Int Journal of Social Sciences Management and Entrepreneurship 9(2): 338-353 2025

ISSN 2411-7323

www.sagepublishers.com

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PARTICIPATORY LEADERSHIP AND PERFORMANCE OF COMMERCIAL STATE CORPORATIONS IN KENYA

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ABSTRACT

Commercial State Corporations play a pivotal role in the economic and social development of a country by bridging the gap between public service and market-driven business operations. However, the performance of Commercial State Corporations in Kenya has been declining over the years. The general objective of this study was to determine the influence of participatory leadership on performance of commercial state corporations in Kenya. Specifically, the study sought to assess the influence of shared decision-making on performance of commercial state corporations in Kenya and to examine the influence of open communication on performance of commercial state corporations in Kenya. This study used a descriptive research design. This study targeted commercial state corporations in Kenya. This study only focused on Training and Research, Public Universities and Tertiary Education/Training parastatals in Kenya which are 21 in Number. In every parastatal the study target 1 top manager, 3 middle level managers and 5 lower level managers hence a total of 189 management employees. The total target population was therefore 189 respondents. Yamane formula was used to select a sample of 128 respondents. This study only used primary data collecting through a questionnaire. Data analysis was undertaken in two methods by use of SPSS. First, descriptive statistics was undertaken which involved computation of means and standard deviations for observations about variables. Second, inferential statistics were obtained in terms of regression analysis. The study results were presented through use of tables and figures. The study concludes that shared decision-making has a positive and significant influence on performance of commercial state corporations in Kenya. In addition, the study concludes that open communication has a positive and significant influence on performance of commercial state corporations in Kenya. Based on the results, the study recommends that the management of commercial state corporations in Kenya should promote shared decision-making at all levels of the organization. In addition, the study recommends that the management of commercial state corporations in Kenya should foster open communication across all levels of the organization.

Key Words: Participatory Leadership, Shared Decision-Making, Open Communication And Performance Of Commercial State Corporations

Background of the Study

Commercial State Corporations are government-owned enterprises that operate with the primary objective of engaging in commercial or profit-making activities, similar to private sector businesses (Osama & Hamzah, 2022). These entities are established by the government to provide goods and services in sectors that are considered strategically important, potentially risky, or underdeveloped by private investors. Common sectors include energy, transport, telecommunications, agriculture, banking, and manufacturing (Mimiasri & Sofyan, 2021). Although they are state-owned, Commercial State Corporations are expected to be financially independent, efficient, and competitive, generating revenue through their operations without relying on continuous government subsidies. They often have boards of directors and management structures similar to private firms, and they may reinvest profits, return dividends to the government, or fund public development projects (Imam, 2023). At the same time, they must operate under public accountability frameworks, ensuring transparency and alignment with national policy goals. These corporations play a vital role in economic development, employment creation, and infrastructure expansion, especially in emerging economies or regions with limited private investment (Thamer, 2023).

Commercial State Corporations are fundamental to national economic development, particularly in developing economies or regions where private sector participation is limited (Al-jbour & Muath, 2023). These corporations are often established to operate in capital-intensive or high-risk sectors such as energy production, public transport, banking, telecommunications, and water supply—areas that may not attract sufficient private investment due to high entry costs, uncertain returns, or long payback periods (Okandju, 2022). By investing in and managing such essential industries, the government ensures that basic infrastructure and services are accessible to citizens and businesses, laying a strong foundation for broader economic activity. These corporations also contribute to national GDP and can act as stabilizing forces during economic downturns, maintaining service provision and employment even when private entities retreat (Kowo, Kadiri & Sabitu, 2023).

Another major importance of Commercial State Corporations lies in their role as significant employers and contributors to human capital development. These corporations create thousands of direct jobs across various skill levels—from technical and administrative positions to managerial and executive roles (Sekiranda, 2024). In doing so, they help to reduce unemployment and improve livelihoods across the country. Beyond direct employment, they also generate indirect jobs by engaging local suppliers, service providers, and contractors, which helps stimulate small and medium enterprises. Moreover, many state corporations offer professional training, internships, and capacity-building programs, which are crucial for developing a skilled and competent workforce. Their ability to operate in both urban and rural settings promotes more balanced regional development and helps reduce migration pressure on cities (Akparep, Jengre & Alisa, 2024).

Participatory leadership is a democratic and inclusive leadership style that focuses on engaging team members, stakeholders, or employees in the decision-making process to promote collaboration, shared responsibility, and mutual respect (Juma, Shitseswa & Umulkher, 2023). Rather than relying on top-down authority, participatory leaders actively involve others by encouraging open dialogue, soliciting diverse opinions, and valuing the contributions of all individuals regardless of rank or position. This approach helps build trust, increase transparency, and foster a sense of ownership among team members, which can enhance motivation, commitment, and overall job satisfaction (Ochieng, Koshal & Bellows, 2023). By drawing on the collective intelligence and creativity of the group, participatory leadership often leads to more innovative, effective, and sustainable solutions to problems. It is especially effective in dynamic environments where flexibility, adaptability, and strong team cohesion are essential. While it may take more time than autocratic decision-making, the long-term benefits of inclusivity, stronger relationships, and improved morale often outweigh the initial investment of time and effort (Rabago, Onyango & Bunyi, 2023). This study sought to determine the influence of participatory leadership on performance of commercial state corporations in Kenya

Commercial State Corporations are categorized primarily based on their core mandate. The Presidential Taskforce on Parastatal Reforms (2013) proposed their classification into three broad categories: Commercial State Corporations (those generating profit and competing with private entities), Strategic Commercial State Corporations (those with commercial goals but also serving national strategic interests), and Non-Commercial State Corporations (regulatory, research, or service-oriented). Examples of Commercial State Corporations in Kenya include Kenya Pipeline Company (KPC), Kenya Ports Authority (KPA), and Kenya Electricity Generating Company (KenGen). Their key roles include provision of essential goods and services, fostering industrial growth, promoting infrastructure development, and contributing to government revenues through dividends and taxes (KNBS, 2023)

Statement of the Problem

Commercial State Corporations play a pivotal role in the economic and social development of a country by bridging the gap between public service and market-driven business operations (Oketch & Ainembabazi, 2024). These government-owned entities operate in key sectors, such as energy, transportation, telecommunications, and finance, with the goal of providing essential goods and services that might not be adequately supplied by private enterprises. They are expected to function with the efficiency and profitability of private businesses while ensuring that critical services are accessible to all segments of the population, including underserved or rural areas (Kavita, Kalai & Okoth, 2024). In doing so, these corporations often contribute significantly to national infrastructure development, generating employment opportunities, and stimulating local economies. Additionally, they serve strategic national interests by ensuring that key industries remain under state control, thereby protecting national security, regulating monopolistic behavior, and ensuring equitable access to resources. Commercial State Corporations also generate revenue for the government through dividends and taxes, which can be reinvested into public welfare programs or national development projects (Gwako & Nyang'au, 2024). Furthermore, they enable governments to implement broader socio-economic policies, such as offering subsidies for essential services or fostering public-private partnerships to support innovation and sustainable growth. Thus, these corporations are vital tools for balancing commercial objectives with broader public interests, promoting economic stability, and fostering inclusive development (Juma, Shitseswa & Umulkher, 2023).

Commercial State Corporations often face significant challenges in maintaining profitability, securing market share, and ensuring customer satisfaction. One of the primary hurdles is the pressure to remain financially viable while balancing public service goals with the need to compete in the market (Ochieng, Koshal & Bellows, 2023). These corporations may struggle with inefficiencies or lack of innovation due to their bureaucratic nature, which can impact profitability. For example, a report by the World Bank highlights that nearly 60% of state-owned enterprises (SOEs) in emerging markets operate at a loss, with some requiring substantial government subsidies—ranging from 1% to 3% of GDP annually—just to stay afloat. In terms of market share, state corporations can be at a disadvantage when competing with private firms that may have more flexibility, efficiency, and access to capital (Rabago, Onyango & Bunyi, 2023). For instance, state-run airlines like those in India or Nigeria have faced stiff competition from low-cost private carriers, contributing to declines in market share. The Indian state-owned airline Air India, for example, saw its market share drop from 42% in 2004 to just 14% in 2019, while private carriers expanded rapidly (Oketch & Ainembabazi, 2024). Customer satisfaction is another significant challenge, as state corporations, particularly in monopolistic sectors like utilities, often lack the customer service focus seen in private companies. A 2019 survey by the International Finance Corporation (IFC) found that customers of state-owned electricity companies in Africa and Asia reported lower satisfaction levels compared to those served by private companies, with 40% of respondents citing concerns about reliability, high rates, and poor service quality. These challenges underscore the need for reform, better governance, and modernization in Commercial State Corporations to improve their competitiveness, financial health, and service delivery (Kavita, Kalai & Okoth, 2024).

Participatory leadership is a collaborative approach to leadership where decision-making is shared among leaders and team members, fostering inclusivity, transparency, and engagement. Research has shown that this style of leadership can lead to improved organizational outcomes, such as higher employee satisfaction and enhanced performance. For instance, a study by the Gallup Organization found that organizations with high employee engagement, often driven by participatory leadership, see a 21% increase in profitability and a 17% increase in productivity (Gwako & Nyang'au, 2024). Various studies have been conducted in different parts of the world on participatory leadership and organization performance. For instance, Kavita, Kalai and Okoth (2024) assessed on the Influence of principals' participative leadership style on tutors' support for implementation of performance appraisal in public primary teachers training colleges, Gwako and Nyang'au (2024) examined on an participatory leadership style and performance of Kenyatta National Hospital and Juma, Shitseswa and Umulkher (2023) investigated on the influence of participative leadership style on public health service delivery in County Governments in the Western Kenya Region. However, none of these studies focused on shared decision-making, open communication, employee empowerment and collaboration on performance of commercial state corporations in Kenya. To fill the highlighted gaps, the current study sought to determine the influence of participatory leadership (shared decision-making, open communication, employee empowerment and collaboration) on performance of commercial state corporations in Kenya.

General objective

The general objective of this study was to determine the influence of participatory leadership on performance of commercial state corporations in Kenya

Specific objectives

i. To assess the influence of shared decision-making on performance of commercial state corporations in Kenya
ii. To examine the influence of open communication on performance of commercial state corporations in Kenya

Theoretical Framework

Transformational Leadership Theory

Transformational Leadership Theory, developed by James MacGregor Burns (1978), is a leadership style that emphasizes inspiration, motivation, and change (Hanum *et al*, 2020). Unlike transactional leadership, which focuses on exchanges or rewards for performance, transformational leadership seeks to elevate followers by addressing their higher-level needs for achievement, self-actualization, and personal growth. The transformational leader inspires followers to transcend their self-interest for the greater good of the organization, driving innovation and fostering a culture of collaboration. These leaders possess a clear vision of the future and communicate it effectively, engaging their team members to work towards that vision with enthusiasm and commitment (Owino *et al*, 2025).

A key component of transformational leadership is idealized influence, where leaders act as role models, demonstrating ethical behavior and integrity, thus earning the trust and respect of their followers. This inspires followers to emulate these behaviors, fostering a strong organizational culture (Simiyu, Swilling & Cairncross, 2020). Another important aspect is inspirational motivation, where transformational leaders provide a compelling vision and offer encouragement and support to help employees overcome challenges. By articulating a shared purpose and connecting the individual's work to broader organizational goals, they instill a sense of meaning and motivation (Kasamba, Mulwo & Ooko, 2024). Transformational leaders also engage in intellectual stimulation, encouraging creativity and innovative problem-solving, which empowers followers to think critically and challenge the status quo. Lastly, individualized consideration involves personalized attention to the needs and development of followers, offering mentorship and support for their professional growth (Nzioka, 2020).

The impact of transformational leadership on organizational performance has been widely studied and shown to result in higher levels of employee satisfaction, commitment, and performance. Transformational leaders create an environment where employees feel valued and empowered, leading to increased motivation and greater organizational loyalty (Hanum *et al*, 2020). They also foster an innovative culture, where employees feel encouraged to share ideas and contribute to the development of new solutions. These leaders build strong relationships with their teams, which enhances collaboration and improves team dynamics. Studies have shown that organizations with transformational leaders tend to experience lower employee turnover rates and improved performance outcomes compared to those led by more transactional or autocratic leaders (Owino *et al*, 2025). The theory was used to assess the influence of shared decision-making on performance of commercial state corporations in Kenya.

Social Exchange Theory (SET)

Social Exchange Theory (SET), developed by George Homans (1958) a, is a social psychological framework that examines the dynamics of interpersonal relationships through a lens of cost-benefit analysis (Yahaya, Basir & Deraman, 2020). SET posits that human relationships are based on reciprocal exchanges, where individuals seek to maximize rewards (such as social approval, resources, or information) while minimizing costs (such as time, effort, or risk). The theory suggests that individuals weigh the benefits they receive from relationships against the costs involved in maintaining them. In organizational settings, these exchanges can take various forms, from the sharing of information to collaboration on tasks or offering support and mentorship (Ukam, 2020).

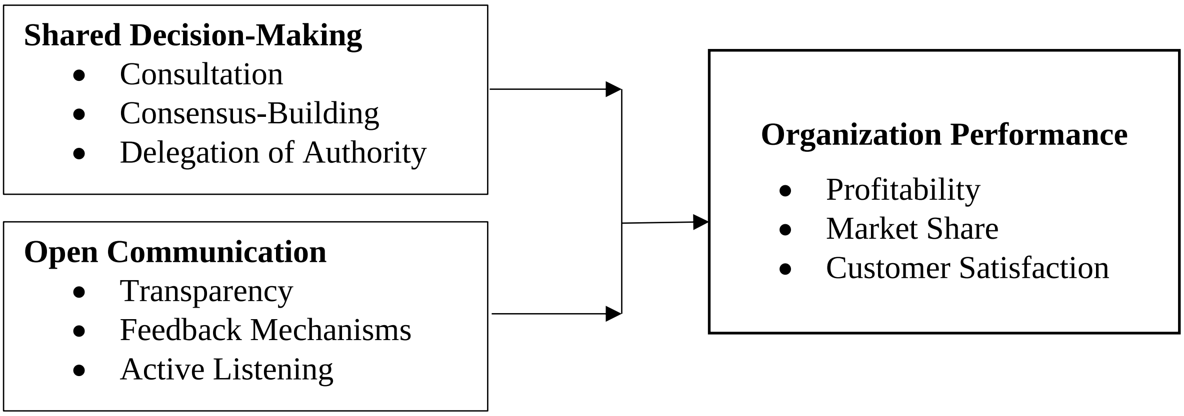
One of the key principles of SET is reciprocity, where individuals engage in exchanges with the expectation that their efforts or contributions will be reciprocated. This can create a cycle of mutual benefit, where relationships are strengthened through the ongoing exchange of resources and support. In the workplace, SET helps explain how employees collaborate, share knowledge, and work together to achieve common goals (Chepkemoi, Kungu & Mbaraka, 2020). When employees perceive that their contributions are valued and that they will receive rewards in return—whether in the form of recognition, support, or tangible resources—they are more likely to engage in positive, productive behaviors. Conversely, if employees perceive an imbalance in these exchanges or feel that their efforts are not being reciprocated, they may disengage or reduce their contributions (Mohamoud & Mash, 2022).

SET also emphasizes the concept of social equity, where individuals strive for fairness in their relationships. In organizational contexts, this concept underscores the importance of fair treatment and equal distribution of rewards and responsibilities (Maina, 2020). If employees feel that they are being treated unfairly—either by receiving fewer rewards than they deserve or by taking on more work than their colleagues—this can lead to dissatisfaction and decreased motivation. Leaders who understand the principles of SET can foster a culture of fairness by ensuring that rewards and recognition are distributed equitably and that employees feel their contributions are valued. This, in turn, can lead to stronger relationships, greater cooperation, and enhanced team dynamics (Yahaya, Basir & Deraman, 2020).

Social Exchange Theory also highlights the importance of trust in relationships. Trust is essential for successful exchanges, as individuals are more likely to engage in collaborative behaviors when they believe that others will honor their commitments and reciprocate in a timely manner. In the workplace, trust is a cornerstone of effective teamwork and cooperation (Ukam, 2020). Leaders who build and maintain trust within their teams create an environment where employees feel safe to share ideas, collaborate on projects, and take risks. When trust is present, employees are more willing to contribute their skills and knowledge for the collective benefit of the organization. On the other hand, a lack of trust can result in isolation, reduced collaboration, and a decline in overall organizational performance (Chepkemoi, Kungu & Mbaraka, 2020). The theory was used to examine the influence of open communication on performance of commercial state corporations in Kenya.

Conceptual Framework

Conceptual framework refers to a diagrammatic set of interrelated ideas on a particular phenomenon and it's characterized by cause, and effect relationships which help interpret more and hence make it easily understandable. This makes it more direct and easily predictable (Svinicki, 2019). It is a diagram that explains the relationship between dependent and independent variables



Independent Variables **Dependent Variable**

Figure 2. 1: Conceptual Framework

Shared Decision-Making

Shared Decision-Making (SDM) refers to a collaborative approach where managers, team leaders, and employees actively participate in making important decisions that affect their work, teams, or the organization as a whole (Hanum *et al*, 2020).. Instead of decisions being made solely by top management, input is gathered from different levels of the organization to ensure that diverse perspectives, expertise, and experiences are considered (Owino *et al*, 2025). The goal of shared decision-making is to ensure that patients are fully informed about the potential benefits, risks, and alternatives of treatment options, leading to decisions that both the patient and provider agree upon. This approach can enhance patient satisfaction, improve health outcomes, and strengthen the patient-provider relationship. By recognizing the patient as the central decision-maker in their care, SDM promotes a more holistic, person-centered approach to healthcare (Simiyu, Swilling & Cairncross, 2020).

Consultation is a process in which individuals or groups seek advice, opinions, or input from others before making a decision (Kasamba, Mulwo & Ooko, 2024). In healthcare, consultation often involves healthcare providers seeking input from specialists, patients, or even their families before determining a course of action. This process ensures that the decision-making is informed by diverse perspectives, and that all relevant factors, including medical expertise, patient preferences, and potential consequences, are taken into account. It is a vital step in fostering collaboration, as it allows for careful consideration of all options before any final decisions are made. Consultation is especially important in complex or high-stakes situations where multiple factors need to be considered, making it a key element of shared decision-making (Nzioka, 2020).

Consensus-building is a collaborative process aimed at reaching a general agreement or collective decision that satisfies all parties involved (Hanum *et al*, 2020). In contexts like healthcare or organizational decision-making, consensus-building seeks to integrate diverse viewpoints, ensuring that every participant has an opportunity to voice their opinions and concerns. The goal is not to achieve complete unanimity but rather to find a middle ground where the majority of people involved can accept the final decision (Owino *et al*, 2025). It involves open communication, mutual respect, and willingness to compromise. Consensus-building is particularly valuable in settings where decisions have a broad impact and where different stakeholders, such as patients, caregivers, and healthcare providers, have varying interests and needs. By involving everyone in the decision-making process, consensus-building helps create more sustainable, inclusive, and widely supported outcomes (Simiyu, Swilling & Cairncross, 2020).

Delegation of authority refers to the process by which one person or group entrusts decision-making power or responsibility to another (Kasamba, Mulwo & Ooko, 2024). In a healthcare setting, this could involve a senior medical professional delegating the authority to make specific decisions or carry out certain tasks to a junior staff member or another healthcare provider. This process is essential for ensuring that the workload is manageable, that decisions are made efficiently, and that individuals with the appropriate expertise or experience are empowered to take action. Delegation of authority fosters trust, encourages leadership development, and ensures that the right people are making decisions at the right level. However, it also requires clear communication and accountability to ensure that delegated tasks are performed correctly and align with the overall goals of the organization or treatment plan (Nzioka, 2020).

Open Communication

Open Communication refers to a transparent, honest, and two-way flow of information among all levels of staff, from top management to frontline employees. It involves freely sharing ideas, feedback, concerns, and relevant information without fear of retaliation, misunderstanding, or unnecessary restrictions (Yahaya, Basir & Deraman, 2020). It involves the transparent and honest exchange of information, where all parties feel comfortable expressing their thoughts, concerns, and ideas without fear of judgment or reprisal. In healthcare, open communication between patients and providers ensures that patients fully understand their conditions, treatment options, and potential risks, while also allowing them to share their preferences and values (Ukam, 2020). This creates a trusting environment that encourages active participation and informed decision-making. Similarly, in workplaces or teams, open communication promotes clarity, minimizes misunderstandings, and fosters a culture of inclusivity and mutual respect. It also allows for the timely resolution of conflicts, better problem-solving, and stronger relationships, as individuals feel heard and valued. Ultimately, open communication lays the foundation for collaboration, ensuring that all voices are considered and that decisions are made with a comprehensive understanding of the issues at hand (Chepkemoi, Kungu & Mbaraka, 2020).

Transparency refers to the practice of being open, clear, and honest in the sharing of information, particularly in decision-making processes (Mohamoud & Mash, 2022). It involves ensuring that all relevant facts, data, and processes are readily available and accessible to those involved. In a healthcare setting, transparency builds trust between patients and healthcare providers by ensuring that patients are fully informed about their diagnoses, treatment options, and the reasoning behind medical decisions. It also allows for greater accountability, as stakeholders are aware of the rationale behind actions taken. In broader organizational contexts, transparency helps create a culture of openness, where decisions and processes are not hidden, reducing the potential for misunderstandings or mistrust. It fosters an environment where all parties feel confident in the information they are receiving and can participate more meaningfully in the process, knowing that decisions are made with fairness and clarity (Maina, 2020).

Feedback mechanisms are structured processes designed to gather, analyze, and respond to information about performance, behavior, or outcomes (Yahaya, Basir & Deraman, 2020). In healthcare, feedback mechanisms allow patients, caregivers, and providers to share insights and concerns about the care process, helping to identify areas for improvement and ensuring that treatment meets the needs of the individual. For example, patient satisfaction surveys or regular follow-up appointments provide opportunities for patients to offer feedback, which can then be used to refine care practices (Ukam, 2020). In workplaces or organizations, feedback mechanisms are vital for continuous improvement, enabling employees or team members to express their opinions on processes, leadership, and work culture. Effective feedback mechanisms are built on trust, openness, and constructive communication, allowing for continuous learning and adaptation. They also empower individuals to take ownership of their contributions and help organizations improve overall performance (Chepkemoi, Kungu & Mbaraka, 2020).

Active listening is a communication technique that involves fully concentrating, understanding, responding, and remembering what is being said during a conversation (Mohamoud & Mash, 2022). It requires the listener to be present, both physically and mentally, and to focus entirely on the speaker, without distractions or interruptions. In healthcare, active listening ensures that healthcare providers understand their patients' concerns, symptoms, and preferences, which is crucial for delivering patient-centered care. It helps build trust, as patients feel heard and valued, leading to better patient-provider relationships and improved outcomes. In any context, active listening fosters deeper understanding, promotes empathy, and reduces the likelihood of misunderstandings. It involves not only hearing the words but also interpreting non-verbal cues like body language and tone. By engaging fully in the conversation, active listening allows for more meaningful dialogue and more effective problem-solving (Maina, 2020).

Empirical Review

Shared Decision-Making and Organization Performance

Hanum *et al* (2020) conducted a study on the effect of interprofessional shared decision-making: a literature review in Indonesia. The increasing complexity of health problems consequently demands problem solving from various perspectives of health professionals. This is a literature study aiming to elaborate IP-SDM and its correlation to IPCP and IPE. The study found that IP-SDM is a decision making process which involves collaboration between two or more health professionals and also patients aiming at idenfication of best choices while considering patients’ preferences. IP-SDM consists of two core processes: shared decision-making (SDM) between health professionals and patients and collaborative clinical reasoning

(CCR) among health professionals. The study concluded that although SDM and CCR learning has been widely reported, including the potential emphasis in interprofessional education and interprofessional collaborative practice, IP-SDM learning is still limited.

Owino *et al* (2025) conducted a study on the effect of shared decision-making between patients and healthcare providers at rural health facilities in Eastern Uganda: an exploratory qualitative study. Shared decision-making in healthcare is a collaborative process where patients are supported to make informed decisions according to their preferences. An exploratory qualitative study was conducted at Budumba Health Centre III and Butaleja Health Centre III in rural Eastern Uganda. The study found that four themes emerged which included: Paternalistic cultures of care, challenges, strategies for improvement, and ethical issues. This study conclusion highlighted the need for better sensitization of patients and comprehensive training for healthcare providers to minimize and resolve ethical issues that emerge during shared decision-making processes

Simiyu, Swilling and Cairncross (2020) conducted a study on the effect of decision-making on shared sanitation in the informal settlements of Kisumu, Kenya. Unlike most quantitative studies that investigate decision-making on investing in sanitation, this study adopted a qualitative approach to investigate decision-making on shared sanitation in the informal settlements of Kisumu city, in Kenya. The results indicate that the main sanitation decisions are on investment, emptying, repair and cleaning. The study concluded that unlike most quantitative economic studies that have highlighted aspects of decision-making on sanitation in informal settlements, this study, takes on a qualitative approach to investigate decision-making about shared sanitation in Kisumu city's informal settlements

Open Communication and Organization Performance

Yahaya, Basir and Deraman (2020) conducted a study on the effect of open communication and collaboration model for virtual distributed team work: a study in Malaysia. In this context, Information and Open Communication Technology (ICT) has to be credited as one of major 'change elements' which enable to drive constructive changes in a working environment and arrangement in an organization, that enable employees to work from anywhere, at any time around the globe and across geographical boundaries regardless of differences in languages, cultures and time zones. The study found that the challenges include ICT investment in the infrastructure and applications particularly to overcome the open communication and collaboration barrier, which is the result of lack of social, physical and face-to-face interaction

Ukam (2020) conducted a study on the effect of the practice of open defecation in rural communities in Nigeria: a call for social and behavior change communication intervention. The prevalent practice of open defecation in third world countries is a thing of worry to both development and health communication scholars worldwide. The study found that the paper highlights the roles Social and Behavior Change Communication (SBCC) can play in addressing the behavioral and attitudinal challenges affecting the eradication of open defecation in Nigeria. The study concluded that this is even worst in rural communities due to inadequate information and awareness on health and environmental consequences of this practice

Chepkemoi, Kungu and Mbaraka (2020) conducted a study on the effect of open communication, career development practices and organizational citizenship behavior in Kenya forest service. The study determined the moderating role of career development practices on the relationship between open communication and organizational citizenship behavior. The target population of the study comprised of 702 employees drawn from Kenya Forest Service North Rift Conservancy. Findings of hierarchical regression showed that career development practices moderate the relationship between open communication and OCB.

From the conclusions, open communication has a positive and significant influence on organizational citizenship behavior

Mohamoud and Mash (2022) conducted a study on the effect of open communication skills of general practitioners in Nairobi, Kenya: a descriptive observational study. High-quality primary care needs to be person-centered, and GPs must communicate effectively to ensure continuity and coordination of care. One consultation with a randomly selected adult patient was recorded per GP, and 16 communication skills evaluated with the Stellenbosch University Observation Tool (SUOT). The study found that GPs demonstrated skills in gathering information, making and explaining the diagnosis, and suggesting appropriate management. GPs did not make an appropriate introduction, explore the context or patients ‘perspectives, allow shared decision making, or provide adequate safety netting. The study concluded that consultations were brief and biomedical by young GPs. GPs need further training in communication skills, particularly with regard to delivering person-centered consultations

RESEARCH METHODOLOGY

Research Design

This study used a descriptive research design, gathering information through questionnaires administered to a selected sample of respondents. The design is suitable for providing an accurate account of real-life situations and establishing relationships between variables. A cross-sectional survey technique was employed, collecting data at a single point in time. The study combined both qualitative and quantitative methods: quantitative research will test theories using numbers and statistical analysis, while qualitative research explored social phenomena from participants' perspectives. The use of a questionnaire made descriptive research design appropriate for the study, Orodho et al, (2018)

Target population

This study targeted commercial state corporations in Kenya. Commercial state corporations in Kenya are categorized based on their core functions and mandate. The categories are; Commercial/Manufacturing, Financial, Regulatory, Service, Regional Development Authorities, Training and Research, Public Universities and Tertiary Education/Training. This study focused on Training and Research, Public Universities and Tertiary Education/Training. This study only focused on Training and Research, Public Universities and Tertiary Education/Training parastatals in Kenya which are 21 in Number. In every parastatal the study target 1 top manager, 3 middle level managers and 5 lower level managers hence a total of 189 management employees. The total target population was therefore 189 respondents. Management employees were targeted since they are in a better position to provide information on the impact of strategic management practices on the competitive advantage of commercial parastatals in Kenya.

Sample size determination

Sample size refers to actual units of respondents that is considered in data analysis. The sampling technique refers to the method used to select the respondents who participated in the study. The study adopted the formula developed by (Yamane, 1967). The study sample was 128 respondents.

Data Collection Instruments

According to Cooper and Schindler (2016) and Mugenda et al. (2013), data collection instruments were used to measure variables in research projects. There are various methods for collecting data, differing in cost, time, and resources. Mackey and Gass (2015) are dividing these methods into primary and secondary categories based on study goals. Klenke (2016) defines primary data as information collected directly from field sites, while Babbie

(2017) sees it as unique to the subject. Kothari et al. (2019) describe primary data as newly collected information, and secondary data as pre-collected, processed data. This study only used primary data collecting through a questionnaire. Kothari et al. (2019) also note that surveys, especially questionnaires with closed-ended and open-ended questions, are the most common tools for assessing institutional performance.

Pilot Study

To ensure research instruments work properly, a pilot study is being conducted as a preliminary test before the main study. This smaller-scale trial run helps prepare for the larger study (Kombo et al., 2016). The pilot test, a rehearsal of the main survey, is being used to check the validity and reliability of the questionnaires (Kombo and Tromp, 2016; Kothari et al., 2019). Klenke (2016) states that the aim of a pilot test is to assess procedures, data collection tools, and other study components rather than test hypotheses. The pilot test identifies issues in the questionnaire's structure, content, and its ability to gather necessary data. It evaluates factors like the sequence of parts, phrasing, question style, respondent selection, and completion time.

Data Analysis and Data Presentation

Data analysis was undertaken in two methods by use of SPSS. First, descriptive statistics was undertaken which involved computation of means and standard deviations for observations about variables. This means that each construct for every variable was analyzed into mean so that inferences can be obtained. Considering that the study used ordinal scale in Likert's scale, the data was coded to make it possible to get the quantitative data for running the statistics. Second, inferential statistics were obtained in terms of regression analysis.

RESEARCH FINDINGS AND DISCUSSIONS

Descriptive Statistics

Shared Decision-Making and Organization Performance

The first specific objective of the study was to assess the influence of shared decision-making on performance of commercial state corporations in Kenya. The respondents were requested to indicate their level of agreement on various statements related to shared decision-making and performance of commercial state corporations in Kenya. The results were as shown Table 4.1.

From the results, the respondents agreed that decision-makers actively seek input and ideas from team members before making key decisions (M= 3.918, SD= 0.662). The respondents agreed that team members are regularly consulted to provide their expertise and perspectives on important matters (M=3.901, SD=0.752). Further, the respondents agreed that decision-making processes encourage collaboration to reach a consensus among all stakeholders (M=3.884, SD=0.851). The respondents also agreed that efforts are made to ensure that all parties involved in decision-making can agree on the final outcome (M=3.843, SD= 0.782). In addition, the respondents agreed that decision-making authority is clearly delegated to team members with the appropriate skills and knowledge (M=3.815, SD=0.813). The respondents also agreed that there is a clear understanding of who is responsible for making decisions in various areas of the organization (M=3.718, SD=0.624).

Table 4. 1: Shared Decision-Making and Organization Performance

	Mean	Std. Dev.
Decision-makers actively seek input and ideas from team members before making key decisions.	3.918	0.662
Team members are regularly consulted to provide their expertise and perspectives on important matters.	3.901	0.752
Decision-making processes encourage collaboration to reach a consensus among all stakeholders.	3.884	0.851
Efforts are made to ensure that all parties involved in decision-making can agree on the final outcome.	3.843	0.782
Decision-making authority is clearly delegated to team members with the appropriate skills and knowledge.	3.815	0.813
There is a clear understanding of who is responsible for making decisions in various areas of the organization.	3.718	0.624
Aggregate	**3.847**	**0.747**

Open Communication and Organization Performance

The second specific objective of the study was to determine the influence of open communication on performance of commercial state corporations in Kenya. The respondents were requested to indicate their level of agreement on various statements related to open communication and performance of commercial state corporations in Kenya. The results were as shown Table 4.2.

From the results, the respondents agreed that information regarding organizational goals, strategies, and changes is openly shared with all team members (M=3.905, SD=0.645). Further, the respondents agreed that the decision-making process is transparent, and leaders clearly communicate the reasons behind key decisions (M=3.894, SD=0.786). In addition, the respondents agreed that there are clear channels for employees to provide feedback (M=3.887, SD=0.725). The respondents agreed that feedback from employees is valued and regularly solicited to improve work practices and decision-making (M=3.845, SD=0.619). Further, the respondents agreed that team members and leaders demonstrate active listening by fully engaging when others are speaking (M=3.758, SD=0.650). The respondents also agreed that employees feel heard and respected when they share their ideas or concerns in discussions (M=3.715, SD=0.823).

Table 4. 2: Open Communication and Organization Performance

	Mean	Std. Dev.
Information regarding organizational goals, strategies, and changes is openly shared with all team members.	3.905	0.645
The decision-making process is transparent, and leaders clearly communicate the reasons behind key decisions.	3.894	0.786
There are clear channels for employees to provide feedback	3.887	0.725
Feedback from employees is valued and regularly solicited to improve work practices and decision-making.	3.845	0.619
Team members and leaders demonstrate active listening by fully engaging when others are speaking.	3.758	0.650
Employees feel heard and respected when they share their ideas or concerns in discussions.	3.715	0.823
Aggregate	**3.834**	**0.708**

Organization Performance

The respondents were requested to indicate their level of agreement on various statements related to performance of commercial state corporations in Kenya. The results were as shown Table 4.3.

From the results, the respondents agreed that the organization consistently achieves its profitability targets (M=3.823, SD=0.720). In addition, the respondents agreed that financial management practices in the organization contribute to sustained profitability (M=3.815, SD=0.781). Further, the respondents agreed that the organization effectively increases its market share within its industry (M=3.801, SD=0.668). The respondents also agreed that the organization's products and services are competitive in the market, contributing to increased market share (M=3.766, SD=0.759). In addition, the respondent agreed that the organization consistently delivers high-quality products or services that meet customer expectations (M=3.749, SD=0.727). The respondents also agreed that customers express high levels of satisfaction with the overall experience provided by the organization (M=3.727, SD=0.571).

Table 4. 3: Organization Performance

	Mean	Std. Dev.
The organization consistently achieves its profitability targets.	3.823	0.720
Financial management practices in the organization contribute to sustained profitability.	3.815	0.781
The organization effectively increases its market share within its industry.	3.801	0.668
The organization's products and services are competitive in the market, contributing to increased market share.	3.766	0.759
The organization consistently delivers high-quality products or services that meet customer expectations.	3.749	0.727
Customers express high levels of satisfaction with the overall experience provided by the organization.	3.727	0.571
Aggregate	**3.780**	**0.819**

Correlation Analysis

This research adopted Pearson correlation analysis determine how the dependent variable (performance of commercial state corporations in Kenya) relates with the independent variables (shared decision-making and open communication).

Table 4. 4: Correlation Coefficients

		Organization Performance	Shared Decision-Making	Open Communication
Organization Performance	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	110		
Shared Decision-Making	Pearson Correlation	.835**	1	
	Sig. (2-tailed)	.003		
	N	110	110	
Open Communication	Pearson Correlation	.838**	.374	1
	Sig. (2-tailed)	.002	.067	
	N	110	110	110

**. Correlation is significant at the 0.01 level (2-tailed).

From the results, there was a very strong relationship between shared decision-making and performance of commercial state corporations in Kenya (r = 0.835, p value =0.003). The relationship was significant since the p value 0.003 was less than 0.05 (significant level). The findings are in line with the findings of Gede and Admasu (2023) who indicated that there is a very strong relationship between shared decision-making and organization performance.

Moreover, there was a very strong relationship between open communication and performance of commercial state corporations in Kenya (r = 0.838, p value =0.002). The relationship was significant since the p value 0.002 was less than 0.05 (significant level). The findings are in line with the findings of Mwansa (2020) who indicated that there is a very strong relationship between open communication and organization performance.

Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (shared decision-making and open communication) and the dependent variable (performance of commercial state corporations in Kenya).

Table 4. 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.879	.773	.772	.10381

a. Predictors: (Constant), shared decision-making and open communication

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r-squared for the relationship between the independent variables and the dependent variable was 0.773. This implied that 77.3% of the variation in the dependent variable (performance of commercial state corporations in Kenya) could be explained by independent variables (shared decision-making and open communication).

Table 4. 6: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	121.705	2	60.853	260.051	.002[b]
	Residual	12.256	107	.117		
	Total	133.961	109			

a. Dependent Variable: performance of commercial state corporations in Kenya.
b. Predictors: (Constant), shared decision-making and open communication

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 260.051 while the F critical was 2.458. The p value was 0.002. Since the F-calculated was greater than the F-critical and the p value 0.002 was less than 0.05, the model was considered as a good fit for the data. Therefore, the model can be used to predict the influence of shared decision-making and open communication on performance of commercial state corporations in Kenya.

Table 4. 7: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.324	0.085		3.812	0.000
	shared decision-making	0.387	0.099	0.386	3.909	0.000
	open communication	0.356	0.092	0.357	3.870	0.001

a Dependent Variable: performance of commercial state corporations in Kenya

The regression model was as follows:

$$\mathbf{Y = 0.324+0.387X_1 +0.356X_2 +\varepsilon}$$

According to the results, shared decision-making has a significant effect on performance of commercial state corporations in Kenya (β_1=0.387, p value= 0.000). The relationship was considered significant since the p value 0.000 was less than the significant level of 0.05. The findings are in line with the findings of Mutinda (2020) who indicated that there is a very strong relationship between shared decision-making and organization performance.

The results also revealed that open communication has a significant effect on performance of commercial state corporations in Kenya (β1=0.356, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The findings are in line with the findings of Mwansa (2020) who indicated that there is a very strong relationship between open communication and organization performance.

CONCLUSION AND RECOMMENDATIONS

Conclusions

The study concludes that shared decision-making has a positive and significant influence on performance of commercial state corporations in Kenya. Findings revealed that consultation, consensus-building and delegation of authority influence performance of commercial state corporations in Kenya.

In addition, the study concludes that open communication has a positive and significant influence on performance of commercial state corporations in Kenya. Findings revealed that transparency, feedback mechanisms and active listening influence performance of commercial state corporations in Kenya.

Recommendations

The study recommends that the management of commercial state corporations in Kenya should promote shared decision-making at all levels of the organization. By involving a diverse group of stakeholders, including employees, management, and external experts, in the decision-making process, these corporations can benefit from a wider range of perspectives and ideas.

In addition, the study recommends that the management of commercial state corporations in Kenya should foster open communication across all levels of the organization. Establishing transparent and effective communication channels helps ensure that information flows freely between employees, management, and stakeholders.

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