

**STRATEGIC PLANNING AND PERFORMANCE OF CHINESE
INFRASTRUCTURAL FIRMS IN KENYA**

BY

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DECLARATION

This research project is my original work and has not been submitted or presented to any other institution of learning for any academic award.

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The research has been submitted for examination with the approval of my university supervisor

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DEDICATION

This work is dedicated to my wife Mrs. Liang Ying for making this project possible through support and prayers.

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First, I give thanks in a special way to God for his love and gratitude. I appreciate Dr. Ben Mkalama because of the direction and insights. I could not have gotten through it without him. I would want to take this chance to thank my friends, and my lecturers for the support and direction they provided me during my time in school.

ABSTRACT

Infrastructural projects are prone to changes in technology, government regulations, change in customer tastes and preferences as well as purchasing power. In responding to these external factors, competition among firms is becoming high and more intense as organizations implement procedures and practices to aid them survive. In this rapid dynamic environment, infrastructural entities will be more forward looking and vigilant to survive by employing more strategic decisions to realize performance. Embracing strategic planning enables companies to appreciate their strategic position and understand how to advance future strategic choices and implement current strategies. This study explored the effect of strategic planning on competitive advantage of Chinese Infrastructural firms in Kenya. The investigation employed a mixed-method research design. Twelve Chinese infrastructural firms operating in Kenya were studied. Qualitative data was gathered using interview guides from top manager and executives of the infrastructural firms. Quantitative data was collected using structured questionnaires and analysis performed to generate descriptive statistics. Qualitative data was analyzed using content analysis. The findings revealed that although Chinese infrastructural projects were implemented within a strategic framework, there was less involvement of employees on matters strategy as the strategic plans were developed in China. The findings also showed that strategy identification and appraisal mechanisms have been successful due to proper environmental scanning with the help of tools such as the SWOT analysis. Additionally, the findings revealed that strategy implementation was confronted by challenges such as communication breakdown since the management was not aware of the strategic goals in some instances, political instability due to change in regimes which affect contracts and inconsistencies in funding as well as site accidents among others. The study recommends Chinese firms to consider developing strategic plans that are country specific and formulate a modality for involving the employees in strategic planning. The government should create a conducive environment for the operation of foreign firms through favorable policies.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
LIST OF TABLES	viii
LIST OF ACRONYMS AND ABBREVIATIONS	x
CHAPTER ONE: INTRODUCTION	1
1.1 Background to the Study.....	1
1.1.1 Strategic Planning	2
1.1.2 Organizational Performance.....	4
1.1.3 Chinese Infrastructural Firms in Kenya.....	6
1.2 Research Problem	7
1.3 Research Objective	9
1.4 Value of the Study	10
CHAPTER TWO: LITERATURE REVIEW	11
2.1 Introduction.....	11
2.2 Theoretical Foundation	11
2.2.1 Resource Based Theory.....	11
2.2.2 Contingency Theory	13
2.3 Empirical Studies and Research Gaps	15
2.4 Summary of Research Gaps.....	18
2.5 Conceptual Framework.....	19
.....	19
CHAPTER THREE: RESEARCH METHODOLOGY	20
3.1 Introduction.....	20
3.2 Research Design.....	20
3.3 Population	21
3.4 Data Collection	21
3.5 Data Analysis	22

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION	23
4.1 Introduction	23
4.2 General Profile of Respondents.....	23
4.3 Strategic Planning Process	24
4.3.1 Descriptive Findings on Strategic Management Process	24
4.3.2 Qualitative Findings on Strategic Management Process	26
4.3.2.1 Vision and corporate strategy of the firms	26
4.3.2.2 Business appraisal Strategies	27
4.3.2.3 Factors considered in the identification of strategic issues	28
4.3.2.4 Challenges or obstacles faced in implementation of strategic plans.....	29
4.3.2.5 Employee involvement in the strategic planning process	30
4.3.2.6 Best practices or lessons learned in strategic planning	31
4.4 Findings on Organizational Performance.....	32
4.4.1. Descriptive Findings on Organizational Performance.....	32
4.4.2 Qualitative Findings on Organizational Performance	33
4.5 Discussion of the findings	34
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	37
5.1 Introduction	37
5.2 Summary of Findings	37
5.2.1 Summary of Findings on Strategic Planning	37
5.2.2 Summary of Findings on Strategic planning and Organizational Performance	39
5.3. Conclusions	40
5.4 Recommendations	41
5.5 Limitations of the Study	42
REFERENCES.....	44
APPENDICES	i
Appendix I: Questionnaire	i
Appendix II: Interview Guide	iii
Appendix III: Chinese Constructions Companies in Kenya	iv

LIST OF TABLES

Table 4.1: Strategic Planning Practices	24
Table 4.2: Performance	32

LIST OF FIGURES

Figure 2.1: Conceptual Framework	19
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LIST OF ACRONYMS AND ABBREVIATIONS

CRM	Customer Relationship Management
GDP	Gross Domestic Product
JKIA	Jomo Kenyatta International Airport
KPI	Key Performance Indicator
KPLC	Kenya Power and Lighting Company
SA	South Africa
SGR	Standard Gauge Railway
SME	Small and Medium Enterprises
SPSS	Statistical Package for Social Science
SWOT	Strengths, Weakness, Opportunities and Threats
UK	United Kingdom
RBV	Resource Based View
USA	United States of America

CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

Infrastructural projects are prone to changes in technology, government regulations, change in customer tastes and preferences as well as purchasing power (Razkenari & Fenner, 2020). In responding to these external factors, competition among firms is becoming high and more intense as organizations implement procedures and practices to aid them survive. In this rapid dynamic environment, infrastructural entities will be more forward looking and vigilant to survive by replacing considerations which are tactical with strategic decisions to realize performance (Newman et al, 2021). Good infrastructural planning is one which is within the boundaries of schedule, cost, defined scope and which ensures that the quality of infrastructural projects is not compromised (Warszawski, 2016). Strategic planning aims to prevent the collapse of the organization due to hostile economic conditions and turbulent internal and external circumstances. The implementation of strategic choices such as differentiation, total quality management, innovation, balance score card and six sigma improve firm performance and offer a competitive edge (Wang, Zhang & Cai, 2019). In the modern days, organizations both in the public and private sectors have adopted strategic planning as a crucial ingredient to fast-track their performances (Arasa & Kobonyo, 2012).

This investigation was pegged on the resource-based view (RBV) founded by Barney in late 1991 and contingency theory founded by Professor Fred Fiedler in 1962. The resource based view argues that entities depend on various resources. The combination of inputs that enable an enterprise to function and execute its strategies. Firm resources refer to the inputs that enable a firm to function and carry out its strategies. On the other hand, the contingency theory purports that environmental and organizational conditions limit the control of the manager over

organizational occurrences. External environmental changes affect the decisions of the management to ensure survival and realize performance. Different strategies including innovation, employee skills and marketing are leveraged to attain a competitive edge.

In Kenya, researches in performance evaluation in institutions have evolved a lot in recent years. However, analysis of past studies indicates that firms that adopt strategic planning stand a good chance to optimize performance and output compared to firms that disregard strategic planning (Nkosi, 2015). This is attributed to the fact that the growth of the organization broadens the resource base hence putting pressure on the existing management. This coupled with new trends in the environment complicates the vision and strategy of the firm towards attainment of goals or set objectives. Other challenges such as budget shortfalls and economic uncertainties may also emerge along the way. The management must therefore put in place strategies to tackle such unforeseen challenges (Nkosi, 2015). Chinese firms in infrastructural projects and building industry in Kenya are continually adopting strategic planning in their undertakings to boost performance. This is because these firms have realized the importance of strategic management such as SWOT (Strengths, Weakness, Opportunities and Threats) analysis, differentiation strategy as well as cost leadership, market penetration and product development in expanding their operations and improving their success.

1.1.1 Strategic Planning

This is the process by which a firm defines its direction and establishes its objectives, goals, and strategies to achieve those objectives. It involves analyzing an organization's current situation, identifying potential future opportunities and challenges, and developing a plan of action to guide decision-making and resource allocation (Steiner, 2011). Ansoff (1970) describes strategic planning as the process of seeking a desirable match between the firm's products, technology and

its increasingly dynamic markets. It is a shift from a familiar space to an unfamiliar one of strange competitors, strange technologies, new consumer attitudes, new dimensions of social control and reevaluating the firms' role in the society. Strategic planning is a formal process that requires regular applications of rules in managing firm operations (Thompson, Strickland, & Gamble, 2015). As such, it may reduce flexibility and creativity in management of firm systems in uncertain business environment. Strategic planning process is involving and expensive which discourages some stakeholders and management from using it (Monday et al., 2015).

The strategic planning process typically involves several key steps, including the organization's mission definition, values, and vision. Sharabati and Fuqaha (2014) infers that, the process also involves conducting a situational analysis to acknowledge the internal strengths and weaknesses of the firm and its external threats and opportunities. It also involves establishing specific, measurable, relevant, achievable and time-bound (SMART) goals and objectives (Thompson, Strickland, & Gamble, 2015).

Ansoff et al. (2018) argued that developing strategies and tactics to achieve those goals and objectives as well as allocating resources (including people, money, and time) to support the plan and establishing performance metrics to monitor progress and make adjustments as needed are part of strategic planning. It should be noted that effective strategic planning can aid entities in aligning their efforts with their overall mission and vision, prioritize their resources, and adapt to changing circumstances. It is an essential tool for achieving long-term success and sustainability. Strategic planning applies a systems approach by looking at a firm as a system constituting subsystems. It allows managers to look at the firm as a whole and interrelationships of parts rather than deal with each part independently in disregard of others (Arasa & Kobonyo, 2012).

Steiner (2011) views strategic planning as the foundation of strategic management. It outlines the structure of formulating a strategy and implementing it. Strategic planning is elementary for success of firms as a poorly done strategy may result to adverse repercussions. Managers must have a good understanding of the two intuitive-anticipatory planning's where they use creative imagination and intuition in systematic planning for the future. The process demands organizations to set their goals objectively, describe policies and strategies to attain the goals, and develop a detailed plan of ensuring strategic implementation (Monday et al., 2015).

Every step in strategic planning is vital, a clear vision is used to gauge whether the workers are on the right track. On the other hand, scanning the environment helps the organization to identify its internal competencies or business opportunities which will inform strategies to facilitate fit and success (Arasa & K'Obonyo, 2012). Carrying out various steps in strategic planning is expected to facilitate the realization of organizational effectiveness (Ferreira & Proença, 2015). The three dimensions of strategic planning process according to Wendy (1997) are strategic analysis, strategic choice and strategic implementation.

1.1.2 Organizational Performance

Monday et al. (2015) describes performance as the capacity of an organization in accomplishing its major objective by ensuring administrative strengths, effective management, and continued commitment in obtaining good outcome. Verboncu & Zalman (2005) describe performance as a particular result obtained in enterprise management, economics and marketing which gives attributes of competitiveness, effectiveness and efficiency to the firm and its structural and procedural components. Similarly, Peterson, Gijbers & Wilks (2003) appreciate performance as the firm's capability and ability to effectively exploit the available resources to achieve the goals of the company and benefit the users.

Organizational performance remains one of significant concept in organizations because it aids organizations in the identification of areas of improvements and provision of insights pertaining the current capabilities of employees and skills required. Mutindi et al. (2020) asserts that, for organizations to deliver services, it must be ready to expand their efficiency assessment from the organization's ordinary situated perspective into organization's double client perspective. Development of strategic perspective is key in the development of competitive mindset. A range of approaches can be developed with a strategic perspective aimed at dealing with common organization obstacles which include brand recognition and market penetration (Mutindi et al., 2020).

In the industry segment, commercial segment and corporates segment, assessing the performance of an organization is perceived as a tedious concept that takes place at several sector levels of an entity (Monday et al., 2015). In construction industry, performance of an organizational is assessed by non-financial and financial performance variables. Financial performance measures include profitability and returns levels while non-financial indicator factors include number of customers, management efficiency and asset base.

Assessment of a survey by Mwangi (2020) concluded that, organization's output is dependent on the applied effort. This implies that, value and success in the organizations can be attained through collaboration and effort. Output and success level can be viewed in terms of returns. There are also instances where volume of sales can indicate the increase in organization's value (Huang & Tung, 2020). However, proper general output management and performance and general output in organizations need good plans and strategies that consider the operational conditions and the available assets.

In addition, organization performance depends on many measures as well as factors and it is challenging to use one measure to determine firm performance (Mwangi, 2020). Performance may be measured using various dimensions. Kaplan and Norton (1990) proposed the balanced scorecard model which evaluate organizational performance using four perspectives namely; financial, customer, internal business and innovation learning perspectives. Nassar& AbouRizk (2014) conceptualized a performance measurement index for construction industry specifying several indicators which include cost, schedule, billing, profitability, safety, quality, customer satisfaction and team satisfaction.

1.1.3 Chinese Infrastructural Firms in Kenya

In Kenya, there are various Chinese Infrastructural Firms and they mainly work within construction and real estate sectors. These are firms which originated from the People's Republic of China (Huang & Tung, 2021). Chinese contractors have delivered many infrastructural projects in Kenya. They have executed infrastructural projects that meet world class standards in Kenya including the Standard Gauge Railway, modernization of JKIA and the Thika Super Highway (Mwangi et al., 2020).

Some of these firms include the China Wu Yi Co Ltd. China Wu Yi is an award-winning construction firm that has delivered many world-class infrastructural projects in Kenya (Carton, 2004). The company has spearheaded the construction of highly valued projects including the modernisation of JKIA, Thika Superhighway and many other road projects in the country (Cai, & Wu, 2019). There is also the China Communications Construction Company (CCCC), and the China Road and Bridges Corporation (CRBC), which constructed the Nairobi Expressway valued at Ksh65 billion (Ruto, 2023).

Chinese construction firms have become increasingly dominant in Kenya as a result of the increasing private and public firms that venture into building and infrastructural projects (Fadol et al. 2015). Consequently, Chinese construction firms in Kenya compete for government bids with Kenyan contractors which sometimes fail to make to the shortlist. The highly skilled workmanship and advanced machinery used by Chinese firms has seen them win lucrative government tenders. Most clients who have worked with Chinese construction firms in Kenya applaud them for the quality delivered and attention to timelines (Cai, & Wu, 2019). For example, approximately 118 Chinese construction firms exhibited their products in the 2017 China Trade Week symposium out of the 450 companies that were present in the forum (Cai, & Wu, 2019).

1.2 Research Problem

Embracing strategic planning enables companies to appreciate their strategic position and understand how to advance future strategic choices and implement current strategies. The adoption of strategic management is crucial for realization of superior firm performance (Frimpong et al., 2020). Strategic planning encompasses the use of effective systems to curtail unforeseen events hence reduce the risks and keep firm operations running (Pearce & Robinson, 2017). Empirical and theoretical evidence augment the notion that the adoption of superior plans and strategies improves organizational performance (Cai, & Wu, 2019). Most surveys on strategic planning have focused on large companies and proposed conditions that must be met for effects of strategic planning to be noticed (Lawal et al. 2012). However, the main drawback lies within construction firms that work in a complex environments and face various problems.

Analysis reveals that the building and construction business exists in a highly volatile industry (Cai, & Wu, 2019). Social reforms, globalization, competition from new entrants and technological advancement present serious challenges to the industry's growth. Strategic management is the

foundation for realization of firm success. Frimpong et al. (2020) opined that organizational success will only be realized if the top management has adopted strategic planning. This means that strategic planning is important for firm success and growth (Cai, & Wu, 2019).

Different scholars have examined strategic planning and performance of construction firms. The contexts of these studies varied and none known to the researcher focused on Chinese based firms in Kenya. A survey by Ehigbochie and Alade (2019) on the impact of strategic business management on SMEs for improved productivity in Nigeria focused on SMEs instead of large construction firms.

In U.K, Fadol, Barhem and Elbanna (2015) investigated the changing strategic planning within the UK construction industry. The study used cross-sectional design and information was retrieved through questionnaire survey, telephone interviews and case studies. The outcome revealed that large construction firms were reviewing their management strategic capabilities and doing allocation of more resources to the activity. However, strategic planning was noticed to be a low profile task among medium-sized construction entities.

In Ghana, Frimpong et al. (2020) reviewed ways of boosting performance of Ghanaian construction industry using the SWOT framework. The study found that the construction sector makes the largest contribution to GDP and was a key driver of economic activities in Ghana. The significance of the construction segment in uplifting the economy makes it mandatory to advance strategies which are effective to keep enhancing the industry's output and performance. To realize this goal, this investigation conducted a SWOT technique of analysis of the construction segment in Ghana. The SWOT analysis report provides recommendations which are strategic to ameliorate the limitations and mitigate the threats confronting the sector, while leveraging on the strengths

while at the same time exploiting the opportunities that are available (Frimpong et al., 2020). These include investments to facilitate; human resource development, innovation and growth, conducive procurement practices and development and enforcement of policy and standards. In Kenya, Arasa & Kobonyo (2012) conducted an evaluation on the relationship between strategic planning and firm performance and suggested that the steps of strategic planning such as defining the corporate purpose of the firm, environmental scanning, identification of strategic issues of the firm, strategy choice and establishing strategy evaluation and control systems have a positive correlation with company performance.

Analysis reveals that many Chinese firms are not embracing strategic planning drivers in Kenya and this has led to their low performance in the construction industry (Kamau, 2018). Without effective strategic planning practices, many of Chinese firms are adopting cultural ways in managing their operations (Frimpong et al., 2020). This is not effective for long term success. There is need for studies to evaluate and determine how various Chinese Infrastructural firms can incorporate strategic planning in their work to improve performance. This is lacking in the Kenyan context and it is a big problem that this study sought to analyze. As such, the study sought to evaluate effects of strategic planning on performance of Chinese infrastructural firms in Kenya. As such, this study sought to answer the research question; how does Strategic Planning affects performance of Chinese Infrastructural Firms in Kenya?

1.3 Research Objective

The study's objective was to evaluate how strategic planning affects the performance of Chinese infrastructural Firms

1.4 Value of the Study

The findings would be beneficial in understanding how strategic planning affects the performance of Chinese infrastructural projects in Kenya. This means that it will benefit practitioners and firms working with Chinese infrastructural projects in Kenya. This is important for promoting their success.

The study will also benefit scholars since the survey's outcome will enhance understanding of the strategic contribution towards the organizations in attaining performance goals and organization survival. Theoretical foundation was also developed by this study on how organizations can use strategic planning in their major operations.

The policy makers in Kenya would also benefit. Policy framework pertaining strategic planning among firms in the country can be developed. This will help to formulate policies and enables implementation of ideal plans aimed at preventing organization failures and better performances in the country, especially through comparison with China.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The section presents a review of literature on strategic planning and develops the theoretical underpinning on how companies respond to environmental changes by aligning its strategies. The different theoretical backing and empirical review, the conceptual framework were discussed in the section. The review of literature sought to unveil previous scholarly work done on strategic planning and performance. This scrutiny helped in the identification of knowledge gaps that were articulated in the study.

2.2 Theoretical Foundation

The study was pegged on the resource based view and the contingency theory. A detailed discussion of the proponents of the theory, prepositions, criticisms and application to the study are well outlines.

2.2.1 Resource Based Theory

This theory was founded by Barney in late 1991. The theory argues that entities depend on various resources. A combination of these resources enable an enterprise to function and execute its strategies. Firm resources refer to the inputs that enable a firm to function and carry out its strategies. Firm resources may be tangible or non-tangible, developed from within the firm or acquired from the market. Assets refer to the stock of readily available resources owned or controlled by the firm (Schummaker, 2005). Strategic resources relate to the resources specific owned by the entity that are rare, valuable and hard to imitate. They accrue rents and accord the firm a competitive edge and boost its performance (Barney, 2001). Resources are said to be

valuable if they enable an entity to lay in place strategies that increase output, leverage on market possibilities and mitigate threats (Barney, 2001).

Penrose (1959) proposes three durable principles governing the firm's growth and the rate at which companies operate efficiently. The first principle maintains that firms can create value not because of more possession of resources but as a result of effective and innovative management of the resources (Mahoney, 1995). Secondly, Penrose provides a causal nexus between resources and the generation of productive opportunities for growth an innovation by purporting that the experience of managers and other resources in the firm influence their reputation and consequently the productive opportunities available for the firm. Therefore, managers act as a catalyst for conversion of firm resources into firm capabilities and new product applications. Finally, Pensrose (1959) explains the availability of top managerial and technical talent as the ingredient for firm growth at any given point. On the other hand, Wernerfelt (1984) describes firm resources as any strength or weakness of a firm or any semi-permanent advantages.

According to the theory, through use of firm resources, one is able to understand firm resources and financial stamina to lay in place strategies that would be deemed suitable in responding to changes in the environment. Most companies are currently operating in a highly dynamic external environment. As per the prepositions of the theory, the top management ought to classify its resources strategically to adapt and cope with the dynamic external environment and to realize its goals.

The theory is applicable to the investigation as it will help to test and inform managerial decisions on the allocation of resources to various operations in the most prudent manner. Additionally, the

model maintains that entities can use their assets to realize performance (Barney, 2001). Therefore, a proper re-evaluation of resources should be undertaken by managers to aid realization of success.

2.2.2 Contingency Theory

The contingency theory was founded by Professor Fred Fiedler in 1962. The theory purports that environmental and organizational conditions limit the control of the manager over organizational occurrences (Golden & Carpenter, 2007). The variations occurring in the external environment affect the decisions of the management to ensure survival and realize performance. Lawrence, & Lorsch (2006) made advancements to the contingency theory by characterizing it as a system of interrelated behaviors of individuals who are executing a task that has been differentiated into distinct subsystems with each subsystem performing specific roles which when combined or integrated contribute to effective realization of performance of the broader system. Different strategies including innovation, employee skills and marketing are leveraged to attain a competitive edge. Additionally, the theory argues that, each subsystem plays a role in the realization of the overall range. The subsystems should be designed in a manner that aligns with the environment it will be domiciled and is consistent with the rest (Mentzer, 2001).

The contingency theory outlines the rationale for appreciation of situation which arises and align with their behavior hence presuming a leadership style that suitable for the situation (Bates, 2016) Businesses developed mechanisms to counter the Covid-19 pandemic. Internal capabilities such as (e.g., experience, resources) and external factors including (e.g., natural disasters, and external stakeholders were constantly reviewed for business sustainability (Childs, Turner, Sneed, & Berry, 2022).

According to this theory, a less complicated organizational structure and little bureaucracy encourage flexibility and reduces the barriers encountered by internal organizational processes in responding to the environment. Zsolt (2012) states that contingency theory is applicable both outside and inside the firm, which augment the research. The contingency theory argues that various strategic choices may thrive in a distorted market depending on the circumstance. This may be considered as one of the key highlights of the theory since it attempts to demonstrate that various environments command unique strategic choices which are dependent on the perception and historical inclination of the management instead of promoting and embracing the universally accepted principles (Frimpong et al., 2020). As for the contingency theory, the establishment of trust in the relationship, present only in the extensive archetype, makes it possible to address more types of social issues, between peripheral and remote, alongside the use of power in specific situations (Morais & Barbieri,2022).

Typically, the theory is applicable here since it can help to test various approaches of expounding why some companies embrace flexible systems to run their functions. Contingency allows managers to design systems that align capabilities of the employees, activities and missions and goals of the organization (Shonhadji, & Maulidi, 2022). Such actions include risk identification, risk evaluation and monitoring activities which are appropriate measures of controlling firm's activities, and could bring forth the risks derailing the attainment of organizational goals. The contingency perspective is crucial in running of organizations and particularly relevant to the management in appreciating the shift from assumptions and expectations of "one best way to organize (Orlikowski, 2010).

2.3 Empirical Studies and Research Gaps

Several studies on strategic planning and performance have been carried out both in the local and global contexts. Rifaat and Maini (2016) examined the effect of strategic planning on firm growth and development, a case of manufacturing firms Anambra state. The findings revealed that strategic management was a rare practice among most manufacturing companies. Despite the less adoption, it was clear that the application of strategic planning had strong effect on the manufacturing firm's competitiveness. The results also demonstrated that strategic management influenced the performance of the employees and that its application had to a large extent increased the manufacturing firms' productivity. Finally, it was noted that the adoption of strategic planning improves the manufacturing firms' structural development (Frimpong et al., 2020).

An investigation by Muogbo (2013) showed that although strategic planning was a rare business undertaking among manufacturing companies in Anambra State, they acknowledged it as a viable tool for boosting the competitiveness, structural development and performance levels of manufacturing companies Anambra State and Nigeria at large. Kotler (1994) discusses the need for strategic planning in marketing management. The author emphasizes the need for a strategic plan to guide a company's marketing activities and suggests that effective strategic planning can lead to increased profits and market share. Analysis also reveals that blue ocean strategy which entails creating new markets as opposed to competing in existing ones. The authors argue that strategic planning is essential to identifying and creating these new markets (Muogbo, 2013)

Bryson (2011) noted that strategic planning in public and nonprofit organization promote their success. The author argues that effective strategic planning can help these organizations achieve their goals and better serve their constituents. Rifaat and Maini (2016) suggest that strategic planning can be simplified by using "simple rules" to guide decision-making. The authors argue

that these rules can be more effective than traditional strategic planning methods in rapidly changing environments. It is also true that effective implementation requires clear communication, appropriate incentives, and alignment between the plan and the organization's culture and structure.

Lawal et al., (2012) examined the impact of strategic planning on firm performance. The findings revealed that adoption of strategic planning strategies translated to positive firm performance and improved the organization's relative standing amidst different political and societal issues. Heugens (2003) examined strategic planning and organizational performance and evaluated whether strategic management factors added any value to the corporate performance by documenting two studies on the matters strategic management of Dutch food companies during the launch of genetically modified products. The results revealed that the implementation of firm management activities were largely exposed to political and societal predicaments and positively affected firm performance (Frimpong et al., 2020). This study presents a gap as it focused on food industry and results may not apply to manufacturing firms.

In U.K, Fadol, Barhem and Elbanna (2015) investigated the changing strategic planning within the UK construction industry. The study used cross-sectional design and data was retrieved through a desktop review, questionnaire survey, case studies and telephone interviews. The findings revealed that large construction firms were reviewing their strategic management capabilities and allocating more resources to the activity. However, strategic planning was noticed to be a low profile task among many small and medium-size construction companies.

In Ghana, Frimpong et al. (2020) reviewed ways of boosting performance of Ghanaian construction industry using the SWOT framework. The study found that the construction industry

makes the second largest contribution to Gross Domestic Product (GDP) and a key driver of Ghanaian economic activities. The significance of the construction industry in uplifting the national economy makes it mandatory to advance effective strategies to keep enhancing the industry's performance. To realize this goal, this investigation conducted a SWOT analysis of the construction industry in Ghana. The SWOT analysis report provides strategic recommendations to ameliorate the weaknesses and mitigate the threats confronting the industry, while leveraging on the strengths while at the same time exploiting the opportunities that are available (Frimpong et al., 2020). These include investments to facilitate; human resource development, innovation and growth, conducive procurement practices and development and enforcement of policy and standards (Rifaat & Maini, 2016).

In Turkey, Mert and Gurbuz (2011) reviewed the effect of strategic human resource management on firm performance. The findings showed that strategic role of human resources (HR) and their net effect on firm performance are receiving global recognition. In this research, the authors evaluated strategic human resource management (SHRM) and HR practices in Turkey to examine their effect on market performance, operational performance, financial performance, turnover and job satisfaction. Empirical findings from a sample of Top 500 Turkish firms-2007 allude that SHRM and development practices positively influence market performance. Operational performance and market performance (Rifaat & Maini, 2016). On the other hand, only development practices demonstrate a positive impact on turnover.

In Kenya, Mutindi et al. (2013) investigated the value of strategic planning accelerators on firm performance: a case of the hotel industry in Kenya, the coastal region. The drivers of performance selected for the investigation and which informed the study's objectives were: to investigate the impact of customer relationship management strategy, competitive positioning. Strategic planning,

organizational learning and ICT and performance of hotels in the Coastal region (Frimpong et al., 2020). The study employed a mixed research technique which was both qualitative and quantitative using descriptive design. The study's population was 180 executives of classified hotels in the Coastal region. Data was collected using self-administered questionnaire administered through drop and pick approach. Performance was gauged using both financial and non-financial indicators. The findings demonstrated a nexus between strategic planning and performance of classified hotels in Kenya's Coastal region.

2.4 Summary of Research Gaps

In summary past studies done confirm that strategic planning promote firm performance. The studies provide empirical evidence for the positive association between strategic planning and firm performance. The findings suggest that firms that differentiate themselves from their competitors can achieve higher performance than those that compete primarily on cost or focus. However, the studies focus on the US, Nigeria, Kenya as well as other regions such as UK and Turkey (Rifaat & Maini, 2016).

Moreover, the studies also propose a framework for understanding the association between strategic planning and firm performance. The authors argue that firms that manage their relationships with stakeholders effectively, by balancing the interests of different groups, are more likely to achieve higher performance (Frimpong et al., 2020). They suggest that this is because effective stakeholder management can reduce agency costs and enhance the legitimacy of the firm. The studies also provide provides a theoretical framework.

2.5 Conceptual Framework

The conceptual structure presents the anticipated diagrammatic representation between the variables under study as predicted or outlined by past empirical and theoretical literature. For the study, the independent variable was strategic planning while the dependent variable was performance. The study adopted the five strategic planning dimensions proposed by Arasa & Kobonyo (2012) which are firm's corporate direction, identification and analysis of firm's strategic issues, appraisal of business environment, strategy generation and development of evaluation and control systems.

Independent Variable

Dependent Variable

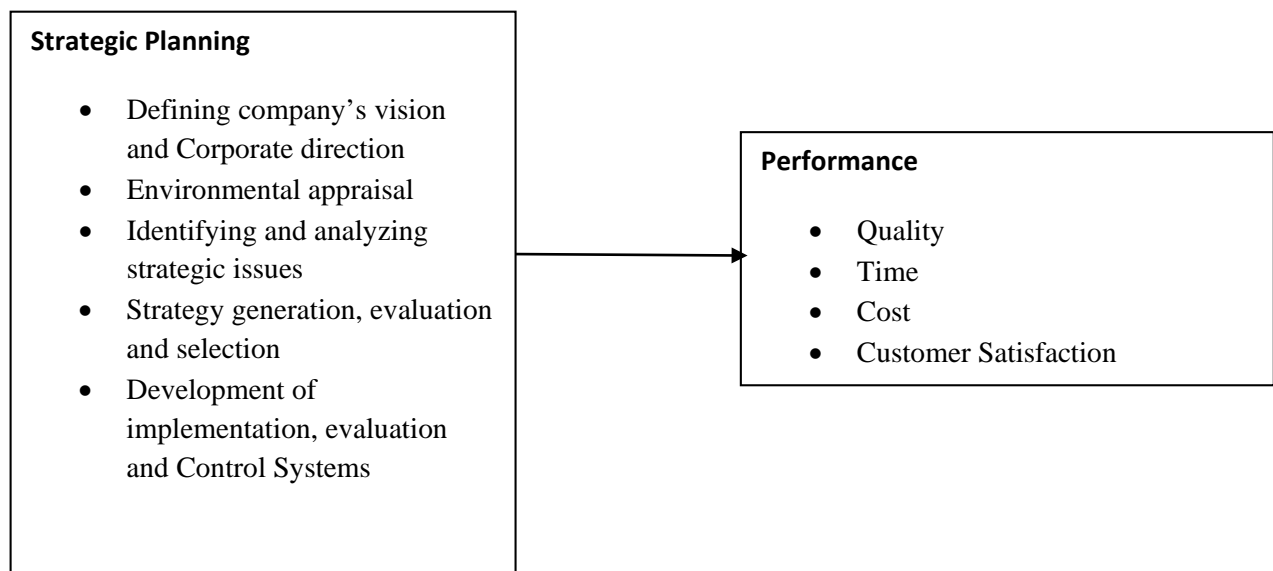


Figure 2.1: Conceptual Framework

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The research methodology provides an outlay of how the study will be conducted. This section highlights on the design employed by the researcher, sample design, population and utilities for assembling infrastructure and how analysis was carried out. A clear description of the methodology to a large extent determines the quality and consistency of data collected hence the reliability of the findings.

3.2 Research Design

The mixed method research design was used for the study. The mixed method research integrates both quantitative and qualitative data within a single study (Wisdom et al., 2012; Halcomb & Hickman, 2015). The interlinking of both the qualitative and quantitative aspects of the study enables a deeper scrutiny of the research problem (Zhang & Creswell, 2013). In combining the quantitative and qualitative data collection, mixed method research capitalizes on the strengths of both quantitative and qualitative data collection, whilst controlling their weaknesses to provide a comprehensive understanding of the subject under investigation (Scammon, 2013).

A key advantage of the mixed method research is that it has the potential to combine quantitative and qualitative characteristics from philosophical underpinnings, to data collection, analysis as well as interpretation (Leech & Onwuegbuzie, 2009). The drawbacks of the mixed method design are that may be more complex to undertake and may require more time to perform. The challenges were controlled through adequate readings on the design as well as planning accordingly to deliver within a record time.

3.3 Population

The target population is typically defined based on specific criteria, such as gender, age geographic location, income, education level, occupation, or health status. It is important for researchers to define the target population carefully as this can affect the validity and generalizability of their findings. If the target population is too narrowly defined, the study findings may not be applicable to a broader population.

A population represents numerical representations of figures of a particular subject with different variable characteristics. The researcher involved all 12 Chinese infrastructural firms in this study (Kenya-China Embassy, 2023). The challenge of small population were ameliorated by using a mixed method approach which considers both qualitative and quantitative data.

3.4 Data Collection

Primary data was utilized in the study. Kothari 2004 noted that primary data was vital in establishing the information sought based on the objectives. The research employed a research questionnaire to obtain quantitative data and an interview guide to collect qualitative data. Strategic managers engaged in the practice since they have enough knowledge and experience of the current study variables.

The questionnaire was separated into three parts. The first part entailed general information about the participants. The second part of the questionnaire covered information about degree to which strategic planning has been adopted by the organizations. The third part covered firm performance of the target firms. The data collection tool employed a 5-point Likert scale for close ended questions based on the objectives of the survey. The drop and pick mechanism was used in this survey.

Qualitative data was collected using the interview guide which helped the investigator to observe current trends and information on strategic planning in the infrastructural sector relating to the variables that may not be quantified. In order to ensure that the interview guide collected data as the researcher had planned, only open questions were considered. The interviewees were the managers of the Chinese infrastructural firms in Kenya.

Ethical measures were adhered to when conducting the research. This include confidentiality, privacy and the assurance that the data was purely used for academic purposes. In the study, data authorization letter was provided by the University of Nairobi, which was presented to the respondent to guarantee that the study was for academic purposes. Sensitivity and confidentiality of the data collected was also thoroughly examined for comprehensibility and completeness.

3.5 Data Analysis

Cleaning and editing was done on information collected ready for analysis with an aim of getting a summarized output. Descriptive statistics was used to analyze quantitative data to generate mean and standard deviation. The descriptive statistics sought to measure the extent to which strategic planning and performance have been achieved by Chinese infrastructural firms. The Statistical Package for Social Sciences (SPSS) were used to analyze the quantitative data. Presentation of quantitative data was done on tables and graphs to facilitate easy understanding. Similarly, qualitative data was classified into themes and analyzed using content analysis. The use of content analysis enabled the researcher to quantify and analyze the presence, meanings, and relationships, themes, or concepts. The data was integrated using the sequential explanatory design which involved collecting and analyzing quantitative data followed by qualitative data to explain or expand quantitative findings.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter highlights the findings of the analysis on the impact of strategic planning on performance of Chinese Infrastructural Firms in Kenya. The analysis was performed as per the objectives of the study. The analysis of quantitative data was presented using descriptive statistics such as means and standard deviation while content analysis performed on qualitative data was organized based on the themes to draw inferences. The findings are presented using tables and subsequent discussions provided linking with the relevant literature

4.2 General Profile of Respondents

The study sought to establish the activities in which various Chinese infrastructural firms are involved in. The results revealed that the companies are involved in various infrastructural activities such as electricity installation, road construction, real estate, railway construction, aerospace, marine engineering, dredging and reclamation, road and bridge and plant installation. Whereas some firms such as China Harbour Engineering Company and China Wu Yi limited are specialized in offering marine infrastructural projects and commercial real estate projects respectively, the services of others such as China Civil Engineering Cooperation are diverse as they are mostly involved in road and railway construction projects. Sino- Hydro Corporation on the other hand largely tackles dam, water drilling and road construction projects.

The findings on the duration in which the companies have been in operation in Kenya showed that the companies came to Kenya after the 1980s. Sinohydro Corporation- Kenya has been operating in the country since 2008, China Civil Engineering Construction Corporation (CCECC) from

2005, China Henan International Cooperation Group Company Limited since 2008, China Harbour Engineering Company (CHEC) from 2005, China Road and Bridge Corporation since 2014, China Overseas Engineering Co.,Ltd from October 1991 while the Chinese Real Estates Limited was established in Kenya in 2017. The respondents reported that majority had penetrated into the market especially after the China- Africa Cooperation (FOCAC) which was established in 2000.

4.3 Strategic Planning Process

The study sought to evaluate the strategic planning processes adopted by Chinese infrastructural firms in Kenya. Both descriptive and qualitative analysis was performed and findings were as presented in the sections below.

4.3.1 Descriptive Findings on Strategic Management Process

The extent of adoption of various strategic planning practices by Chinese Infrastructural firms were evaluated. Various steps and processes relating to strategic planning were examined and the applicability of each attribute rated in a five-point Likert Scale of 1- Strongly disagree, 2- Disagree, 3- Neutral, 4-Agree, 5-Strongly agree. The findings were as shown in Table 4.2 below.

Table 4.1: Strategic Planning Practices

	N	Mean	Std. Deviation
The firm is engaging in environmental analysis	12	4.42	.79
The firm has adopted mission and vision models	12	4.33	.78
The firm's corporate direction is well defined	12	4.25	.62
The firm sets long term goals	12	4.11	.87
The firm operations are based on documented plans	12	4.08	.79
The strategy generation, evaluation and control systems are functional.	12	4.00	.95

The firm is engaging in strategy analysis and evaluation	12	3.83	.72
The firm engages in identification and analysis of strategic issues	12	3.67	.79
The firm is engaging in strategy implementation	12	3.58	1.16
The firm has clear strategy generation, evaluation and selection procedures	12	3.00	1.42
The firms engages in stakeholder management and engagement	12	3.00	1.21
Average	12	3.81	

The findings reveal that majority of the respondents agree that Chinese infrastructural firms engage in environmental analysis ($M=4.42$, $SD= 0.79$). This involved the monitoring of internal and external environment as a means of formulating or altering the strategic plan. The respondents added that the scanning was crucial in informing the potentials and barriers to the thriving of the strategy. The respondents also strongly agreed that the firms have adopted vision and mission models ($M=4.33$, $SD=0.78$). According to the respondents, the vision mantra helped the firm to remain focused to the end goal by being efficient and delivering quality services at fair and market competitive prices to the clients. Additionally, most participants concurred that the firm’s corporate direction was well defined ($M= 4.25$, $SD=0.62$) implying that the strategies for achieving the overall business value are well outlined. The results further revealed that most Chinese infrastructural firms set long- term goals ($M=4.11$, $SD= 0.87$). The China Road and Bridge Corporation for instance aspires to be a major company in Kenya undertaking biggest projects.

As to the entire steps of strategic planning, majority of the respondents agreed that the strategy generation, selection, evaluation and control systems were operational ($M=4.00$, $SD= 0.95$). As such, the respondents agreed that strategy evaluation and analysis was also highly embedded into

the firm's processes ($M=3.83$, $SD=0.72$). The participants were also convinced that the manufacturing firms engage in the identification and analysis of strategic issues ($M=3.67$, $SD=0.67$) as this was necessary for the survival, prosperity and effectiveness of the firm. Last but not least, the respondents agreed to a moderate extent that the companies are involved in strategy implementation and that there was stakeholder management and engagement ($M=3.00$, $SD=1.21$) in all phases of the project.

4.3.2 Qualitative Findings on Strategic Management Process

The study examined the qualitative aspects of strategic planning by Chinese infrastructural firms and the findings were as shown below. The qualitative findings were classified based on the themes and the findings were as shown in the section below.

4.3.2.1 Vision and corporate strategy of the firms

The interviewees were asked whether their companies had visions and corporate strategies. The interviewees reported that vision strategies were in place and were essential in reflecting the purpose, value and goals of the organizations. The visions of most companies were geared towards delivering performance while delivering projects that exceeded international standards and provide exceptional customer service in the most cost effective manner. The companies also had well defined corporate strategies. Overall, the corporate strategies of most firms revolved around enhancing the brands, increasing revenues, acquiring capital for growth and application of technology and innovation. The manager of China Wu Yi Ltd in his remarks regarding the corporate strategy said, "*our corporate strategy is to increase our revenues through product diversification, geographical diversification and acquiring capital for growth by mobilizing funding from global partners and investors*" On the other hand, Sino hydro executive when

approached stated “ *our corporate agenda revolves around technology and innovation precisely innovation based demand models and undertaking large scale development projects with a sustainability component in compliance with international engineering practices*”. That notwithstanding, the response of a manager from the China Road and Bridge corporation indicated that corporate strategy and vision of the company was crafted in the mother country, China and very minimal discussions were held with the staff on matters relating to strategy and the vision of the company. The staff were mostly involved in the implementation of the projects.

4.3.2.2 Business appraisal Strategies

The investigation sought to evaluate the business appraisal activities. The participants disclosed that the companies undertook customer reviews for feedback. Such information was used to track performance and identify areas of improvement. The firms were also found to conduct competitor analysis which entailed going around various to access quality of services and undertaking competitive pricing. Cost-benefit analysis was also highlighted as a crucial business appraisal strategy. The interviewees suggested that business appraisals were conducted in different phases of the project and time-frames to assess whether strategy implementation is below bar, at bar or above bar. The interviewees also stated that strategies were evaluated on the premise of political stability in the country, citing SGR which did not continue due to political factors and allegations of corruption. Economic appraisal was also undertaken to establish whether the country economic projections, i.e. GDP projections hence capacity to fulfill contractual obligations in terms of payment of services.

Social appraisal was further conducted to evaluate the skill level of the contractors and the project team to gauge effectiveness in the delivery. Additionally, the interviewees emphasized that

environmental appraisal was key and gas emissions were closely monitored. Supplier appraisal was key for the understanding of the suppliers' capacity i.e. where to source raw materials, helping the locals to produce steel and knowing what to produce. Finally, market appraisal was considered as a critical issue to understand the market needs and competition. The interviewees made the observation that Chinese companies compete among themselves in foreign countries hence it was important to have market data to action various measures.

4.3.2.3 Factors considered in the identification of strategic issues

When asked about the factors considered in the identification of strategic issues, business performance was cited as the motivation towards identification of strategies and that every strategy was aligned towards optimizing performance. The interviewees added that every strategic action was undertaken in view to improving a specific performance indicator. As such, availability of resources was reported as a crucial consideration when championing a strategic action. According to the manager of China Civil Engineering Corporation “*the strategies to be pursued are largely informed by the resources accessible for a particular project or task and the technical capacities of the team*”

The interviewees reported the identification of company strengths and weaknesses as key in identifying the strategies to be pursued which ultimately influence the sales. For instance, joint ventures were pursued in areas where the companies possessed less expertise. As such, the foreign companies brought in the capital muscle while the benefitting from the technical expertise of local companies in projects such as water and sewerage.

Industry trends were also observed in the identification of strategic issues. This entailed understanding the changes taking place in the infrastructural sector including the changes in

design, new technologies, and type of pre-cast concentrates used among others. Client expectations was also reported as a key consideration, the interviewee from China Road and Bridge corporation indicated “*clients sometimes have expectations and models designs in mind, in the valley road renovation project for example, we incorporated the design of the client and recommended some improvements which resulted to a very practical design*” Other factors include pursuing big and most strategic projects in the country, exercising cost reduction and conducting extensive research to understand the market.

4.3.2.4 Challenges or obstacles faced in implementation of strategic plans.

The interviewees were asked to comment on the challenges faced in the implementation of strategic plans. The participants reported little understanding of the contents of the plan due to less involvement in the formulation as an impediment to the effective implementation. Limited manpower in the rollout of the strategy was also reported as an issue. Similarly, delays in payments was highlighted as a major setback in the implementation of strategic plans. Chinese real estate interviewee stated “*sometimes the state does not honor the payment plan as stipulated in the contract affecting the continuity of the projects*”.

Corruption and political influence came out as a key factor influencing the implementation of strategic plans. Acts of corruption ranged from allocation of tender awards to delays caused due to rent seeking tendencies of authorities such as KPLC to move posts to pave way for construction work or connect electricity to weld the infrastructure or delays provision for security at the construction sites in anticipation for bribery.

Litigation was also brought forth as a major impediment to effective strategic plan implementation.

Litigation from land compensation claims often resulted to temporary discontinuation of projects

among other issues such as lack of public participation. The interviewees reported that most litigation arose from sub-contracting especially when payments are not advanced to suppliers in time. Clients, mostly government delays in paying the contractor as per the contract terms caused stalemates since sub-contractors were not able to pay the suppliers on time leading to suing of the contractor. Most time and resources were wasted in articulating such matters at the expense of the project and often result to reputational damage. Environmentalists were also a challenge as there were frequent disruptions from organizations like NEMA which affected project activities. Finally, the interviewees reported that site accidents slowed down operations as everything was altered till insurance took over.

4.3.2.5 Employee involvement in the strategic planning process

The interviewees reported that they were rarely involved on matters strategy by Chinese multinationals and mostly performed the technical work. The findings also established that communication of strategy and management assumed the top-down approach for most Chinese companies. However, consultations were brought on board when some enforced strategies backfired since specific undertakings required local solutions which are best understood by the local technical workforce. The interviewees reported that the situations given did not match the happenings on the ground in some instances hence having one sided communication from the coordination team was a setback to strategy implementation.

The interviewees further reported that strategic planning efforts did not yield the desired outcomes in some instances leading to extension of project period. Projects were also altered due to lack of proof of profitability in the project or when the client makes mistakes i.e. by defaulting payment.

Undesired outcomes such as increased competition caused by the desire by competitors to replicate the strategy was also mentioned as an undesired consequence of strategy implementation.

4.3.2.6 Best practices or lessons learned in strategic planning

When asked about the best practices, the interviewees stated that the vision and mission and goals should be clear from day one so as to action plans and activities to drive the company to success. The interviewees pointed out that proper strategic planning must entail stakeholder involvement and having a good relationship i.e. the government for the case of Chinese infrastructural firms since being in good books with the government increase the chances of winning other tender awards. Such relationships may be established through shortening project cycle which makes the project more profitable.

The interviewees further indicated that paying the consultants and suppliers well contributed to success in strategy implementation. Similarly, the interviewees stated that strategy should be aligned to the market, new technology, demographics etc. Another best practice with regards to strategic planning highlighted was a proper communication framework that allow the strategy to be explained well for effective implementation. Additionally, skills transfer was discussed as a crucial strategy implying that foreign companies must develop a mechanism for transferring skills and knowledge to the locals and finally, environmental knowledge was recognized as an important aspect in strategic planning implying that every project must be implemented in a manner that produces less emissions. The remarks of the interviewee from China Road and Bridge Corporation on the environment was “*environment is an integral component and project reports must actually include emissions*”

4.4 Findings on Organizational Performance

Performance of Chinese Infrastructural firms was assessed using both descriptive and qualitative techniques. Opinions were provided based on trends of performance over time. Quantitative results on performance were presented followed by qualitative results. The findings were as depicted in the sections below.

4.4.1. Descriptive Findings on Organizational Performance

The study sought to evaluate the extent to which performance have been realized by Chinese construction firms in Kenya. Various indicators of performance were presented and respondents asked to gauge in a five-point Likert Scale of 1- Strongly disagree, 2- Disagree, 3- Neutral, 4- Agree, 5-Strongly agree. The findings were as shown in Table 4.2 below.

Table 4.2: Performance

	N	Mean	Std. Deviation
The firm is managing costs effectively in the delivery of projects	12	4.17	.93
The firm operations is based on high management efficiency	12	4.08	1.08
Projects are delivered within the agreed timelines	12	4.00	1.04
There is enhanced profitability from the firm	12	3.83	1.27
The company is delivering quality projects	12	3.75	.75
The customers are happy with the quality of work delivered	12	3.67	1.07
The current Market share is impressive to clients in the firm	12	3.50	1.00
The firm is having stable asset base	12	3.08	.99
Average	12	3.7604	

According to the findings, majority of the respondents agree that the company has succeeded in managing costs effectively in the delivery of projects (M-4.17, SD-0.93). Furthermore, the

respondents agreed that there is high management efficiency (M-4.08, SD-1.08). Additionally, the respondents concur that projects were delivered within the agreed timelines (M-4.00, SD- 1.04). The participants were also positive that there was enhanced profitability in the firm (M-3.83, SD-1.27). The quality of projects delivered was satisfactory (M-3.67, SD-1.07). Some respondents agreed that the market share was impressive while others disagreed (M-3.50, SD-1.00) while mixed views were obtained on the adequacy of the asset base (M-3.08, SD-0.99).

4.4.2 Qualitative Findings on Organizational Performance

The qualitative data on performance indicated that their firms had realized performance mainly due to effectiveness and efficiency. China road and Bridge Corporation for instance stated that they were able to deliver the express way in one and a half years, a project that was supposed to take five years while the construction period for SGR was cut by almost a half. Such excellent performance was attributed to the financial muscle of the contracted company which is mostly funded by the government of China, experience which has been acquired through working in other countries and availability of cutting-edge equipment and machinery. Nonetheless, the interviewees reported that some projects had stalled due to lack of financing and political matters.

Additionally, the interviewees indicated that Chinese infrastructural projects meet the quality threshold and are known to be durable and reliable. The remarks of the China road and bridge corporation interviewee were “*we invest in maximum stabilization of the ground to ensure a robust foundation which has been our strength of to achieve long lasting strong and smooth roads*”. The interviewees also boasted that Chinese firms were market leaders in technology and innovations. They reported extensive use of artificial intelligence (AI) in most projects. Internet of Things (IoT), intercity high-speed rail. The innovation and technology efforts had been accelerated by the

numerous research and development institutions in China hence Kenya has extensively benefited from technology transfers leading to edge cutting infrastructural projects.

4.5 Discussion of the findings

The findings revealed that the Chinese firms engage in environmental scanning to identify the opportunities and threats and align operations accordingly. From the analysis, the opportunities emanated from factors such as equipment, technical expertise, financial muscle and technology while political stability and economic circumstances among others presented threats. As such, decisions were aligned to such factors to ensure survival and continuity. These findings are in line with Shonhadji, & Maulidi (2022) that variations occurring in the external environment affect the decisions of the management to ensure survival and competitiveness and the contingency theory analogy that environmental and organizational conditions limit the control of the manager over organizational occurrences (Golden & Carpenter, 2007).

The results also showed that the mission and vision models of the company as well as corporate strategy was clear especially among the executives. Interview sessions however revealed that the lower cadre employees and technical team staff were rarely involved in strategic planning initiatives as their work largely encompassed implementation of the work with very little managerial involvement. They reiterated that strategic plans for most companies were domiciled in China. The employees were however aware that strategic goals help to deliver quality projects, in the shortest time frame and in a cost effective manner. These findings concur with Muogbo (2013) that strategic planning was a rare business undertaking among infrastructural firms although it is acknowledged it as a viable tool for boosting the competitiveness, structural development and performance levels of infrastructural firms.

On business appraisal activities, the findings revealed that customer reviews were largely sought to identify the areas of improvement and ensure full stakeholder engagement. Competitor analysis was also undertaken to ensure competitive pricing and performance. Cost-benefit analysis was further performed to ensure that the projects were profitable not forgetting economic and social appraisal to ensure that the projects align with the economic circumstances and conform to the social expectations. Additionally, environmental appraisal was key and in ensuring that gas emissions are closely monitored. Clearly, Chinese infrastructural firms undertake business appraisal for strategic positioning to attain a competitive edge. These findings concur with Berry et al., (2022) who that organizations undertake evaluations of both internal and external factors to ensure that strategies are effectively balanced to sustain their businesses.

The findings also allude to consideration of specific factors such as the political stability, industry trends business performance and market dynamics in the identification of strategic issues. Such issues were better understood by undertaking a SWOT analysis. Such effort allows the company to align resources and capabilities effectively to realize performance which is in tandem with Kotler (1994) on the need to design systems that align employee capabilities, activities and performance with the organization's goals and missions strategic plan to guide a company's marketing activities and suggests that effective strategic planning can lead to increased profits and market share. These results further agree with Rifaat and Maini (2016) who suggest that flexibility as opposed to traditional methods is required in identification of strategic issues in a rapidly changing environments. Further, it supports the revelations of Frimpong et al. (2020). The firm should leverage on the strengths, exploit opportunities that are available through investments to facilitate; human resource development, innovation and growth and collaborations while mitigating threats. Additionally, the findings reveal that effective implementation requires clear

communication, appropriate incentives, and alignment between the plan and the organization's culture and structure.

An evaluation of the challenges experienced in the implementation of strategic plans identified challenges such as corruption and political influence, communication breakdown due to poor understanding of strategic plans by the implementing team, litigations and delays in payments as key and deterrent in the effective implementation of strategic plans. The results are in tandem with Frimpong et al., (2020) that the implementation of firm management activities were largely exposed to political and societal predicaments which influenced firm competitiveness.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter extensively and systematically presents a summary result shedding light on the profound impact of strategic planning on performance of Chinese Infrastructural companies in Kenya. Conclusions and recommendations were provided based on the analyzed themes and in line with the study objectives. The inferences were carefully drawn, acknowledging the limitations inherent to the research endeavor. Suggestions for further studies was captured in the session.

5.2 Summary of Findings

A summary of findings on both descriptive and qualitative analysis on strategic planning and performance is provided in the sections below. The summary provides clear bullet points of the themes which is critical in providing a brief highlight of the findings.

5.2.1 Summary of Findings on Strategic Planning

The results revealed that the companies are involved in various infrastructural activities such as electricity installation, road construction, real estate, railway construction, aerospace, marine engineering, dredging and reclamation, road and bridge and plant installation. Whereas some firms such as China Harbour Engineering Company and China Wu Yi limited are specialized in offering marine infrastructural projects and commercial real estate projects respectively, the services of others such as China Civil Engineering Cooperation are diverse as they are mostly involved in road and railway construction projects. The findings on the duration in which the companies came to Kenya showed that most first came to Kenya in the 1980s. The respondents reported that majority had penetrated into the market especially after the China- Africa Cooperation (FOCAC) which was established in 2000.

The descriptive statistics findings on the strategies adopted by Chinese infrastructural firms show that most engage in environmental analysis and that the firms have adopted vision and mission models. Additionally, most participants concur that the firm's corporate direction is well defined and that most Chinese Infrastructural firms set long term goals. As to the entire steps of strategic planning, majority of the respondents agree that the strategy generation, selection, evaluation and control systems are operational. As such, the respondents agreed that strategy evaluation and analysis was also highly embedded into the firm's processes. The participants were also convinced that the manufacturing firms engage in the identification and analysis of strategic issues and agreed to a moderate extent that the companies are involved in strategy implementation and that there was stakeholder management and involvement.

The findings on vision and corporate strategy reveal that vision strategies were in place which was essential in reflecting the purpose, value and goals. Vision for most companies was centered on delivering projects that consistently exceed international standards and provide exceptional customer service in the most cost effective manner. Overall, the corporate strategies of most firms revolved around enhancing the brands, increasing revenues, acquiring capital for growth and application of technology and innovation. The visions and corporate strategies were however developed in China, the headquarters.

On the business appraisal strategies, the findings reveal that various practices including competitor analysis, SWOT analysis and feedback reviews and undertaken to appraise the strategies. Cost-benefit analysis was also highlighted as a crucial business appraisal strategy. The timeframes for the reviews was also a fundamental factor. Social appraisal was further conducted to evaluate the skill level of the contractors and the project team to gauge effectiveness in the delivery. Finally, market appraisal was considered as a critical issue to understand the market needs and competition.

The factors considered in the identification of strategic issues include business performance, company strengths and weaknesses and industry trends and client expectations among others. The challenges reported to influence strategy implementation include little understanding of the contents of the plan due to less involvement in the formulation as an impediment to the effective implementation, corruption and political influence, litigation, disturbance from environmentalists from organizations like NEMA which affected project activities and site accidents which slowed down operations. Some of the best practices recommended include having clear visions, mission and goals, adhering to contractual terms and aligning strategy to market dynamics, new technology and demographics.

5.2.2 Summary of Findings on Strategic planning and Organizational Performance

As to performance, the findings show that the Chinese companies have realized performance mainly due to effectiveness and efficiency. China road and Bridge Corporation for instance stated that they were able to deliver the express way in one and a half years, a project that was supposed to take five years while the construction period for SGR was cut by almost a half. Such excellent performance was attributed to the financial muscle of the contracted company which was mostly funded by the government of China, experience which has been acquired through working in other countries and availability of cutting-edge equipment and machinery. Nonetheless, the interviewees reported that some projects have stalled due to lack of financing and political dynamics.

The findings revealed that Chinese infrastructural projects meet the quality threshold and are known to be durable and reliable. The results further showed that Chinese firms were market leaders in technology and innovations. They reported extensive use of artificial intelligence (AI) in most projects. Internet of Things (IoT), intercity high-speed rail. The innovation and technology

efforts had been accelerated by the numerous research and development institutions in China hence Kenya has extensively benefited from technology transfers leading to edge cutting infrastructural projects. The results show that the companies have succeeded in managing costs effectively in the delivery of projects and realizing enhanced profitability which has seen the growth of the market share.

5.3. Conclusions

The study's conclusions for both strategic planning and performance of Chinese infrastructural firms were as highlighted in the sections below. The conclusions are provided based on the analysis of the findings.

5.3.1 Conclusion on Findings of Strategic Planning

The study concludes that although Chinese infrastructural projects are implemented within a strategic framework, there is less involvement of employees on matters strategy as the plans are developed in China. Technical implementation occurs in foreign countries such as Kenya with the guide of project managers. The management-down approach sometimes resulted to failure since local problems demand local solutions which need the consultation of local contractors.

The study affirms that the strategy identification and appraisal mechanisms have been successful due to proper environmental scanning with the help of tools such as the SWOT analysis. Understanding external factors including economic performance, competition, market, economic stability and appreciating internal capabilities such as skills, knowledge and resources are critical in shaping strategic direction

Strategy implementation is also confronted by challenges such as communication breakdown since it is only the management who are aware of the strategic goals, political instability due to change

in regimes affected contract execution and led to inconsistencies in funding. Regular interference by regulatory institutions such as NEMA slowed down work flow hence influencing delivery timelines. Economic factors were found to have an impact on project costs due to exchange rate fluctuations which inflate cost of raw materials among others.

5.3.2 Conclusion on Findings of Strategic Planning and Organizational Performance

In term of performance, Chinese infrastructural firms have realized performance as demonstrated by growing market share, application of modern technology and use of modern equipment. Profitability has also been achieved due to cost-cutting practices. Quality and durable projects have also been delivered which has seen more contract awards to the Chinese firms. However, some projects have stalled due to delays in payment and change in economic conditions which make project continuation unsustainable.

5.4 Recommendations

The study's recommendations to the practitioners, theory and suggestions for further studies and policy makers were as shown below. The recommendations were made based on the conclusions as shown below.

5.4.1 Recommendations to Practitioners

Chinese firms should consider developing strategic plans that are country specific and formulate a modality for involving the employees and other stakeholders in strategic planning. This will increase the ownership of the strategies and commitment to ensuring success.

Mechanisms that facilitate learning, skills and technology transfer from foreign companies to the locals should be developed to ensure that the countries attain economic prosperity and become self-sufficient in the long-run. This will be realized through exchange programs with China supported by the state, scholarships and on-site trainings.

5.4.3 Recommendations to Policy Makers

The government should create a conducive environment for the operation of foreign firms in the country through favorable policies and a conducive environment to encourage more players to come into the sector thus increasing competitiveness and consequently reducing cost of construction. Removal of red-tapes in terms of compliance and a good investment climate encourages more investors to venture into the sector. Supporting the establishment and growth of Chinese firms are also a source of employment to Kenyan citizens.

5.4.2 Recommendations to Theory and Suggestions to Further Studies

To further enrich our comprehension of strategic planning and competitive advantage, several domains merit further exploration. Firstly, only Chinese infrastructural firms were studied, future studies may consider all companies in the infrastructural sector. Secondly, future studies may consider secondary data to validate the findings. Future studies should incorporate more variables to understand the factors that influence performance of infrastructural firms apart from strategic planning. Other data analysis techniques such as factor analysis and regression may be considered by future studies.

5.5 Limitations of the Study

The execution of the study was confronted by various limitations. First, the time-frame between the approval to proceed to the field and submission date for the final report was limited. The researcher however worked tirelessly to ensure that the work was delivered on time. Resource constraints was also a challenge since cost such as transport, lunch, printing of material and preparation of the final report for submission had to be incurred given the current challenging economic times we live in. Getting grasp of the managers to respond to the study was difficult but the researcher tirelessly visited the Chinese offices and sites to have the interviews conducted.

Patience, persistence and a convincing attitude of the researcher made the data collection process a success.

Language barrier also played out as an issue as most Chinese managers did not understand the English language calling for intervention of office administrators and use of translator applications to facilitate the interviews. Some respondents did not have direct answers to the questions posed by the researcher hence the researcher paraphrased the questions for easier comprehension by the interviewee. Some respondents also exhibited the fear that information provided may be shared with the competitors. The respondents were however assured that the information provided will be purely used for academic purposes and that confidentiality will be upheld.

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APPENDICES

Appendix I: Questionnaire

PART 1: GENERAL INFORMATION

Kindly tick (√) where appropriate

1. Type of the Firm
2. Years in Kenya

PART II: STRATEGIC PLANNING

Utilize a Likert scale of 1-5 where necessary

Strategic Planning Practices	1	2	3	4	5
The firm has adopted mission and vision models					
The firm's corporate direction is well defined					
The firm engages in identification and analysis of strategic issues					
The firm is engaging in environmental analysis					
The firm has clear strategy generation, evaluation and selection procedures					
The firm is engaging in strategy implementation					
The firm is engaging in strategy control and evaluation					
The firm is engaging in strategy analysis and evaluation					
The firm sets long term goals					
The engage in stakeholder management					
The strategy generation, evaluation and control systems are functional.					

The firm operations are based on documented plans					
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PART III: FIRM PERFORMANCE

Performance Indicators	1	2	3	4	5
The current Market share is impressive to clients in the firm					
Projects are delivered within the agreed timelines					
There is enhanced profitability from the firm					
The company is delivering quality projects					
The firm is having stable asset base					
The firm operations is based on high management efficiency					
The customers are happy with the quality of work delivered.					
The firm is managing costs effectively in the delivery of projects					

Appendix II: Interview Guide

1. What is your company's vision and corporate strategy?
2. Which form of business environment appraisal does your firm engage in?
3. Explain the factors considered in the identification of strategic issues?
4. What are the steps followed in strategy generation, evaluation and selection?
5. Does the firm have a robust framework for the development, implementation, evaluation and control of strategy?
6. Kindly comment about the performance of the company over the last three years?
7. How would you describe your organization's approach to strategic planning?
8. Can you provide examples of specific strategic planning initiatives that your organization has undertaken in the past?
9. Can you describe any challenges or obstacles your organization has faced in implementing its strategic plans?
10. How do you involve employees at various levels in the strategic planning process, if at all?
11. Have there been instances where strategic planning efforts did not yield the desired outcomes, and what lessons were learned from those experiences?

Appendix III: Chinese Constructions Companies in Kenya

- 1.Sinohydro Corporation
- 2.China Civil Engineering Construction Corporation (CCECC)
- 3.China Henan International Cooperation Group Company Limited
- 4.China Communications Construction Company(CCCC)
- 5.China Harbour Engineering Company (CHEC)
- 6.China Road and Bridge Corporation
- 7.China Wu Yi Ltd
- 8.China Aerospace Construction Group
- 9.China Zhongxing Construction Company Ltd
- 10.China Overseas Engineering Co.,Ltd
- 11.China State Construction Engineering Co., Ltd (CSCEC)
- 12.Chinese Real Estates Limited