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INFLUENCE OF STAKEHOLDER INVOLVEMENT ON PERFORMANCE OF KENYAN PARLIAMENTARY SERVICE COMMISSION

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Abstract: **Economic and political change is commonplace, and social and technological change is on the rise. Because strategic planning is a complex process, managers need to fully understand it before it can be successfully implemented. This study investigated the influence of stakeholder involvement on the Performance of Kenyan Parliamentary Service Commission. Descriptive survey research design was used. The target population included eight hundred and five (805) respondents, including twenty (20) department heads and seven hundred and eighty-five (785) employees from PARLSCOM Job Group (Scale) 6 and above. To ensure that all cases have a representative sample, respondents will be sampled according to their department using a stratified sampling method. Simple random sampling was used to select respondents. The sample size was 81 people. Questionnaires were used to collect primary data. Ten (10) respondents took part in the pilot study but did not participate in the final study. Content validity was used to assess the instruments' validity. Cronbach's alpha reliability coefficient was used to test the questionnaire's reliability, and the study aimed for a correlation coefficient of 0.7. Descriptive statistics: standard deviation and mean quantitative data analyzed and presented in tables, pie charts, and bar graphs In order to determine how variables relate, inferential statistics such as multiple regressions and correlation analysis were used. According to the findings of the study, stakeholder involvement has a positive and significant impact on the performance of the Kenyan Parliamentary Service Commission. The study concluded that stakeholder involvement helps to reduce risk within the firm, improves governance, and brings people together to pool expertise, experience, and knowledge. According to the study, the commission should have clear, consistent communication by ensuring that external and internal stakeholders understand the vision and their individual role in achieving an organization's goals.**

Keywords: **Stakeholder Involvement, Organizational Performance.**

1. INTRODUCTION

Strategic planning allows the institution to make important decisions or decisions based on what we hope to achieve and how we will achieve them. It is built after a thorough evaluation of the current organizational resources, collaboration, combination of service or program, staff, governance, and structure (Alexander, 2015). According to Weick and Quinn (2016), a well-developed strategic plan serves as an effective strategy for organizational change because it provides a description of the weaknesses and strengths of the organization, vision, type of change, transformation sequence, resources needed. , and change management people, whether they are derived from an external source or are already present in the organization.

According to Albanese and Van-Fleet (2013), each organization has an external and internal environment dependent on each other. Continued interaction with the emergence of flexible internal and external components of the environment resulting from ongoing changes in socio-cultural-demographic, political-legal, technical, economic, and competitive aspects makes strategic management famous in understanding vital choices and position as they take a stab at greatness in the work environment. Key arranging is remembered to emphatically affect execution since it assists with choosing systems that permit organizations to turn out to be more proficient and utilize their assets and assets corresponding to outside ecological open doors (Akinyi, 2017).

According to Steiner (2014), strategic planning is a systematic approach to organizational management through the changing nature of uncertainty in achieving intended goals rather than simple current budget conclusions or a combination of an effective plan. According to Owolabi (2015), in the event that an association is to get by, it should work successfully in an unregulated and unsteady climate, which significantly influences direction. As a result, strategic commitment to strategic implementation is equally affected by strategic planning, which increases organizational performance.

According to Wakahia (2017), commercial banks in Kenya are competitive and their service and product divisions are shallow, requiring strategic planning for all operations, and successful organizations must be able to manage cultural change and provide the highest level of customer service. Understanding that everyone must work together to ensure that team goals are achieved is an important concept of strategic planning processes. As a result, strategic planning involves strategic planning and implementation, evaluating a variety of options, analyzing resource capabilities and environmental trends, and setting goals.

According to Edelenbos and Klijn (2016), involving stakeholders in decision-making by affected persons ensures a higher level of commitment and ownership in achieving the goal. Furthermore, as more people participate in the common interest joint process, the output quality improves. According to Huybrechts, Mertens, and Rijpens (2018), because more stakeholders are involved in decision making, an institution can cultivate a sense of ownership that leads to better strategy outcomes. As a result, management should identify the key stakeholders who are interested in the organization's success and involve them in the process of strategic management with the goal of improving performance.

According to Virgina (2010), an organization's performance consists of the organization's actual measured results or output in relation to the objectives and goals set. Understanding organizational performance can be compared to how well organizational goals are met. It is critical for an organization's managers to understand their organization's performance rate in order to determine the changes that should be implemented. It is difficult for an organization's executives to know the exact time changes are required in the institution without performance knowledge (Bourne & Bourne, 2012).

According to Garoma (2016), the organizational performance concept is based on the idea that an organization is a proposed productive asset collaboration that includes capital, physical, and human resources aimed at achieving a mutual goal. As a result, in order for organizations to improve their performance, various strategic management practices for performance enhancement should be implemented. According to Parmenter (2015), organizational performance is used to evaluate a company's overall non-financial and financial well-being over a given time period. As a result, several quantitative and qualitative indicators are used to assess an organization's success.

According to Shaw (2016), organizational performance consists of the organization's actual measured results or output in relation to the objectives and goals set. As a result, understanding organizational performance can be used to understand how well an organization is doing in achieving its goals. Gathoni (2016) contends that knowing the changes to be implemented requires an organization's managers and owners to be aware of the organization's performance rate. As a result, executives with performance knowledge will have a difficult time determining the precise changes that are required in an organization.

Statement of the Problem

Organizational performance in various spheres of government and structures is essential to the provision of services to citizens (Muathe, 2010). The Parliamentary Service Commission is no different, as it must also ensure that it provides exemplary services to both the Senate and the National Assembly to ensure that the legal agenda is set out to achieve the stated goals and objectives. However, inadequate technological advancement has hampered the provision of services by the Parliamentary Service Commission. According to Akinyele and Fasogbon (2016), the fundamental method for accomplishing the objectives and goals of the establishment fully intent on further developing authoritative execution is the utilization of procedures. Notwithstanding, challenges emerge from both outside and interior sources, and their still up in the air by the kind of methodology, association, and conditions included. Organizations must then develop appropriate strategic planning processes that promote harmonious alignment between the values and culture of the organization, the needs and the environment, and the resources available to the company.

The primary goal of strategic planning is to work on the viability and proficiency of the association by giving a system to future administration thoughts and working on future and current execution (Nartisa, Putans & Muravska, 2017). Nonetheless, financial and political change is typical, and social and mechanical change is blasting. Before managers can effectively practice strategic planning, they must first gain a complete understanding of it. Those in charge of strategic planning face a daunting task fraught with uncertainty.

Rintari and Moronge (2012) investigated how strategic planning processes affect the functioning of Kenyan public institutions and found an important negative relationship between strategic planning processes learned and operational. Mohammed, Gichunge, and Were (2017) investigated the relationship between Kenyan tourism industry firm performance and strategic planning processes and discovered that resource identification contributes to performance. Njoroge (2018) investigated how strategic planning affects the performance of an organization and concluded that an external analysis of what firms are doing is needed. The study, however, was an example of the Nairobi CBD event planning firms. Therefore, the current research sought to investigate the influence of stakeholder involvement on the performance of Kenyan Parliamentary Service Commission.

2. LITERATURE REVIEW

Theoretical Literature Review

Kaplan and Norton (1996) proposed the Balanced Score Card model as a performance management framework in which day-to-day operations are linked to strategies. Provides a complete business idea based on business objectives. According to Kaplan and Norton (1996), the concept of a balance sheet card provides powerful ways to translate a company's strategy and vision into an effective communication tool and strategic objective and a proactive action against established strategic objectives. It is a management system that allows an organization's strategy and vision to be defined and interpreted by actions. This model is important because organizations use score cards to guide their business operations and strategies and vision. Examines the organization's current and future financial and performance metrics.. As a result, management must effectively and efficiently monitor and evaluate the aspects of both non-financial and financial organizations.

Empirical Literature Review

Okoth (2016) investigated how stakeholder involvement influences organizational performance, strategy formulation, and implementation in Mombasa tea warehousing companies. Primary data collected revealed that stakeholder involvement was positively related to performance. This was true even when the participants were moderately involved in the formulation and implementation of the strategy. Performance indicators were higher for participating organizations more actively than those who did not.

Adewale and Esther (2012) investigated the relationship between organizational performance and stakeholder involvement in strategic planning. Venda University was investigated. It was found that the management unit was completely in control of the planning process, leaving some participants in the dust. According to these findings, there is little involvement of those directly involved in the planning process.

Chepkoech and Waiganjo (2015) investigated how stakeholders influenced strategic change implementation in Kenyan commercial banks. They are investigating the National Bank of Kenya. A descriptive research design was used, and 120 managers from Nairobi CBD NBK branches were chosen as respondents. Employees are promoted to various levels of the bank's management. Data was collected using a questionnaire. It was discovered that stakeholders played an important role in the implementation of Kenya's commercial banks' transformation strategy.

3. RESEARCH METHODOLOGY

The study used a descriptive survey research design. The target population included eight hundred and five (805) respondents, including twenty (20) department heads and seven hundred and eighty-five (785) employees from PARLSCOM Job Group (Scale) 6 and above. To ensure that all cases have a representative sample, respondents will be sampled according to their department using a stratified sampling method. Simple random sampling was used to select respondents. The sample size was 81 people. Questionnaires were used to collect primary data. Ten (10) respondents took part in the pilot study but did not participate in the final study. Content validity was used to assess the instruments' validity. Cronbach's alpha reliability coefficient was used to test the questionnaire's reliability, and the study aimed for a correlation coefficient of 0.7. Descriptive statistics: standard deviation and mean quantitative data analyzed and presented in tables, pie charts, and bar graphs In order to determine how variables relate, inferential statistics such as multiple regressions and correlation analysis were used.

4. FINDINGS

Table 1 shows the descriptive results for stakeholder involvement..

Table 1: Stakeholder Involvement

Statement	M	SD
Understanding stakeholders' interests and points of view leads to effective decision-making.	3.26	1.74
Stakeholder engagement is critical for establishing long-term credibility and trust in an organization.	3.85	1.15
Stakeholder engagement is critical for improving accountability within an institution.	4.68	0.32
Better organizational performance and policymaking can be achieved if stakeholders' perspectives and needs are fully understood.	4.59	0.41
Diverse perspective engagement provides learning opportunities and may change the approach to ensure it meets the needs of the stakeholders.	4.13	0.87

Source: Researcher (2022)

Respondents strongly agreed on the following statements: improving accountability within an institution requires stakeholder engagement (M=4.68, SD=0.32), and better organizational performance and policy making can be achieved if stakeholders' views and needs are fully understood (M=4.59, SD=0.41). This finding is consistent with Adewale and Esther's (2012) study, which examined how the performance of organizations and the participation of stakeholders in strategic planning were related and found that the management unit was fully in charge of the strategic planning process, referring other stakeholders to the issue.

Respondents agreed on the statements that varying perspective engagement provides learning opportunities and potentially changes the approach to ensure it fits the stakeholders' needs (M=4.13, SD=0.87) and that stakeholder engagement is critical to ensuring long-term credibility and trust in an organization (M=3.85, SD=1.15). These findings are in line with a study by Chepkoech and Waiganjo (2015), which investigated how stakeholders influence the use of Kenyan commercial banking strategies and found that participants play a positive and important role in the implementation of Kenyan commercial banking strategies.

The statement that effective decision-making results from understanding stakeholders' interests and points of view was rated moderately by respondents (M= 3.26, SD= 1.74). This finding contradicts Okoth's (2016) study, investigated how the operation of the Mombasa Tea Company, the development of strategies, and the use of influence affected stakeholder engagement and found that performance indicators were higher in stakeholder organizations than those that did not.

Results of Correlation Analysis

Table 2

		Stakeholder involvement	Organizational performance
Stakeholder involvement	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	74	
Organizational performance	Pearson Correlation	.696**	1
	Sig. (2-tailed)	.000	
	N	74	74

Source: Researcher (2022)

Table 2 shows that stakeholder involvement and organizational performance are strongly related, with a Pearson's r value of 0.696 and a significance value of 0.00. These findings are in line with Okoth's (2016) study, which investigated the performance of Mombasa tea storage companies, strategic planning, and implementation was influenced by stakeholder engagement and found that performance indicators were higher in stakeholder organizations than their performance.

Results of Regression Analysis

Table 3: Model Summary of Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.948[a]	.899	.898	.157

Source: Research Data (2022)

According to the adjusted R square, the independent variables studied explain a factor of 0.898 (89.8 percent) of the performance of the Kenyan Parliamentary Service Commission. As a result, other factors not studied here account for 10.2 percent of organizational performance.

Coefficient of Determination of the Variable

Table 4: Coefficient of Determination of the Variable

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.610	.942		3.831	.000
	Stakeholder involvement	.621	.133	3.273	2.948	.002

Source: Research Data (2022)

Based on the results in Table 3, assuming constant stakeholder involvement, the Kenyan Parliamentary Service Commission's performance would be 0.610. Furthermore, it was determined that, when compared to other variables studied, stakeholder involvement influenced organizational performance by 62.1 percent.

The following regression equation was developed as a result of the research:

$Y = 0.610 + 0.621X_1$

Where Y = Organizational performance

X_1 = Stakeholder involvement

Furthermore, the study discovered that Kenyan Parliamentary Service Commission performance and stakeholder involvement were significantly and positively related, as evidenced by (t=2.948, P0.05) beta values. These findings are in line with a study by Chepkoech and Waiganjo (2015), which investigated how stakeholders influence the use of Kenyan commercial banking strategies and found that participants play a positive and important role in the implementation of Kenyan commercial banking strategies.

5. CONCLUSIONS

The study concluded that stakeholder involvement helps to reduce risk within the firm, improves governance, and brings people together to pool expertise, experience, and knowledge. Effective stakeholder engagement translates stakeholders need organizational goals and build an effective strategic development framework. The views and opinions of key stakeholders are very important in the early stages of planning and development processes. Stakeholder participation aids in the formation of new relationships and collaborative partnerships that generate value.

6. RECOMMENDATIONS

According to the study, the commission should have clear, consistent communication by ensuring that external and internal stakeholders understand the vision and their individual role in achieving an organization's goals. Organize a series of discussion discussions to engage participants in discussions and discussions. The process to be drawn, as well as the important steps in which stakeholder engagement is required, and why it is important. Allow enough time and planning for all relevant parties to participate and internalize, understand, and discuss each step of the process or project milestone.

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