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Organizational Resilience and Performance of Commercial State Corporations in Kenya

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ABSTRACT

Purpose: This study sought to examine the influence of organizational resilience on performance of commercial state corporations in Kenya. The study also sought to determine the influence of strategic leadership, risk management, innovation management and resource management on performance of commercial state corporations in Kenya.

Methodology: The study adopted an explanatory research design. The target population was 381 heads of human resource, administration, finance, internal audit, information and communication technology, supply chain and logistics, customer service, sales and marketing, business development, research and development, commercial services, corporate communication, legal services and strategy and compliance departments in 33 commercial state corporations in Kenya. The study made use of purposive sampling to select heads of human resource; finance audit; information and commination technology; supply chain, customer service and sales and marketing departments. The study made use of primary data, which was collected by use of semi-structured questionnaires. Qualitative data from open ended questions was analyzed using thematic content analysis. Quantitative data was analyzed using both descriptive as well as inferential statistics with the help of a statistical software known as Statistical Package for Social Sciences (SPSS version 26).

Findings: The study found that strategic leadership positively and significantly influences the performance of commercial state corporations in Kenya. The study also found that risk management positively and significantly influences the performance of commercial state corporations in Kenya. In addition, the study established that innovation management positively and significantly influences the performance of commercial state corporations in Kenya. Further, the study found that resource management positively and significantly influences the performance of commercial state corporations in Kenya.

Unique Contribution to Theory, Practice and Policy: The study recommends that leaders should continue to build on the organization's practice of regularly reviewing and updating its strategic direction, ensuring they remain agile and proactive in response to external factors. The study also recommends that organization should continuously enhance cross-functional involvement to ensure all potential risks are identified from diverse perspectives.

Keywords: *Organizational Resilience, Strategic Leadership, Risk Management, Innovation Management, Resource Management, Performance*

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Introduction

Organizational resilience is crucial determinant of the performance of commercial state corporations in Kenya, which are critical pillars in national economic development (Mutiria, Ngugi & Senaji, 2022). Organizational resilience is defined as an organization’s capacity to anticipate, adapt to, and recover from disruptions while maintaining core functions (Hillmann & Guenther, 2021). Key resilience dimensions identified included strategic leadership, risk management, innovation management, and resource management (Werner & Pereira, 2021; Mui, Basit & Hassan, 2019). Globally, organizational resilience has become a strategic imperative. For instance, in Iran, leadership, innovation, and staff engagement improved firm performance (Mahdieh, Nazila & Farzad, 2021). Similarly, firms in Indonesia and Brazil showed improved operational continuity and adaptability due to innovation culture and business continuity planning (Suryaningtyas et al., 2019; Beuren et al., 2022). In the Caribbean, SMEs in Puerto Rico and the Dominican Republic enhanced agility and growth through resilience (Lopez et al., 2024). In Africa, resilience has shown transformative impact. In Ghana, firms used solar energy and automation to manage infrastructure challenges (Akpan et al., 2022; Asare-Kyire et al., 2023). Nigerian banks implemented robust risk frameworks and technological systems to manage volatility (Oparanma & Ulunma, 2019). Ugandan humanitarian organizations adapted through technology, partnerships, and innovation to maintain service delivery amidst complex environments (Muhwezi & Munene, 2020).

Locally, Kenyan studies showed that resilience is vital across sectors. In the logistics industry, flexibility, human capital, and core competencies enhanced competitiveness (Ongola, 2022). Community-based enterprises used diversification and partnerships to navigate socio-economic challenges (Harrison & Kipkorir, 2022). During the COVID-19 pandemic, SMEs in Uasin Gishu adopted digitalization, diversified income streams, and implemented safety protocols (Kipkogei, 2022). Commercial State Corporations (CSCs) in Kenya play a key role in delivering essential services and supporting industrial and social development (Mutiria et al., 2022). Despite this, CSCs face persistent challenges such as inefficiency, financial mismanagement, political interference, and poor governance (Echongu & Njagi, 2022). Between 2019 and 2021, the performance of CSCs deteriorated, with the average performance index falling from 68% to 61.6% and operational losses increasing annually (Public Service Commission, 2022; Nyansimora & Deya, 2022).

Several studies have explored organizational resilience in Kenya but largely focused on private firms, leaving a research gap concerning CSCs. For example, Ongola (2022) studied FedEx Express, Mairura and Muturi (2021) focused on manufacturing firms, and Gichuhi et al. (2022) assessed resilience in telecommunications. These studies used varying conceptualizations and methodological approaches, indicating a lack of consensus and limited generalizability to CSCs. Given these gaps, the study aimed to assess how strategic leadership, risk management, innovation management, and resource management influence the performance of Kenya’s commercial state corporations.

Literature Review

Theoretical Framework

Dynamic Capabilities Theory (DCT) was developed by David J. Teece, along with Gary Pisano and Amy Shuen, in 1997. DCT proposes that a firm's ability to adapt and innovate in response to changing environments is the key to its competitive advantage and long-term success (Kapoor & Aggarwal, 2020). DCT suggests that dynamic capabilities are a source of sustainable competitive advantage because they allow firms to continually renew and reconfigure their resource base to meet evolving challenges and opportunities (Laaksonen & Peltoniemi, 2019). Dynamic Capabilities Theory provides a valuable framework for understanding how strategic leadership influences the performance of commercial state corporations in Kenya. According to this theory, organizations need to continuously adapt and innovate in response to changing environments to gain competitive advantage and achieve superior performance (Salvato & Vassolo, 2018).

The contingency theory of leadership was proposed by the Austrian psychologist Fred Edward Fiedler in his landmark 1964 article (Araral, 2020). This theory emphasizes the importance of matching the leadership style to the specific demands of the situation in order to achieve optimal performance and effectiveness (Safari & Saleh, 2020). In this study, Contingency Theory provided insights into how risk management influences the performance of commercial state corporations in Kenya by emphasizing the importance of aligning risk management practices with the specific context and circumstances of the organization.

The Innovation Diffusion Theory was developed by sociologist Everett Rogers in 1962, as outlined in his seminal work "Diffusion of Innovations." This theory seeks to explain how, why, and at what rate new ideas and technologies spread through societies (Yuen & Wang, 2021). According to this theory, the rate of adoption is influenced by various factors, including the characteristics of the innovation itself, the communication channels through which information about the innovation spreads, the social system in which the innovation is introduced, and the individual adopter's characteristics (Al-Rahmi, Yahaya & Kamin, 2021). Thus, Innovation Diffusion Theory (IDT) offers valuable insights into how innovation management influences the performance of commercial state corporations in Kenya.

The Resource-Based theory was developed primarily by scholars within the field of strategic management, notably by Birger Wernerfelt in his 1984 article "A Resource-Based View of the Firm" and further expanded upon by Jay Barney in the 1990s (Davis & DeWitt, 2021). This theory posits that a firm's sustained competitive advantage stems from its unique bundle of internal resources and capabilities rather than external factors such as market conditions or industry structure (Greve, 2021). In this study, the Resource-Based View (RBV) theory offered insights into how resource management influences the performance of commercial state corporations in Kenya.

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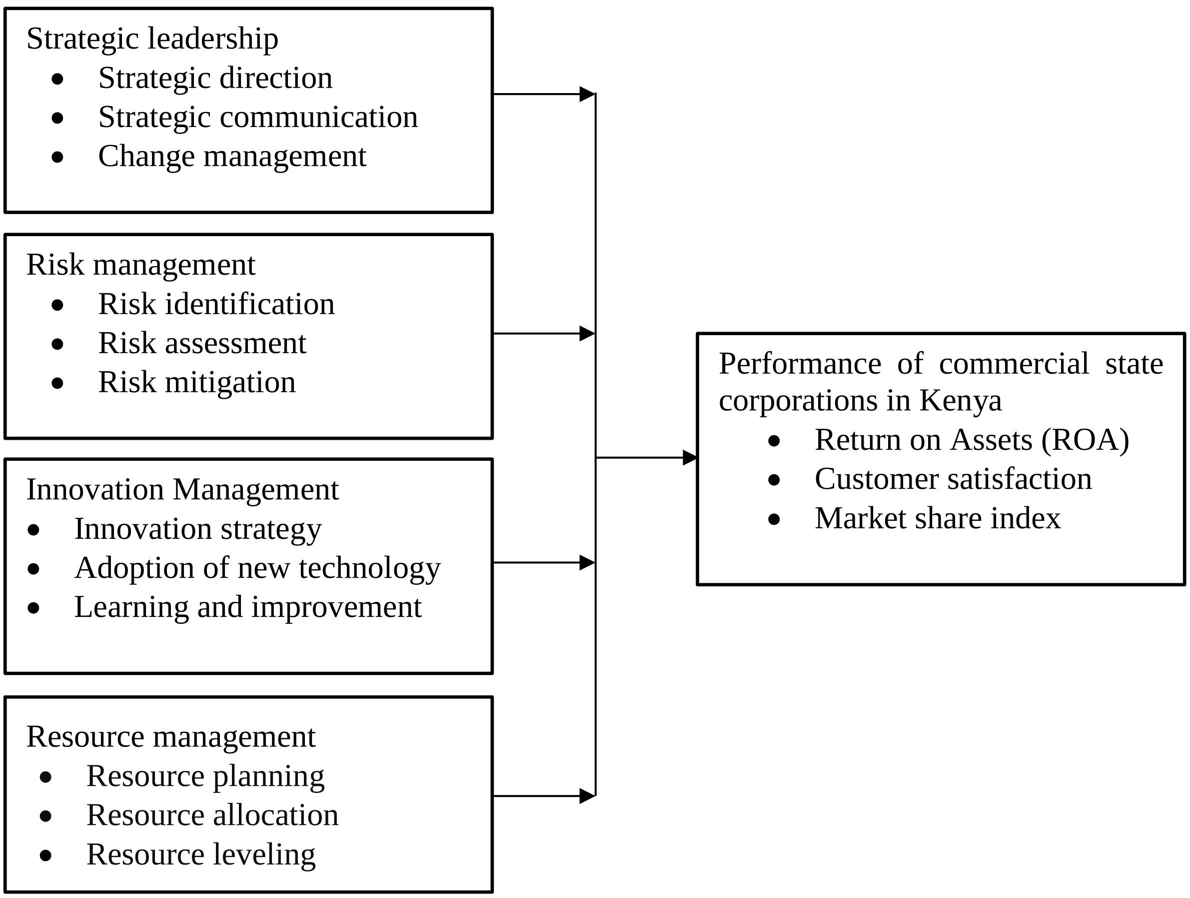
Conceptual Framework



Independent Variables **Dependent Variable**

Figure 1: Conceptual Framework

Empirical Review

Mui, Basit and Hassan (2019) examined the influence of strategic leadership on organizational performance in SMEs in Malaysia. A structured questionnaire was designed and administered to top management personnel using convenience sampling, resulting in a sample size of 100 respondents from 10 SMEs in Muar. Data analysis was conducted using AMOS software, employing Confirmatory Factor Analysis (CFA) to determine factor loadings and Structural Equation Modeling (SEM) to test path analysis and hypotheses. The findings revealed that leadership vision, strategic direction, and core competencies had insignificant positive impacts on organizational performance, while developing people had an insignificant negative impact. However, innovation capability demonstrated a significant positive impact on organizational performance.

Kowo and Akinbola (2019) delved into the influence of strategic leadership on Nigerian small and medium enterprises (SMEs), emphasizing social impact. The study used descriptive research design and the target population was 300 SMEs. The findings indicated that strategic leadership had a significant effect on the performance of SMEs. The study also unveiled a significant correlation between strategic planning and profitability. Proficient strategic planners, notably, sustained profitability better. The research underscored leadership's pivotal role in SMEs' return on investment. It accentuated the importance of adept leadership practices in navigating SMEs towards success. The findings advocate for SMEs' prioritization of effective strategy implementation to achieve corporate goals and enhance overall performance within Nigeria's dynamic business environment.

Kabetu and Iravo (2018) examined the influence of strategic leadership on performance of international humanitarian organizations in Kenya. A descriptive research design was employed, targeting 197 top-level, mid-level, and lower-level management staff of UN-Habitat. A sample population of 130 was determined using a confidence level of 95% and an error margin of 0.05. Primary data was collected through self-administered questionnaires comprising both open-ended and closed-ended questions. The findings revealed several key insights: the strategic direction communication significantly affected UN-Habitat's performance, as did the adoption of core competencies and the development of human capital. Sustaining effective corporate culture and organizational flexibility also showed moderate effects on performance. Notably, organizational flexibility had the greatest impact on UN-Habitat's performance, followed by developing human capital and communicating the strategic direction.

Ghazieh and Chebana (2021) investigated the effectiveness of risk management systems within the European context, particularly focusing on the risk management committee, environmental uncertainty, and company performance. The study evaluated European stock-exchange-listed companies in France, Germany, and the United Kingdom to ascertain how risk management systems impact financial performance. Large companies sampled are representative of their respective markets, selected based on Dutch indices. The empirical analysis, spanning a decade from 2005 to 2014, employs quantitative methods and encompasses 320 companies. The findings revealed that implementing a risk management and control system positively influences management, enhances performance, and fosters value creation. The study highlights a significant strengthening of the risk management committee's role across the three countries, particularly in reinforcing surveillance functions and internal control systems.

Sleimi (2020) examined the impact of risk management practices on the performance of Jordanian commercial banks, an area that has received limited attention in the past. By utilizing a quantitative approach and employing partial least squares structural equation modeling (PLS-SEM). The findings of the study are significant as they indicate that risk management practices, including understanding risk and risk management, risk analysis and assessment, risk identification, risk monitoring, and credit risk analysis, have positive and significant impacts on the performance of

Jordanian commercial banks. This suggests that effective risk management strategies are crucial for enhancing the overall performance and stability of banks operating in the Arabian context.

González, Santomil and Herrera (2020) assessed the impact of Enterprise Risk Management (ERM) on the performance and financial stability of non-financial Spanish listed companies. Data from annual reports, management reports, and corporate governance reports spanning four years (2012−2015) are analyzed. Performance and financial stability data are sourced from Iberian Balance Sheet Analysis System and Morningstar Direct. The findings indicated that ERM adoption does not significantly affect Spanish companies' performance, measured by return on equity, return on assets, and Tobin’s Q, nor does it decrease bankruptcy likelihood. Interestingly, having a chief risk officer (CRO) may lower performance but enhance financial health, as measured by the distance to default. Additionally, hedging exchange risks shows promise in improving profitability and risk levels.

Akande and Salawu (2019) investigated the influence of risk management practices on the financial performance of Deposit Money Banks (DMBs) in Nigeria. Employing an ex-post-facto research design, the study selected a sample of 10 DMBs from a population of 26 using purposive sampling. Secondary data from financial statements were collected, and panel data regression was utilized to estimate parameter coefficients. The research findings affirm that proficient risk management practices lead to enhanced financial performance among Deposit Money Banks (DMBs), underscoring the pivotal role of risk management in bolstering DMBs' financial outcomes.

Kiptoo, Kariuki and Ocharo (2021) investigated the relationship between risk management practices and the financial performance of insurance firms in Kenya from 2013 to 2020. Data from 51 licensed insurance firms operating in Kenya by the end of 2020 were analyzed using regression analysis. The findings reveal significant associations between risk management and financial performance. Specifically, credit risk management negatively impacts financial performance, suggesting a need for effective credit management strategies to minimize non-performing receivables. Conversely, market risk management positively influences financial performance, indicating that prudent investment decisions lead to increased investment income and improved performance. Operational risk management also positively impacts financial performance by reducing operating costs and enhancing net premiums.

In their comprehensive study, Albors-Garrigos, Igartua, and Peir (2019) scrutinized the impact of systematically implementing Innovation Management Techniques (IMTS) on firms' innovation performance. Concentrating on industries within the Basque Region of Northeast Spain, the research harnessed a large and representative sample to draw robust conclusions. Their findings unequivocally indicate a positive correlation between the adoption of IMTS and firms' innovation outcomes, particularly in the realm of incremental innovation. Moreover, certain techniques exhibited a more pronounced influence, with implications extending to radical innovation performance. Additionally, the study sheds light on the significant moderating role played by the industry environment in shaping this relationship, thereby offering valuable insights for firms seeking to enhance their innovation strategies.

Lee (2019) explored the interplay between technology and innovation management, total factor productivity, and economic growth in China. Through a comparative analysis of total factor productivity growth trends among industrialized economies, particularly OECD countries, the study aims to underscore the significance of total factor productivity advancements within the Chinese economy. The results of the cointegrating regression analysis highlight a significant correlation, indicating that manufacturing growth contributes to short-term increases in total factor productivity within China. The study suggests a positive relationship between manufacturing, characterized by technology and product innovation, and both short-term total factor productivity enhancement and long-term total output growth. Furthermore, the findings advocate for the promotion of technology and innovation management, as well as the provision of R&D subsidies, to mitigate the marginal cost associated with R&D activities.

Wangila (2020) examined the influence of innovation practices on public sector performance in Nairobi City County, Kenya. Using a representative sample of 384 civil servants from different levels of the public sector in Nairobi City County, the study employed a descriptive research design and collected data through structured questionnaires. Statistical analysis, including inferential statistics, correlation coefficient, and regression analysis, was conducted using the Statistical Package for Social Sciences (SPSS) version 22. The findings indicate that product innovation, process innovation, technological innovation, marketing innovation, and organizational innovation have a significant influence on public sector performance in Nairobi City County. Consequently, the study concludes that improving these innovation practices could lead to enhanced public sector performance in the region.

Kizito (2019) examine resource management planning (RMP) and its impact on the performance of government-funded projects in Rwanda, focusing on the Project for Environment and Natural Resources of Rwanda (PONERWA). Employing a cross-sectional study design with both qualitative and quantitative approaches, the research covers a target population of 500 respondents, including PONERWA project employees and Nyamata residents in the Eastern Province of Rwanda. Data collection involves questionnaires and interview guides, with a purposive sampling technique yielding a sample size of 50 respondents. Quantitative data analysis, utilizing inferential statistics such as multiple regression and correlation analysis with the Statistical Package for Social Sciences (SPSS), reveals significant relationships between research variables. The findings also showed that human resource planning, financial resource planning, and material resource planning positively influence project performance, with FRM planning emerging as the most significant factor.

Abdi (2020) assessed how resource management practices influence the performance of road infrastructural projects in Wajir County, focusing on factors such as planning, scheduling, allocation, and monitoring of resources. Guided by theories of project management, constraints, and resource base view, a descriptive survey design was employed. The target comprised 193 project stakeholders, including county officials, project managers, and committee members involved in road projects from 2013 to 2017. Data collection utilized semi-structured questionnaires, with analysis conducted thematically for qualitative data and using descriptive and inferential statistics for quantitative data. The results indicate that resource planning, scheduling, allocation, and monitoring positively affect project performance. Recommendations include efficient project planning, backward scheduling techniques, mindful resource allocation, and rigorous monitoring strategies. Further research on resource management practices' impact on road projects in other Kenyan counties is suggested.

Otiende, Omolo and Wagude (2024) examined the influence of organizational resources on their performance of public universities in Kenya. Employing a mixed-method approach, quantitative data was collected through questionnaires, while qualitative insights were gathered via interviews. Both descriptive and inferential statistics were used for analysis, revealing a statistically significant positive association between organizational resources and university performance. The study concludes that effective allocation of human, financial, and physical resources contributes to improved university performance. It recommends increased government investment in universities to enhance their performance and ultimately support Kenya's developmental goals.

Gile, Buljac-Samardzic and Klundert (2018) examined the effect of human resource management on performance in hospitals in Sub-Saharan Africa. Following the PRISMA protocol, our search across seven databases yielded 2252 hits, resulting in 111 included studies representing 19 SSA countries. These studies predominantly focused on HRM bundles encompassing motivation-enhancing, skills-enhancing, and empowerment-enhancing practices. Motivation-enhancing practices were most frequently researched, followed by skills-enhancing and empowerment-enhancing practices. Regarding performance outcomes, employee and organizational outcomes were frequently studied, while team and patient outcomes received less attention. Despite variations in HRM interventions and outcome measures, most studies reported positive impacts of HRM interventions on performance.

Okeke, Onuorah and Dunkwu (2023) examined the influence of financial resource management on sustainable development within pharmaceutical firms in South East Nigeria. Employing a survey research design, questionnaires were distributed to targeted respondents representing branches of pharmaceutical firms in the region. Regression analysis, conducted using SPSS version 20.0 at a significance level of 5%, tested the formulated hypotheses to ascertain the relationship between the dependent and independent variables. The analysis revealed a significant positive effect of financial resource management on sustainable development in pharmaceutical firms in South East Nigeria. Consequently, the study's findings suggest the importance of long-

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term capital planning aligned with the bank's overall financial strategy for effective equity capital management. Such strategic planning enables banks to allocate resources efficiently and procure long-term resources in anticipation of future transactions, thus fostering sustainable development within the pharmaceutical sector.

Critique of the Existing Literature Relevant to the Study

Various studies have been conducted on organizational resilience in different parts of the world. For instance, Suryaningtyas,Sudiro and Dodi (2019) examined the relationship between organizational resilience and performance of firms in Indonesia. The results indicated that a positive correlation between organizational resilience and performance of manufacturing firms. However, the study was limited to Indonesia, a country with a different macroeconomic environment from that of Kenya. In addition, the study conceptualized organizational resilience in terms of team resilience and individual resilience. Further, the study adopted an exploratory research design, which is different from explanatory research design.

In addition, Beuren, dos Santos and Theiss (2022) examined the relationship between organizational resilience and business performance among Brazilian firms. The findings suggest that organizational resilience positively influences business performance across various dimensions, including economy-financial, customers, and processes/learning, as well as job satisfaction encompassing financial and personal benefits. Nonetheless, having been conducted among Brazilian firms, the findings of this study cannot be generalize to commercial state corporations in Kenya due to differences in business environment and macroeconomic environment.

Lopez et al (2024) explored the role of organizational resilience in service innovation among small- and medium-sized enterprises (SMEs) in Puerto Rico and the Dominican Republic amidst the COVID-19 pandemic. The findings indicated that organizational resilience had a significant effect on service innovation. However, the study was limited to small- and medium-sized enterprises (SMEs) in Puerto Rico and the Dominican Republic and hence the findings cannot be generalized to commercial stat corporations in Kenya. The study also used service innovation as the dependent variable, which is one measure of organizational performance.

Oparanma and Ulunma (2019) examined the relationship between organizational resilience and corporate performance among deposit money banks in Port Harcourt in Nigeria. These results indicated a significant and positive relationship between organizational resilience and corporate performance among deposit money banks in Port Harcourt. However, the study was limited to deposit money banks in Port Harcourt in Nigeria and hence the findings cannot be generalized to commercial state corporations in Kenya. In addition, organizational resilience was measured through organizational learning and adaptive capabilities, while corporate performance was assessed based on profitability, market share, and employee satisfaction. Also, the study adopted a descriptive research design, but the current study adopts an explanatory research design.

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Asare-Kyire, Bonsu and Ackah (2023) examined the influence of organizational resilience on both innovation performance and firm performance within Ghana's hospitality sector. The findings showed a positive and noteworthy correlation between organizational resilience and innovation performance. Specifically, it suggests that firms bolstering resilience capabilities are more inclined to engage in exploratory innovation endeavors, such as pioneering new products, services, or business models outside their existing offerings. However, this study was limited to Ghana's hospitality sector and hence the findings are not generalizable to commercial state corporations in Kenya.

In Kenya, Harrison and Kipkorir (2022) examined the influence of organizational resilience on sustainability of community-based social enterprises in Kenya. The results showed a positive and substantial correlation between Covid-19 crisis anticipation, organizational adaptability to the pandemic, and organizational robustness in the face of the crisis with the sustainability of these social enterprises. However, this study was limited to community-based social enterprises in Kenya and used sustainability as the dependent variable. Also, the study used a descriptive research design, but the current study adopts an explanatory research design.

Ongola (2022) examined how organizational resilience impacts the performance of logistics companies, with a specific focus on FedEx Express MEISA. The findings indicated that organizational resilience had a positive and significant direct impact on organizational performance. However, the stud conceptualized organizational resilience in terms of organizational flexibility, adoption of core competencies, and human capital development. In addition, the study was limited to FedEx MEISA, which are mainly logistic firms and hence different from commercial state corporations in Kenya.

Kipkogei (2022) explored the influence of strategic partner management, ICT deployment, customer relationship management, and capacity building on organizational resilience during pandemics within SMEs in Uasin Gishu County. The study revealed a positive relationship between strategic partner management and pandemics, emphasizing the importance of external support during crises. Customer relationship management emerged as influential in determining organizational output during pandemics, while partners' involvement in supporting SMEs during crises was found to be lacking. However, the study was limited to SMEs in Uasin Gishu County and hence the findings cannot be generalized to commercial state corporations in Kenya. The study also used a descriptive research design, which is different from explanatory research design proposed in this study.

Research Methodology

The study adopted an explanatory research design to examine the causal relationship between organizational resilience and performance of commercial state corporations in Kenya. The target population comprised 381 departmental heads from 33 corporations, covering 14 departments. A stratified random sampling technique was applied to ensure proportionate representation across departments, resulting in a sample size of 195, determined using Slovin's formula. Data was gathered using semi-structured questionnaires, which combined open-ended and closed-ended questions for both qualitative and quantitative insights. The data collection procedure involved obtaining clearance from JKUAT and NACOSTI, followed by permission from corporation management. The drop-off and pick-up method was used, allowing respondents two weeks to complete the questionnaires. A pilot test involving 19 respondents from Kenya Power Limited was conducted to enhance the validity and reliability of the instrument. Validity was tested through face, content, and construct validity using expert review and confirmatory factor analysis. Reliability was assessed using Cronbach's alpha, with a threshold of 0.7 accepted for internal consistency. For data analysis, qualitative responses were analyzed using thematic content analysis, while quantitative data was analyzed using SPSS v26. Descriptive statistics (mean, standard deviation, frequency) and inferential statistics (Pearson correlation and multiple regression) were employed to evaluate the relationships among variables.

The multivariate regression model was as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Whereby;

Y = Performance of commercial state corporations in Kenya;

B_0 = Constant;

β_1- β_4 =Coefficients of determination;

X_1 = Strategic leadership;

X_2 = Risk management;

X_3 = Innovation management;

X_4 = Resource management; and

ε = Error term

The study conducted diagnostic tests to verify key regression assumptions, including normality, linearity, homoscedasticity, and multicollinearity. Normality of residuals was assessed using the Shapiro-Wilk test, which confirmed that the data followed a normal distribution. Linearity was tested using scatterplots, showing a linear relationship between predictors and the dependent variable. Homoscedasticity was tested with the Breusch-Pagan test, confirming constant variance of residuals. Lastly, multicollinearity was examined using the Variance Inflation Factor (VIF), where values below 10 indicated no serious multicollinearity among predictors. These results confirmed the suitability of the regression model for further statistical analysis.

Research Findings and Discussions

The pilot test results showed that all study constructs; strategic leadership, risk management, innovation management, and resource management had high reliability, with Cronbach's alpha values exceeding 0.7, indicating strong internal consistency. In addition, validity testing confirmed that all constructs met acceptable thresholds for construct, content, and face validity, with average variance explained values above 0.8 and content validity indices above 0.82, demonstrating that the research instruments accurately measured the intended variables.

Descriptive Findings

The study found that respondents rated all four variables highly, with strong agreement overall. Strategic leadership had mean scores ranging from 3.916 to 4.318, showing consistent agreement and moderate variation (SD = 0.495 to 0.999). Risk management had mean scores between 3.972 and 4.341, with slightly higher variation (SD = 0.720 to 0.990), indicating solid practices with room for consistency. Innovation management recorded means from 3.989 to 4.156 (SD = 0.809 to 0.893), reflecting broad agreement on strategic innovation efforts. Resource management had the highest ratings, with means from 3.927 to 4.358 and the lowest variability (SD = 0.472 to 0.887), suggesting strong and consistent resource practices across corporations.

Correlation Analysis

The Pearson product-moment correlation coefficient was utilized to evaluate the strength of the relationships between the independent variables (strategic leadership, risk management, innovation management and resource management) and the dependent variable (performance of commercial state corporations in Kenya). The findings are summarized in Table 1.

Table 1: Correlation Coefficients

		Performance	Strategic Leadership	Risk Management	Innovation Management	Resource management
Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	179				
Strategic Leadership	Pearson Correlation	.543**	1			
	Sig. (2-tailed)	.000				
	N	179	179			
Risk Management	Pearson Correlation	.687**	.023	1		

	Sig. (2-tailed)	.000	.853			
	N	179	179	179		
Innovation Management	Pearson Correlation	.656**	.131	-.026	1	
	Sig. (2-tailed)	.000	.295	.838		
	N	179	179	179	179	
Resource management	Pearson Correlation	.577**	.023	.075	-.010	1
	Sig. (2-tailed)	.000	.853	.551	.937	
	N	179	179	179	179	179

The study found a positive and significant relationship between strategic leadership and performance of commercial state corporations in Kenya ($r = 0.543$, $p < 0.001$). As the p-value is below the significance threshold of 0.05, the relationship is deemed statistically significant. The findings agree with Kowo and Akinbola (2019) observations that strategic leadership had a significant effect on the performance of SMEs.

The study established a positive and significant relationship between risk management and performance of commercial state corporations in Kenya ($r = 0.687$, $p < 0.001$). Since the p-value is below the significance level of 0.05, the relationship was considered to be significant. These findings concur with Sleimi (2020) observations that risk management practices have positive and significant impacts on the performance of Jordanian commercial banks.

In addition, the study discovered a positive and significant relationship between innovation management and performance of commercial state corporations in Kenya ($r = 0.656$, $p < 0.001$). As the p-value is below the significance threshold of 0.05, the relationship is considered significant. These findings conform to Wangila (2020) observations that innovation management have a significant influence on public sector performance in Nairobi City County.

Further, the study found a positive and significant relationship between resource management and performance of commercial state corporations in Kenya ($r = 0.577$, $p < 0.001$). The p-value, being below the 0.05 significance threshold, indicates that the relationship is significant. These findings concur with Kizito (2019) observations that resource management positively influences project performance

4.7 Regression Analysis

Multivariate regression analysis was performed to examine the relationships between the independent variables (strategic leadership, risk management, innovation management and resource management) and the dependent variable (performance of commercial state corporations in Kenya).

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.838[a]	.702	.684	.2263

As shown in Table 2, the R-squared value for the research was 0.702. This indicates that 70.2% of the variance in performance of commercial state corporations in Kenya was explained by the independent variables (strategic leadership, risk management, innovation management and resource management).

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.67	4	4.9175	86.849	.000[b]
	Residual	9.852	174	0.057		
	Total	29.522	178			

a. Dependent Variable: performance of commercial state corporations in Kenya

b. Predictors: (Constant), strategic leadership, risk management, innovation management and resource management.

ANOVA was performed to in this research to determine whether the model adequately fit the data. As shown in Table 3, the calculated F-value was 86.849, while the critical F-value from the F-distribution table was 2.46. Since the calculated F-value exceeded the critical F-value and the p-value (0.000) was below the 0.05 significance level, the model was considered a good fit for the data.

Table 4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.891	.134		6.649	.000
	Strategic Leadership	.516	.098	.698	5.265	.000
	Risk Management	.414	.114	.434	3.632	.000
	Innovation Management	.205	.096	.178	2.135	.039

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Resource management	.294	.098	.231	3.000	.006

a. Dependent Variable: Performance of commercial state corporations in Kenya

Regression equation for the unstandardized coefficients was;

$Y = 0.891 + 0.516X_1 + 0.414X_2 + 0.205X_3 + 0.294X_4$

The study found that strategic leadership has a positive and significant influence on the performance of commercial state corporations in Kenya (β1=0.516, p-value=0.000). Since the p-value (0.000) is below the 0.05 significance level, the relationship is considered significant. This suggests that improvements in strategic leadership are associated to a 0.516 increase performance of commercial state corporations in Kenya. These results align with Kasuni, Mandere and Njeru (2022) observations that strategic leadership has a significant positive correlation with the financial performance in commercial banks in Kenya. Also, the findings are in line with Kabetu and Iravo (2018) observations that strategic leadership dimensions has a positive impact on organizational performance.

In addition, the study established that risk management has a positive and significant influence on the performance of commercial state corporations in Kenya (β1=0.414, p-value=0.000). Because the p-value (0.000) is below the 0.05 significance level, the relationship is considered significant. This suggests that enhancement in risk management results to 0.414 enhancement in the performance of commercial state corporations in Kenya. These findings agree with Ghazieh and Chebana (2021) observations that implementing a risk management and control system positively influences management, enhances performance, and fosters value creation. In addition, the findings conform to González, Santomil and Herrera (2020) observations that ERM adoption does not significantly affect Spanish companies' performance.

Further, the study discovered that innovation management has a positive and significant influence on the performance of commercial state corporations in Kenya (β1=0.205, p-value=0.000). As the p-value (0.000) is below the 0.05 significance level, the relationship is considered statistically significant. This suggests that an improvement a unit increase in innovation management results to 0.205 increase in the performance of commercial state corporations in Kenya. These findings concur with Albors-Garrigos, Igartua, and Peir (2019) observations that innovation management positively and significantly influence organizational performance. Further, the findings agree with Wangila (2020) observations that product innovation, process innovation, technological innovation, marketing innovation, and organizational innovation have a significant influence on public sector performance in Nairobi City County

The study found that resource management has a positive and significant influence on the performance of commercial state corporations in Kenya (β1=0.294, p-value=0.000). Given that the p-value (0.000) is below the 0.05 significance level, the relationship is regarded as significant. This implies that an enhancement in resource management results to 0.294 increase in the performance of commercial state corporations in Kenya. These findings are in agreement with Abdi (2020) observations that resource planning, scheduling, allocation, and monitoring positively affect project performance. Further, the findings agree with Otiende, Omolo and Wagude (2024) observations that resource management has a positive association with university performance.

Conclusions

The study concluded that strategic leadership had a positive and significant impact on the performance of commercial state corporations in Kenya. Elements such as strategic direction, communication, and change management were key contributors. It also found that risk management, through risk identification, assessment, and mitigation, significantly influenced performance. Additionally, the study established that innovation management, including innovation strategy, technology adoption, and continuous learning positively affected organizational performance. Lastly, resource management, particularly through effective planning, allocation, and levelling, also significantly enhanced performance. Overall, improvements in these four areas were found to lead to better performance outcomes for commercial state corporations in Kenya.

Recommendations

The study recommended strategies to enhance leadership, risk management, innovation, and resource management in Kenya's commercial state corporations. Leaders were encouraged to maintain strategic clarity, empower employees, and foster transparency. For risk management, the study recommended cross-functional involvement, regular training, and proactive threat identification. Innovation management strategies included aligning individual contributions with innovation goals, promoting experimentation, and supporting continuous learning. Resource management improvements focused on structured feedback, transparency, and use of data analytics for efficiency. The study suggested further research in private and multinational corporations and recommended examining other performance-influencing factors. It contributed to resilience theory by linking organizational resilience to performance in public enterprises.

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