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STRATEGIC MANAGEMENT PRACTICES AND PERFORMANCE OF TELECOMMUNICATION COMPANIES IN KENYA

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ABSTRACT

The main objective of this study was to establish the influence of strategic management practices on performance of telecommunication companies in Kenya. Specifically, the study sought to assess the effect of strategic planning on performance of telecommunication companies in Kenya and to establish the effect of strategic stakeholder consultation on performance of telecommunication companies in Kenya. This study focused on the telecommunication companies in Kenya. According to the communication authority in Kenya there are 5 registered telecommunication companies and they include; Safaricom PLC, Airtel, Telkom Kenya, Finserve, and Jamii Telecommunications. The study targeted management level employees at telecommunication companies in Kenya. Target populace comprised all 950 management level employees working with the telecommunication companies in Kenya. This involved all levels of management i.e. senior, middle and low level management staff. The study sample size was 282 employees, which represents 29.7% of the entire population. Stratified random sampling was applied to get the respondents. The study used questionnaires as the tool for data collection. The questionnaire was self-administered using drop-and-pick-up later technique. The questionnaire was piloted to a group of 28 managers who were excluded in the actual study. SPSS (version 22) was applied in analysing quantitative data where descriptive statistics was computed and presentations done in percentages, means, SD and frequencies. Displaying of the information was done in table and figures. Pearson R correlation was used to measure strength and the direction of linear relationship between variables. Multiple regression models were fitted to establish the impact of strategic management practices on performance of telecommunication companies in Kenya. The study concludes that strategic planning has a positive and significant influence on performance of telecommunication companies in Kenya. In addition, the study concludes that strategic stakeholder consultation has a positive and significant influence on performance of telecommunication companies in Kenya. Based on the findings, this study recommends that the management of telecommunication companies in Kenya should implement targeted infrastructure development. By investing strategically in expanding and upgrading their network infrastructure, companies can improve service reliability, coverage, and data speeds. In addition, the study recommends that the management of telecommunication companies should prioritize engagement with local communities and regulatory bodies during infrastructure development projects.

Key Words: Strategic Management Practices, Strategic Planning, Strategic Stakeholder Consultation, Performance of Telecommunication Companies in Kenya

Background of the Study

The telecommunications sector has become a critical driver of economic growth and social development globally (Abdalkrim, 2019). With the rapid advancements in technology, telecommunication companies have transformed from merely providing voice services to offering a wide range of data and multimedia services. This evolution has been propelled by the proliferation of mobile devices, the expansion of internet connectivity, and the implementation of innovative technologies such as 5G, IoT (Internet of Things), and AI (Artificial Intelligence) (Tapinos, Dyson & Meadows, 2019). In both developed and developing countries, telecommunication firms play a pivotal role in bridging the digital divide, enhancing communication, and supporting various sectors like banking, education, and healthcare. Global giants such as AT&T, Vodafone, and China Mobile have set benchmarks in terms of innovation, service delivery, and customer satisfaction, shaping the competitive landscape and driving global telecommunications trends (Andersen, 2019).

Strategic management practices are essential for the success and sustainability of businesses, including telecommunication companies (Bandeira-de-Mello, Marcon, & Alberton, 2019). These practices involve the formulation and implementation of major goals and initiatives, taking into account the resources and competitive environment of the organization. Key strategic management practices include environmental scanning, strategy formulation, strategy implementation, and strategy evaluation and control. In the dynamic and highly competitive telecommunications industry, companies must continuously adapt their strategies to respond to market changes, technological advancements, and regulatory requirements (Ayuso *et al*., 2020). Effective strategic management enables telecommunication companies to optimize their operations, enhance their competitive advantage, and achieve superior performance. By aligning their strategic objectives with market opportunities and internal capabilities, firms can navigate challenges, seize growth opportunities, and deliver value to stakeholders (Oganda, 2019).

There is a significant link between strategic management practices and organizational performance, particularly in the telecommunication sector (Kandie *et al*., 2019). Strategic management practices help organizations to identify and exploit market opportunities, mitigate risks, and allocate resources efficiently, which are critical for improving overall performance. In the context of telecommunication companies, these practices enable firms to stay ahead of technological trends, deliver innovative services, and meet customer demands effectively. Research has shown that companies with robust strategic management frameworks tend to outperform their competitors in terms of market share, profitability, and customer satisfaction (Mwangi, 2020). For instance, companies that engage in continuous environmental scanning can anticipate market shifts and adjust their strategies accordingly, leading to better financial results and enhanced market positioning. Moreover, effective strategy implementation ensures that all organizational activities are aligned with strategic goals, fostering a cohesive approach to achieving performance objectives (Ngugi, 2020).

Problem Statement

The telecommunications sector plays a pivotal role in Kenya's economic development, contributing significantly to GDP growth, employment creation, and the facilitation of other sectors such as banking, education, and healthcare (Atieno, & Kyongo, 2019). The industry has been instrumental in promoting digital inclusion, with mobile penetration reaching 116.1% as of 2022, and internet penetration standing at 46.8%. Major players such as Safaricom, Airtel, and Telkom Kenya have driven the growth of mobile money services, with M-Pesa alone accounting for a significant portion of the country's economic transactions (CAK, 2023). However, despite the critical role of the telecommunications sector in Kenya, recent trends indicate a concerning decline in performance. For instance, the Communications Authority of Kenya reported a decline in voice traffic by 3.4% in the fourth quarter of 2023 compared to the same period in the previous year. Additionally, mobile money subscriptions decreased by 2.1%

over the same period, reflecting challenges in maintaining user growth and engagement (CAK,2023).

Several factors have contributed to this decline, including increased competition, regulatory pressures, and rapidly changing technological advancements. These challenges necessitate a robust strategic management approach to enhance organizational performance and ensure sustainability in the sector (Awino, 2020). Without effective strategic management practices, telecommunication companies in Kenya risk losing their competitive edge, facing financial instability, and failing to meet the evolving needs of their customers (Atieno, 2019). Therefore, understanding and implementing strategic management practices that can address these challenges is crucial for reversing the declining performance trend and securing the future growth of the telecommunications sector in Kenya.

Objectives of the Study

The main objective of this study is to establish the influence of strategic management practices on performance of telecommunication companies in Kenya

This study was guided by the following specific objectives;

i. To assess the effect of strategic planning on performance of telecommunication companies in Kenya
ii. To establish the effect of strategic stakeholder consultation on performance of telecommunication companies in Kenya

LITERATURE REVIEW

Theoretical Review

Agency Theory

The Agency Theory set forth by Jensen and Meckling (1976) proposes that the operator follows up in the interest of the head and to propel the key's destinations. Agency theory is a management approach where one individual (the agent) acts on behalf of another (the principal) and is required to advance the principal's goals (Jean, 2002). The agent is required to advance both the interests of the principal and his own interests in that particular organization. Normally, a balance of these interests should be combined so that the objectives of the organization can be achieved through the agent because he/she is in charge of the vast resources of the organization.

According to Laffort and Martimost (2002) it was affirmed that the agency theory of strategic management is very important since the action chosen by an individual (the agent) affects not only one, but several other parties (the principals). The role of an agent in strategy and the overall strategic management process and practices cannot be underestimated. They say that the firm is often characterized as a nexus of both explicit and implicit contracts linking the management and its different stakeholders, including employees, customers, bondholders, suppliers, unions and the state among others.

The Agency Theory holds that there should be proper synergy between the management and its stakeholders in order to work towards an achievable common goal. The Agency Theory has also been defined as the central approach to managerial behavior. Ross, (1987) states that the Agency Theory is used in the managerial literature as a theoretical framework for structure and managing contract, which is among the emerging issues in strategic management. Hence, the behavior of principals and agents relationships in performance contracting in management is explained.

The agency theory tends to be more considered against other strategic management theories. Krueger, (2019) in his paper in strategic management and management by objectives postulates that the plethora of strategic management is the agency theory in practice at all levels of the strategic management process. He argues that starting from the corporate strategy to operational strategy the objectives designed at all these levels must be supervised by the agents or managers for an organization to achieve its organizational objectives. For the organization to attain its objectives , management by objectives which observes that organization must formulate objectives at all strategic hierarchy levels according to the studies by Henry (2019) which upholds that, for these objectives to be achieved there has to be joined efforts between the managers as agents and the subordinate staff in the organization.

Top managers are required to provide clear and visible support to the strategic management Program. Without that support of the managers as the agent the synthesis between the individual and the organization goals does not develop. Krueger, (2019) upholds that strategic management depends upon a team approach that flows from the corporate level to the functional level of the organization. Therefore, the process depends on input from all levels of management both (top to bottom and bottom up). The Chief Executive Officer (CEO) as the agent should highly embrace synergy by searching for information resulting in an evaluation of the task to be carried out (strategy formulation) and also to proposes a strategy to the board (principals), for their agreement and then carry out the agreed task (strategic planning) in order to gain competitive advantage and perform well in relation to other similar firms in the same field of operation.

Resource Based View

The Theory of Resource-Based View (RBV) postulates that resources owned by an organization are critical for a firm to sustain competitive advantage and superior performance (Barney 2002). King (2019) predicted that resources possessed and managed by organizations are able to create a competitive advantage resulting in premium performance. The resources can be tangible such as raw materials, finances, real estate, computers; or intangible such as staff morale, reputation and patents (Mayer & Solomon, 2018). An organization’s capacity is the ability of combining resources, people and processes to transform inputs to outputs. Makadok (2019) defines capabilities as special types of resources such as innovations and augmented customer service, specifically embedded and nontransferable, whose function is to improve the output of the other resources owned by the firm.

RBV explains the role played by resources possessed by an organization in differentiating it from other organizations in the industry through superior performance giving it competitive advantage (Baumol, Litan & Schramm, 2019). These different resources and capacities have positive implications on the performance of an organization. Organizations which allocate adequate resources to assets such as machinery, plant and equipment have a higher chance of premium performance than those that overlook such allocation (Ainuddin, Beamish, Hulland, & Rouse, 2019). Similarly, organizations that allocate resources to development of their personnel improve the human resources’ skills and competencies. This in turn influences how decisions are made and implemented affecting the overall performance of organizations (Rose & Kumar, 2019). Allocation of financial resources such as money in hand and bank, stocks and other derivatives affects how a firm invests and even takes advantage of the new opportunities (Morgan, Kaleka, & Katsikeas, 2019). Intangible resources such as reputation of the products/services of the organization, its brand name and experience have significant implications on organization’s activities. Capacities significantly affect an organization’s performance and competitive ability (King, 2018). The organization must aim at allocating its resources at a cost-efficient and differentiated manner than its rivals for increased performance and eventually competitive advantage.

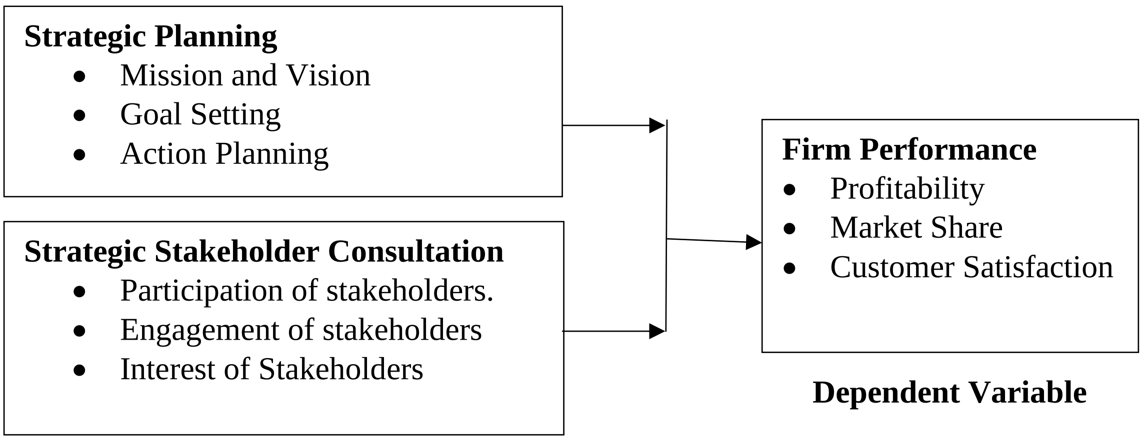
The RBV views organizational performance as the key component in gaining competitive advantage. The theory focuses on the following when determining the value of resources allocated in an organization: Firstly, competitive superiority which states that any resource that helps fulfill the customers’ needs better than those of the competitor should be strategically allocated to customer-centered activities for synergy of performance (Mahoney & Pandian, 1992). Secondly, resource scarcity that states that any scarce resource should be sparingly allocated so that it can be sustained over time for continued organizational performance over the competitors who may not have access to the resource (Dierickx & Cool, 2019).

Thirdly, for long term competitive advantage, differentiating strategies can be implemented, when producing services such as programmes, so that competitors are not able to easily replicate; fourthly, inimitability that states that resources are allocated to ensure that unique aspects such as advanced practicals are inbuilt in the courses for better performance over competitors; resources should be allocated to research for the appropriateness of the institution's activities in the industry. Lastly, for rare, potentially value-creating and imperfectly imitable, an equally important aspect is non-substitutability (Dierickx & Cool, 2019). If competing organizations can counteract the value-creating strategies with a substitute, prices are lowered to the point of loss of competitive advantage causing overall poor organizational performance.

Conceptual Framework

Kombo and Tromp (2019) indicated that a conceptual framework is an abstract or an overall idea that is generated from a particular instance. The conceptual framework shows the interrelationships among the independent variables and the dependent variables. It is the understanding of how the particular variables in a study connect with each other. In this study the conceptual framework provides an understanding of the independent and dependent variables. The independent variables are strategic planning, strategic stakeholder consultation, while the dependent variable is performance of telecommunication companies in Kenya. Figure 2.1 presents the conceptual framework that was used in this study.

Figure 2.1: Conceptual framework



Strategic Planning

Strategic planning is a systematic process undertaken by organizations to define their long-term vision, set goals and objectives, and develop strategies to achieve them. It involves analyzing the organization's current situation, assessing external opportunities and threats, and making informed decisions about the allocation of resources and actions needed to move the organization towards its desired future state. The strategic planning process begins with clarifying the organization's mission, which defines its purpose, core values, and the overall reason for its existence. The vision statement outlines the desired future state or long-term aspirations of the organization.

Organizations need to understand the external environment in which they operate. This involves conducting a comprehensive analysis of industry trends, market dynamics, competitive landscape, technological advancements, regulatory factors, and other external factors that may impact the organization's success. Organizations also need to assess their internal capabilities, strengths, weaknesses, and resources. This includes analyzing the organization's current performance, assessing its core competencies, identifying areas of improvement, and understanding the organization's culture, structure, and processes. Based on the analysis of the external and internal factors, organizations set strategic goals and objectives that align with their mission and vision. These goals should be specific, measurable, achievable, relevant, and time-bound (SMART goals). They provide a clear direction for the organization's efforts.

Strategic Stakeholder Consultation

Strategic stakeholder consultation refers to the deliberate and planned engagement of key stakeholders in the strategic planning process. It involves actively involving relevant stakeholders in decision-making, gathering their insights and feedback, and incorporating their perspectives into the strategic planning and implementation processes. The first step is to identify the stakeholders who have a significant interest or influence over the organization's strategic direction. This may include internal stakeholders such as employees and management, as well as external stakeholders such as customers, suppliers, investors, regulators, community groups, and industry associations

Stakeholder engagement refers to the process of actively involving and communicating with individuals or groups who have an interest or are affected by an organization's activities, decisions, or outcomes. It is a proactive approach that seeks to understand, involve, and address the perspectives and concerns of stakeholders. Effective stakeholder engagement involves understanding the needs, expectations, and interests of stakeholders. This requires active listening, open dialogue, and gathering feedback through various channels such as surveys, interviews, focus groups, or online platforms. Understanding stakeholder perspectives helps organizations tailor their strategies, policies, and actions to better align with stakeholder interests.

Empirical Review

Strategic Planning on Organization Performance

Abdalkrim (2019) conducted a study on the impact of strategic planning activities on private sector organizations performance in Sudan. The aims of this study, is an attempt to study the impact of strategic planning activities on private sector organizations in Sudan. The study comprises four variables of strategic planning process indicators. Those indicators represent each a component of strategic planning process and were obtained from inclusive review of the literature of strategic planning which are mission statement, implementation, internal &external analysis and control and evaluation. Organizational performance is measured by productivity and turnover dynamic. Data (N= 60) for this study were collected through questionnaires which were accompanied by a letter expressing the research project and promising respondents of the privacy of their answers. Those participants were managers of ten private sectors organizations in Sudan-Khartoum state. Statistical tools such as Spearman’s Rank Correlation was used to test hypotheses and achieve the objectives, and the statistical package for social science was used to coordinate the data, thus the research is descriptive and as a result quantitative methods have been used. The result confirms that all four variables of strategic planning activities are positively correlated with organizational performance in Sudanese private sector organizations.

Tapinos, Dyson and Meadows (2019) researched on the impact of performance measurement in strategic planning. A large scale survey was conducted online with Warwick Business School alumni. The questionnaire was based on the Strategic Development Process model by Dyson. The questionnaire was designed to map the current practice of strategic planning and to determine its most influential factors on the effectiveness of the process. All questions were close ended and a seven-point Likert scale used. The independent variables were grouped into four meaningful factors by factor analysis (Varimax, coefficient of rotation 0.4). The factors produced were used to build regression models (stepwise) for the five assessments of strategic planning process. Regression models were developed for the totality of the responses, comparing SMEs and large organizations and comparing organizations operating in slowly and rapidly changing environments. The results indicate that performance measurement stands as one of the four main factors characterising the current practice of strategic planning. This research has determined that complexity coming from organizational size and rate of change in the sector creates variation in the impact of performance measurement in strategic planning. Large organizations and organizations operating in rapidly changing environments make greater use of performance measurement.

Andersen (2019) researched on strategic planning, autonomous actions and corporate performance. Some argue that autonomous actions are imperative to strategic adaptation, while planning inhibits change. Conversely, others argue that centralized planning is needed to co-ordinate responsive actions and spur adaptive strategic thinking. To clarify this apparent dilemma, this article presents a recent research programme investigating the dual performance effects of strategic planning and autonomous actions in the strategy formation process. The results indicate that strategic planning has positive performance effects across industries, and exists in tandem with autonomous actions, where managers make responsive decisions that enhance performance under changing environmental conditions

Strategic Stakeholder Consultation on Organization Performance

Bandeira-de-Mello, Marcon, and Alberton (2019) researched on performance effects of stakeholder interaction in emerging economies: evidence from Brazil. The study argued that interacting stakeholders in a contractual set yield synergistic governance structures that allow firms more efficient access to external resources. Using a sample of 267 firms in Brazil (secondary data), we explored different patterns in stakeholder contracting with community, government, top management, and employees. A three-stage analysis process was devised: cluster analysis, general linear model estimation and verification tests. Results suggest that stakeholder interaction has a positive impact on firm performance. The conjoint effect of government and community contracts was found to yield superior firm performance as they provide a basic structure for contracting with other interacting stakeholders.

Ayuso et al. (2020) conducted a study that sought to investigate whether engagement with different stakeholders promotes sustainable innovation in the organization. The study established that the firm's sustainable innovation orientation was dependent on the knowledge sourced from engagement with internal and external stakeholders. Schraeder and Self (2010) outlined four main potential benefits of engaging primary stakeholders such as employees, customers, and owners in developing a vision; when employees are involved in the creation and development of the company's vision then they will support future changes related to it.

Oganda (2019) did a study to investigate factors influencing sustainability of Safaricom foundation educational funded projects in Nairobi County whose main objective was to determine the influence of resource adequacy, influence of training and to determine the extent to which stakeholders' participation influences sustainability of Safaricom foundations educational funded projects. The study used descriptive research design. The study established that adequate resources ensure project sustainability. He recommended that there was a need to: analyse stakeholders' participation , involvement in projects, educate and empower the local communities on the sustainability projects, assess the target beneficiaries and stakeholder capacity to handle and continue running of the projects.

According to Kandie et al., (2019) the content factors that affect strategic management include stakeholder involvement in strategy development and quality of strategy whereas contextual factors comprise of organization structure, organization culture, organization learning, strategic leadership and alignment of strategy to market conditions. The process covers operational planning, monitoring and review of progress, teamwork, resources allocation, people strategy fit, effective communication, strategic and management control systems and information resources. The factors that affect strategic managementinclude organizational structure, culture, resources, top management commitment and communication (Mwangi, 2020).

RESEARCH METHODOLOGY

For this study, the study used a descriptive research design. According to the communication authority in Kenya there are 5 registered telecommunication companies and they include; Safaricom PLC, Airtel, Telkom Kenya, Finserve, and Jamii Telecommunications. The study targeted management level employees at telecommunication companies in Kenya. Target populace comprised all 950 management level employees working with the telecommunication companies in Kenya. The study used Krejcie and Morgan (1970) formula to arrive at the sample size of 282 respondents. The study sample size was 282 employees. The study then used simple random sampling to select respondents from each stratum. In simple random sampling, every respondent has an equal chance of participating in the study. The study used questionnaires as the tool for data collection. SPSS (version 22) was applied in analysing quantitative data where descriptive statistics were computed and presentations done in percentages, means, SD and frequencies. Displaying of the information was done in table and figures. To facilitate this, responses were tallied, percentages of variations computed and data described and interpreted in line with study's objectives and assumptions. Inferential data analysis was conducted by use of Pearson correlation coefficient, and multiple regression analysis.

RESEARCH FINDINGS AND DISCUSSIONS

The researcher sampled 282 respondents who were each administered with the questionnaires. From the 282 questionnaires 262 were completely filled and returned hence a response rate of 93%. The response rate was considered as suitable for making inferences from the data collected. As indicated by Metsamuuronen (2019), a response rate that is above fifty percent is considered adequate for data analysis and reporting while a response rate that is above 70% is classified as excellent. Hence, the response rate of this study was within the acceptable limits for drawing conclusions and making recommendations.

Descriptive statistics

Strategic Planning and Organization Performance

The first specific objective of the study was to assess the effect of strategic planning on performance of telecommunication companies in Kenya. The participants were requested to indicate their level of agreement on various statements related to strategic planning and performance of telecommunication companies in Kenya. The results were as shown Table 1.

From the results, the respondents agreed that their organization's mission statement clearly communicates their purpose to all stakeholders (M=3.995, SD= 0.896). In addition, the respondents agreed that the vision statement of their organization inspires and motivates employees (M=3.900, SD= 0.876). Further, the respondents agreed that the goals set by their organization are specific, measurable, achievable, relevant, and time-bound (SMART) (M=3.887, SD= 0.782).

The respondents agreed that there is a clear process in place for setting organizational goals (M=3.855, SD= 0.685). The respondents also agreed that their organization has a clear action plan for achieving its strategic goals (M=3.797, SD= 0.698). In addition, the respondents agreed that action plans are detailed and include specific tasks, deadlines, and responsible individuals (M=3.771, SD= 0.727). Further, the respondents agreed that there is a system in place for tracking the progress of action plans (M=3.687, SD=0.777).

Table 1: Strategic Planning and Organization Performance

	Mean	Std. Dev.
Our organization's mission statement clearly communicates our purpose to all stakeholders.	3.995	0.896
The vision statement of our organization inspires and motivates employees.	3.900	0.876
The goals set by our organization are specific, measurable, achievable, relevant, and time-bound (SMART).	3.887	0.782
There is a clear process in place for setting organizational goals.	3.855	0.685
Our organization has a clear action plan for achieving its strategic goals.	3.797	0.698
Action plans are detailed and include specific tasks, deadlines, and responsible individuals.	3.771	0.727
There is a system in place for tracking the progress of action plans.	3.687	0.777
Aggregate	**3.842**	**0.777**

Strategic Stakeholder consultation and Organization Performance

The second specific objective of the study was to establish the effect of strategic stakeholder consultation on performance of telecommunication companies in Kenya.The respondents were requested to indicate their level of agreement on various statements related to strategic stakeholder consultation and performance of telecommunication companies in Kenya. The results were as shown Table 2.

From the results, the respondents agreed that their organization actively seeks the participation of key stakeholders in strategic planning (M=3.940, SD=0.772). In addition, the respondents agreed that stakeholders are given adequate opportunities to provide input during the strategic planning process (M=3.840, SD=0.889). Further, the respondents agreed that their organization maintains on-going communication with stakeholders about strategic initiatives (M=3.827, SD=0.768). The respondents also agreed stakeholders are regularly informed about the progress of strategic plans (M=3.800, SD=0.562).

As shown in the results, the respondents agreed that their organization understands the interests and priorities of their key stakeholders (M=3.743, SD=0.879). In addition, the respondents agreed that they regularly assess the interests of stakeholders to ensure alignment with their strategic plans (M=3.708, SD=0.692). Further, the respondents agreed that stakeholders are provided with relevant information that aligns with their interests (M=3.688, SD=0.760).

Table 2: Strategic Stakeholder consultation and Organization Performance

	Mean	Std. Dev.
Our organization actively seeks the participation of key stakeholders in strategic planning.	3.940	0.772
Stakeholders are given adequate opportunities to provide input during the strategic planning process.	3.840	0.889
Our organization maintains ongoing communication with stakeholders about strategic initiatives.	3.827	0.768
Stakeholders are regularly informed about the progress of strategic plans.	3.800	0.562
Our organization understands the interests and priorities of our key stakeholders.	3.743	0.879
We regularly assess the interests of stakeholders to ensure alignment with our strategic plans.	3.708	0.692
Stakeholders are provided with relevant information that aligns with their interests.	3.688	0.760
Aggregate	**3.792**	**0.760**

Organization Performance

The respondents were requested to indicate their level of agreement on various statements related to performance of telecommunication companies in Kenya. The results were as shown Table 3.

From the results, the respondents agreed that their company consistently meets or exceeds its profitability targets (M=3.902, SD= 0.766). In addition, the respondents agreed that revenue growth has been stable or increasing over the past year (M=3.887, SD= 0.886). Further, the respondents agreed that their company has experienced growth in market share over the past year (M=3.849, SD= 0.785). Further, the respondents agreed that market share data is regularly analyzed to inform strategic decisions (M=3.827, SD= 0.678). The respondents also agreed that their customers are satisfied with the quality of their telecommunications services (M=3.696, SD= 0.554). In addition, the respondents agreed that customer satisfaction surveys are conducted regularly and results are used to improve services (M=3.677, SD=0.734).

Table 3: Organization Performance

	Mean	**Std. Deviation**
Our company consistently meets or exceeds its profitability targets.	3.902	0.766
Revenue growth has been stable or increasing over the past year.	3.887	0.886
Our company has experienced growth in market share over the past year.	3.849	0.785
Market share data is regularly analyzed to inform strategic decisions.	3.827	0.678
Our customers are satisfied with the quality of our telecommunications services.	3.696	0.554
Customer satisfaction surveys are conducted regularly and results are used to improve services.	3.677	0.734
Aggregate	**3.806**	**0.734**

Correlation Analysis

This research adopted Pearson correlation analysis determine how the dependent variable (performance of telecommunication companies in Kenya) relates with the independent variables (strategic planning, strategic stakeholder consultation).

Table 4: Correlation Coefficients

		Organization Performance	**Strategic Planning**	**Strategic Stakeholder Consultation**
Organization Performance	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	262		
Strategic Planning	Pearson Correlation	.815**	1	
	Sig. (2-tailed)	.003		
	N	262	262	
Strategic Stakeholder Consultation	Pearson Correlation	.825**	.327	1
	Sig. (2-tailed)	.002	.032	
	N	262	262	262

From the results, there was a very strong relationship between strategic planning and performance of telecommunication companies in Kenya (r = 0.815, p value =0.003). The relationship was significant since the p value 0.003 was less than 0.05 (significant level). The findings are in line with the findings of Abdalkrim (2019) who indicated that there is a very strong relationship between strategic planning and organization performance.

Moreover, there was a very strong relationship between strategic stakeholder consultation and performance of telecommunication companies in Kenya ($r = 0.825$, p value =0.002). The relationship was significant since the p value 0.002 was less than 0.05 (significant level). The findings are in line with the findings of Oganda (2019) who indicated that there is a very strong relationship between strategic stakeholder consultation and organization performance.

Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (strategic planning, strategic stakeholder consultation) and the dependent variable (performance of telecommunication companies in Kenya).

Table 5: Regression Coefficients

	Unstandardized Coefficients		**Standardized Coefficients**	**t**	**Sig.**
	B	Std. Error	Beta		
(Constant)	0.331	0.084		3.940	0.001
Strategic Planning	0.386	0.097	0.387	3.979	0.000
Strategic Stakeholder Consultation	0.376	0.095	0.375	3.957	0.001

The regression model was as follows:

$$\mathbf{Y = 0.331 + 0.386X_1 + 0.376X_2 + \varepsilon}$$

According to the results, strategic planning has a significant effect on performance of telecommunication companies in Kenya β_1=0.386, p value= 0.000). The relationship was considered significant since the p value 0.000 was less than the significant level of 0.05. The findings are in line with the findings of Abdalkrim (2019) who indicated that there is a very strong relationship between strategic planning and organization performance

The results also revealed that strategic stakeholder consultation has a significant effect on performance of telecommunication companies in Kenya $\beta1$=0.376, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The findings are in line with the findings of Oganda (2019) who indicated that there is a very strong relationship between strategic stakeholder consultation and organization performance

Conclusion

The study concludes that strategic planning has a positive and significant influence on performance of telecommunication companies in Kenya. Findings revealed that mission and vision, goal setting and action planning influence performance of telecommunication companies in Kenya.

In addition, the study concludes that strategic stakeholder consultation has a positive and significant influence on performance of telecommunication companies in Kenya. Findings revealed that participation of stakeholders, engagement of stakeholders and interest of stakeholders influence performance of telecommunication companies in Kenya.

Recommendations

The study recommends that the management of telecommunication companies in Kenya should implement targeted infrastructure development. By investing strategically in expanding and upgrading their network infrastructure, companies can improve service reliability, coverage, and data speeds.

In addition, the study recommends that the management of telecommunication companies should prioritize engagement with local communities and regulatory bodies during infrastructure development projects. By actively involving these stakeholders from the planning stages onwards, companies can gain valuable insights into local needs, concerns, and regulatory requirements.

Suggestions for Further Studies

This study was limited to the influence of strategic management practices on performance of telecommunication companies in Kenya hence the study findings cannot be generalized to organization performance in other organization in Kenya. The study therefore suggests further studies on the influence of strategic management practices on organization performance in other organizations in Kenya.

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