study particularly found that other strategic management elements including strategy formulation and content made a performance difference, but were subject to certain positive combination (interaction) influences between the strategy elements as well as environmental contingencies.

The findings also agree with Elbanna et al. (2016) who found a significant and positive influence of formal strategic planning on service delivery in Canadian public service institutions. Similar results were also reported by Jimenez (2013) who found in a study of US city governments that strategic planning was linked to perceptions of enhancing the city governments’ fiscal performance during the great recession. The findings are also in agreement with Poister et al. (2013) who found a positive influence of formal strategic planning on cost-effectiveness or operating efficiency measures in an analysis of public transport organizations in the USA.

The findings however contrast Walker and Andrews (2015) who found in a desktop review of performance and management in sub-national governments, that rational planning and related techniques including performance management, targets, and benchmarking are likely to lead to improvements in performance but that the influence of strategy content, that is how institutions broadly adapt to their contexts, is only minimal. The discrepancy can be attributed to contextual differences between the study which was conducted in the USA, and the present study context.

#### 4.2 Strategic Planning, Stakeholder Involvement and Service delivery

The study stated the second hypothesis as: stakeholder involvement does not significantly moderate the effect of strategic planning on service delivery of agribusiness state corporations in Kenya ( $H_{02}$ ). The moderating effect was determined by testing the significance of the interaction term between the predictor variable (strategic planning) and the moderator (Stakeholder Involvement) and how it influences the dependent variable in the model. A hierarchical regression analysis was performed to this end. The model summary is depicted in Table 5.

Table 5: Model Summary for Test of Moderating Influence of Stakeholder Involvement on the Relationship Between Strategic Planning and Service Delivery

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df 1	df 2	Sig. F Change	
1	.779 <sub>a</sub>	.607	.600	10.76460	.607	89.578	1	58	.000	

2	.798 <sub>b</sub>	.637	.625	10.42998	.030	4.781	1	57	.033	
3	.811 <sub>c</sub>	.657	.639	10.23508	.020	3.191	1	56	.079	2.481
a. Predictors: (Constant), Strategic Planning										
b. Predictors: (Constant), Strategic Planning, Stakeholder Involvement										
c. Predictors: (Constant), Strategic Planning, Stakeholder Involvement, Interaction										
d. Dependent Variable: Service Delivery										

Table 5 shows that strategic planning explained 60.7% ( $R^2 = 0.607$ ) of the variation in service delivery (Model 1). Model 2 suggests that strategic planning and stakeholder involvement jointly explained 64.7% ( $R^2 = .637$ ) of the variation in service delivery. In Model 2, results show that stakeholder involvement had a significant contribution in explaining variation in service delivery (change in  $R^2 = .030$ , F change = 4.781). A change in F statistic (3.191) was also observed in model 3 when the interaction term was introduced. A comparison of results in model 3 and 2 further confirms a moderating influence of stakeholder involvement on the relationship between strategic planning and service delivery based on the R2 change (.020) and the F change 3.191 (<.05). The ANOVA test results are as presented in Table 6.

**Table 6: ANOVA Results for the Moderating Influence of Stakeholder Involvement on the Relationship Between Strategic planning and Service delivery**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10380.004	1	10380.004	89.578	.000 <sup>b</sup>
	Residual	6720.846	58	115.877		
	Total	17100.850	59			
2	Regression	10900.138	2	5450.069	50.100	.000 <sup>c</sup>
	Residual	6200.712	57	108.784		
	Total	17100.850	59			
3	Regression	11234.466	3	3744.822	35.748	.000 <sup>d</sup>
	Residual	5866.384	56	104.757		
	Total	17100.850	59			
a. Dependent Variable: Service Delivery						
b. Predictors: (Constant), Strategic Planning						
c. Predictors: (Constant), Strategic Planning, Stakeholder Involvement						
d. Predictors: (Constant), Strategic Planning, Stakeholder Involvement, Interaction						

Results in Table 6 show that Model 1 depicting the relationship between strategic planning and service delivery was significant (F = 89.578, p-value < 0.05). Model 2 depicting the combined influence of strategic planning and stakeholder involvement on service delivery was also significant, positive and robust (F = 50.100, p-value < 0.05). Model 3 that controls for the interaction term was also significant (F = 35.748, p-value < 0.05). Results for the regression coefficients which form the basis for interpretation of the hypothesis are presented on Table 7.

**Table 7: Regression Coefficients for the Moderating Influence of Stakeholder Involvement on the Relationship Between Strategic planning and Service delivery**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.177	11.314		.634	.528



	Strategic Planning	1.011	.107	.779	9.465	.000
2	(Constant)	7.026	10.963		.641	.524
	Strategic Planning	.658	.192	.507	3.423	.001
	Stakeholder Involvement	.461	.211	.324	2.187	.033
3	(Constant)	12.628	11.206		1.127	.265
	Strategic Planning	.575	.194	.443	2.964	.004
	Stakeholder Involvement	.519	.209	.364	2.477	.016
	Interaction	-1.960	1.097	-.145	-1.786	.079
a. Dependent Variable: Service Delivery						

The results in Table 7 demonstrate that stakeholder involvement has a significant influence on service delivery ( $\beta = .779$ , p-value < 0.05). Model 2 reveals that strategic planning has a reduced influence on service delivery albeit significant ( $\beta = .507$ , p-value < 0.05) with the introduction of stakeholder involvement, which is also significant ( $\beta = .324$ , p-value < 0.05). In Model 3, strategic planning has a further reduced influence on service delivery albeit still significant ( $\beta = .443$ , p-value < 0.05), while stakeholder involvement has a stronger influence which was also significant ( $\beta = .364$ , p-value < 0.05). The model however further reveals that the interaction term did not have a significant influence in the model ( $\beta = -.145$ , p-value > 0.05), implying that stakeholder involvement does not have a significant influence on the relationship between strategic planning and service delivery significant.

The results therefore support  $H_{02}$ , stating that stakeholder involvement does not significantly moderate the effect of strategic planning on service delivery of agribusiness state corporations in Kenya ( $H_{02}$ ). Table 8 presents a summary of the test results for null hypothesis 3.

**Table 8: Summary Test Results for Null Hypothesis 3**

Hypothesis	Beta	F Change	R <sup>2</sup> Change	Sig.	Conclusion
$H_{03}$ : Stakeholder involvement does not significantly moderate the effect of strategic planning on service delivery of agribusiness state corporations in Kenya ( $H_{03}$ ).	-1.960	3.191	.020	P = .079 < .05	Accept $H_{03}$

The summary results in Table 8 reveal that stakeholder involvement does not significantly moderate the effect of strategic planning on service delivery of agribusiness state corporations in Kenya as indicated by a non-statistically significant standard beta coefficient of the interaction term at -.145 ( $P > 0.05$ ). The regression analysis can thus be rewritten as follows:

$$SD = 7.177 + .779SP$$

$$CA_2 = 7.026 + .507SP + .324SI$$

$$CA_4 = 12.628 + .443SP + .364SI + -.145 SP*SI$$

The finding is of the implication that among Agribusiness state corporations in Kenya, stakeholder involvement neither enhances nor curtails the extent to which strategic planning can be implemented towards improvements in service delivery. This can be attributed to both technocratic nature of the strategic planning and the internal, numerically limited nature of most stakeholders in state corporations represented in the boards of directors. This makes the decision-making process at strategic planning precise and devoid of the otherwise drawn-out stakeholder consultations that would have an effect on strategic planning.

The findings are consistent with Johnsen (2017) who analyzed the influences of stakeholder involvement, strategic types, formal strategic planning and their interactions on service delivery among Norwegian municipalities. Employing administrative performance data, the analysis revealed minimal significant

positive influence of the interaction among stakeholder involvement, strategy content and strategic planning on service delivery. The findings are further in agreement with Mulgan (2009) who found in their study that stakeholder involvement from parties that are affected including businesses and citizens may enhance the decision-making quality; that involving top management and politicians may enhance commitment to the strategy; and that involving employees and middle management may decrease resistance towards change.

Th findings are further in line with Finkelstein and Hambrick (2016) whose study demonstrated that in public organizations operating in competitive, rapidly changing and complex environments, the responsibilities of crafting a strategic plan and setting organizational direction are shared with and decentralized to lower-level management, particularly those with the responsibility of strategic plan implementation. The study found that such lower-level manager involvement increases their satisfaction with and commitment to the strategic plan formulation process owing to among other reasons, its facilitation of an institution-wide understanding of the processes and procedures of strategic planning.

The findings further agree with Gica and Balint (2018) who found that even when top-level executives in public institutions retain overall responsibility and authority for strategic planning, the responsibility to make unit-level strategic choices ought to be delegated to unit or lower-level managers. According to the study, the participation of middle-level managers in strategic planning is aimed at realizing enhanced service delivery through improvement of the level of consensus on planning and the strategy as well as improving the quality of strategic decisions towards desirable service delivery.

## **5.0 Conclusion**

It is concluded based on the study findings that the conceptual model underpinning the study is substantiated as per the resource dependence theory, new public management theory as well as the dynamic capability theory. The study particularly concludes that strategic planning has a significant effect on service delivery. As such, Agribusiness state corporations in the country seeking to improve their service delivery ought to consider strengthening their strategic planning. Through an adequately formulated strategic plan and adherence to its implementation, Agribusiness state corporations stand to benefit from consistency of actions and unity of purpose towards a common purpose and objectives in line with the stated mission and vision, which eventually results in service delivery improvement. Strategic planning further provides a road map through which the organizational goals and objectives can be realized by detailing the actionable steps and organizational activities towards the same.

The study further concludes that stakeholder involvement does not have a significant moderating effect on the relationship between strategic planning and service delivery. This implies that among Agribusiness state corporations in Kenya, the extent to which strategic plan implementation can result in improved delivery of services is independent of stakeholder involvement. In state corporations, strategic plans are formulated by technocrats and escalated to the boards of directors for deliberations and approvals. The same then proceed to implementation towards service delivery. As such, the process between strategic planning and service delivery is precise and devoid of the otherwise extensive stakeholder consultations that would have a notable effect on the process.

It is recommended based on the findings, that policy makers in the country standardize strategic planning by state corporations to include the identified components in the study, which include internal environmental analysis, external environmental analysis, mission/vision statement, organizational objectives and goals and action plan. This will ensure that strategic planning activities within the state corporations are standardized along the components for predictable and measurable outcomes with creation of public value and improvement of service delivery as the common goal across all state corporations.

The study further recommends that in order to remove any possible bottlenecks in the strategic planning and implementation processes among state corporations in the country, a policy be formulated removing long bureaucratic processes in the same. Instead, the policy should prescribe a concise technocratic process from strategy formulation to implementation. This will ensure that the strategic plans are formulated and put to practice in a cost-effective, efficient and timely manner.

Based on the significant direct effect of stakeholder involvement on service delivery among Agribusiness state corporations in the country, it is recommended that state corporations involve stakeholders in the strategic planning and observe meaningful participation, communication and dispute resolution in the engagement. This is of particular importance in agribusiness as among the crucial stakeholders are the state corporations' service recipients who include farmers who ought to be involved in various forums and programs for their input to be considered on pertinent issues affecting food production, pricing, markets and marketing, regulations, among others.

## **6.0 Implications of the Study**

### *6.1 Implications to Policy*

It was uncovered in the study, that strategic planning has a significant effect on service delivery among Agribusiness state corporations in Kenya. It is recommended in light of this finding, that policy makers in the country set a minimum budgetary allocation for state corporations directed towards strategic planning. This will ensure that state corporations in the country give strategic planning and implementation utmost priority for improved delivery of services. This will by extension result in efficiency of operations and prioritization of public value by state corporations.

It is also recommended that policy makers in the country standardize strategic planning by state corporations to include the identified components in the study, which include internal environmental analysis, external environmental analysis, mission/vision statement, organizational objectives and goals and action plan. This will ensure that strategic planning activities within the state corporations are standardized along the components for predictable and measurable outcomes with creation of public value and improvement of service delivery as the common goal across all state corporations.

The study further recommends that in order to reduce any possible bottlenecks in the strategic planning and implementation processes among state corporations in the country, a policy be formulated removing long bureaucratic processes in the same. Instead, the policy should prescribe a concise technocratic process from strategy formulation to implementation. This will ensure that the strategic plans are formulated and put to practice in a cost-effective, efficient and timely manner.

### *6.2 Implications to Practice*

The study further recommends that administrations across state corporations in the country should offer administrative support to the departments and staff tasked with the formulation of strategic plans. The administrations ought to therefore offer adequate financial and technological resources as well as interorganizational collaborative support which will facilitate the planning process through the implementation of the strategic plans. The administrations should also avail technological infrastructure within the state corporations that will provide the institutions valuable assistance in implementing new practices and procedures for improved service delivery.

The study further established that stakeholder involvement has a significant direct effect on service delivery among Agribusiness state corporations in the country. In this regard, it is recommended that state corporations involve stakeholders in the strategic planning and observe meaningful participation, communication and dispute resolution in the engagement. This is of particular importance in agribusiness as among the crucial stakeholders are the state corporations' service recipients who include farmers who ought to be involved in various forums and programs for their input to be considered on pertinent issues affecting food production, pricing, markets and marketing, regulations, among others.

### *6.3 Implications to Theory*

The study has affirmed the applicability and contributions of the various theories that lend support to the hypothesized connections. Through its findings, the study particularly offers support to the main anchoring theory in the present study that is the new public management theory postulated by Hood (1991). In line with the theory, it has been established in the study that with a view to improve its efficiency and

competitiveness in service delivery, Agribusiness state corporations in the country have adopted strategic planning as part of a sequence of procedures and organization themes pertaining to public sector reforms.

The study has particularly demonstrated that consistent with NPM, Agribusiness state corporations develop their strategic plans with a view to leverage their organizational capabilities to realize improved service delivery, as indicated by efficiency, effectiveness, relevance and financial viability. The study has also determined that as with the private sector, NPM reforms have been successful in refocusing service delivery among Agribusiness state corporations towards customer service.

The study further validates the stakeholder theory advanced by (Charreaux 1997). In concurrence with the theory, the study findings have shown that participation, involvement and cooperation of the different stakeholders in public administration is directly crucial to the realization of improved service delivery. Findings have also indicated that in combination with strategic planning and organizational capabilities, stakeholder involvement is vital component influencing service delivery among agribusiness state corporations in the country.

## 7.0 Acknowledgement

I thank the Almighty God for His grace throughout my academic pursuits. In the course of writing this project, I benefited from input, critique and support from my supervisors. I owe the success of the research project to Prof. Martin Ogutu, Prof. Zachary Awino and Dr. Winnie Njeru, who worked tirelessly but with a lot of patience to provide guidance. I would also like to express passionate gratitude to the University of Nairobi for providing a conducive learning atmosphere. I am grateful to my lecturers and to my colleagues for the enriching and intellectual interactions in the process of discussions on various components, challenges, and new approaches on Strategic Management. Special gratitude also goes to my family for giving me tremendous support while undertaking this thesis and the PHD in general. May God bless them abundantly. I also wish to thank all the study for taking time to give their valuable responses and making this study possible. May God bless you all!

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