Available on: https://jefrr.ep-journals.org/ E-ISSN: 3051-3650, P-ISSN: 3051-3642

Journal of Economic Finance Research and Review

Volume: 02 Issue: 08 August 2026

Strategy Execution Capability, Government Policy and Corporate Turnaround Strategy Implementation in Kenyan State Corporations Within the Nairobi Metropolitan Region

Farhiya Ali Ibrahim
Scholar: School of Business, Taita-Taveta University, Kenya

Patrick Mutua Kimaku
Senior Lecturer, School of Business, Taita-Taveta University, Kenya

Meshack Mwandoe Pongah
Lecturer, School of Business, Taita-Taveta University, Kenya

Published Date: August 31, 2026 **Article DOI: 10.65150/EP-jefrr/V2E8/2026-13**

ABSTRACT: State corporations play a pivotal role in Kenya's socio-economic trajectory through public service delivery, policy implementation, and alignment with socio-economic blueprints such as Kenya Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA). However, persistent financial distress, operational inefficiencies, governance bottlenecks, and chronic dependence on state bailouts continue to compromise their service delivery. Although turnaround strategies are routinely formulated, many fail during execution, indicating that strategy execution capability remains a critical prerequisite for turning strategic plans into operational realities.This study examined the influence of strategy execution capability on corporate turnaround strategy implementation in Kenyan state corporations within the Nairobi Metropolitan Region, with government policy evaluated as a moderating variable. Specifically, the study evaluated the influence of strategic alignment capability, resource deployment capability, performance monitoring capability, and organizational coordination capability on corporate turnaround strategy implementation. Anchored in the positivist research philosophy, the study adopted a descriptive cross-sectional survey design. The target population comprised 450 respondents drawn from top, senior and middle management across 90 state corporations operating in the Nairobi Metropolitan Region. A sample of 212 respondents was drawn using stratified and simple random sampling techniques. Primary data were gathered using structured, self-administered questionnaires based on a five-point Likert scale. Reliability was established via Cronbach's alpha ($\alpha \geq .70$), while validity was verified through expert review and diagnostic assessments. Data were analyzed using IBM SPSS Version 29, using descriptive statistics (frequencies, percentages, means, and standard deviations) and inferential statistics (Pearson correlation, multiple linear regression, and hierarchical regression).The empirical findings demonstrated that strategic alignment capability, resource deployment capability, performance monitoring capability, and organizational coordination capability all had positive and statistically significant direct effects on turnaround strategy implementation. Furthermore, hierarchical regression revealed that government policy significantly moderated the relationship between strategy execution capability and turnaround implementation. The study concludes that execution capability, when reinforced by consistent and predictable institutional policies, is critical for public sector turnaround success. It recommends that public sector managers institutionalize dynamic tracking tools, align resource allocation directly with strategic goals, and build inter-departmental synergies, while urging policymakers to streamline regulatory compliance to accelerate turnarounds.

KEYWORDS: Strategy Execution Capability, Corporate Turnaround Strategy Implementation, Strategic Alignment, Government Policy, State Corporations.

INTRODUCTION

Background of the Study

Corporate turnaround has become an important strategic management concern as organizations increasingly operate in environments characterized by economic uncertainty, technological disruption, globalization, intense competition, changing stakeholder expectations, and governance pressures. Organizations experiencing declining performance may encounter financial distress, operational inefficiencies, weakened competitiveness, governance challenges, and reduced capacity to meet stakeholder expectations. Consequently, corporate turnaround strategies such as organizational restructuring, cost rationalization, strategic repositioning, process reengineering, technological transformation, and performance improvement have become important mechanisms for restoring organizational viability (Trahms et al., 2013; Wenzel et al., 2021). However, the existence of a well-formulated turnaround strategy does not necessarily guarantee organizational recovery. Successful turnaround depends significantly on the organization's ability to translate strategic intentions into coordinated operational actions through effective strategy execution (Hrebiniak, 2005; Kaplan & Norton, 2008).

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

Globally, organizations operate within volatile, uncertain, complex, and ambiguous environments shaped by rapid technological advancement, economic shocks, geopolitical tensions, climate-related disruptions, globalization, and changing regulatory conditions. Such pressures have increased organizational vulnerability and strengthened the need for effective strategic responses. Organizations have consequently adopted digital transformation, restructuring, operational redesign, business-model innovation, and financial recovery programmes to restore competitiveness and sustainability (Teece, 2020; Wenzel et al., 2021). Nevertheless, implementation remains a major challenge. Strategic initiatives may fail because of inadequate strategic alignment, poor resource deployment, weak performance monitoring, fragmented organizational structures, communication breakdowns, and ineffective coordination (Hrebiniak, 2005; Kaplan & Norton, 2008).

Strategy Execution Capability therefore provides the mechanisms through which strategic intentions are transformed into measurable organizational outcomes. It involves aligning organizational goals with strategic priorities, deploying financial, human, technological, and physical resources effectively, continuously monitoring implementation progress, coordinating organizational functions, and making corrective interventions when deviations occur (Kaplan & Norton, 2008; Teece, 2020). Dynamic Capabilities Theory further suggests that organizations operating in turbulent environments must continually integrate, reconfigure, and redeploy organizational resources to respond effectively to emerging threats and opportunities (Teece et al., 1997; Teece, 2020). The Resource-Based View similarly emphasizes that valuable organizational capabilities can generate superior outcomes when effectively mobilized and utilized (Barney, 1991).

Empirical evidence from Kenya reinforces the importance of effective execution during organizational transformation. Kimaku et al. (2019) established that successful implementation of strategic change in Kenyan state corporations was significantly influenced by organizational and stakeholder-related implementation factors. The study further emphasized adequate resource allocation and stakeholder involvement during strategic change implementation. This suggests that turnaround success depends not simply on strategic choice, but also on managerial and organizational mechanisms that support implementation. More recent strategic management research involving Kimaku has similarly emphasized resource mobilization and allocation, stakeholder engagement, innovation, organizational adaptability, and government policy support as important dimensions affecting organizational performance (Lepore et al., 2026).

Across Africa, state-owned enterprises play major roles in transport, energy, telecommunications, agriculture, finance, healthcare, infrastructure, and education. Despite their economic and social importance, many experience operational inefficiencies, persistent financial losses, governance weaknesses, bureaucratic rigidity, political interference, and declining stakeholder confidence. Governments have consequently introduced commercialization, privatization, institutional restructuring, governance reforms, performance management, and capacity-strengthening programmes. However, reform outcomes have often been mixed because implementation may be constrained by inadequate organizational capabilities, limited resources, weak coordination, ineffective monitoring, and complex institutional environments (George et al., 2020; Scott, 2021).

Strategy Execution Capability is particularly important within African public institutions because organizations must coordinate multiple stakeholders while complying with government regulations and public accountability requirements. Effective strategic alignment concentrates organizational attention on common priorities, while appropriate resource deployment ensures that critical turnaround programmes receive the financial, technological, and human resources required for implementation. Continuous performance monitoring enables managers to identify implementation gaps and institute corrective actions, while organizational coordination supports information sharing and integration across departments (Bryson, 2018; Teece, 2020).

Within Kenya, state corporations contribute substantially to socio-economic development through public service delivery, infrastructure development, policy implementation, industrial development, financial intermediation, and implementation of national development programmes. They consequently play an important role in achieving national priorities under frameworks such as Kenya Vision 2030 and the Bottom-Up Economic Transformation Agenda. Nevertheless, some state corporations continue to experience financial distress, governance problems, accumulated debt, project implementation delays, operational inefficiencies, and continuing reliance on government assistance.

Research conducted specifically within Kenyan state corporations highlights these challenges. Majani et al. (2026) examined resistance to change and performance among state corporations within the Nairobi Metropolitan Area and observed that state corporations continue to operate within reform environments characterized by performance and change-management challenges. Their study also incorporated government policies and regulations as a moderating factor, illustrating the importance of the external policy environment to organizational transformation. Similarly, Mathu et al. (2026) examined strategic decision-making approaches and organizational performance among commercial state corporations in Kenya, further demonstrating the growing importance of internal strategic management capabilities within public organizations.

Therefore, successful turnaround implementation requires more than the formulation of strategic recovery programmes. It requires strategic alignment, effective resource deployment, continuous performance monitoring, and organizational coordination. These four dimensions collectively constitute Strategy Execution Capability in the current study. Although previous Kenyan studies have examined strategic change, leadership, governance, planning, resistance to change, and organizational performance (Kimaku et al., 2019; Majani et al., 2026), relatively limited empirical attention has examined Strategy Execution Capability as an integrated multidimensional construct influencing corporate turnaround implementation. Furthermore, limited research has investigated whether government policy strengthens or weakens this relationship. The study therefore examines the influence of Strategy Execution Capability on corporate turnaround strategy implementation in Kenyan state corporations within the Nairobi Metropolitan Region, with government policy serving as a moderating variable.

Statement of the problem

State corporations are critical to Kenya's socio-economic development through the provision of essential public services, implementation of government policies, promotion of industrialization, and advancement of national development priorities such as Kenya Vision 2030 and the Bottom-Up Economic Transformation Agenda (BETA). Consequently, these organizations are expected to operate efficiently, maintain financial sustainability, and deliver quality and reliable services. However, many Kenyan state corporations continue to experience persistent operational inefficiencies, financial distress, governance challenges, declining service delivery, and recurring dependence on government financial support despite successive reform initiatives.

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

To reverse these challenges, the Government of Kenya has implemented various turnaround interventions, including organizational restructuring, financial recovery programmes, cost rationalization, strategic repositioning, performance contracting, governance reforms, and institutional restructuring. Nevertheless, the outcomes have remained uneven. Some state corporations continue to record financial losses, implementation delays, operational inefficiencies, and failure to attain strategic performance targets. This persistent underperformance suggests that the fundamental challenge may extend beyond the formulation of appropriate turnaround strategies to the organizational capacity to execute those strategies effectively. Similar concerns are reflected in Kenyan strategic management literature. Kimaku et al. (2019) demonstrated that successful implementation of strategic change in state corporations is influenced by implementation-related organizational factors, including adequate resource allocation and stakeholder involvement.

Strategy Execution Capability is therefore increasingly important because it determines an organization's capacity to translate strategic intentions into desired outcomes. Effective execution requires alignment of strategic objectives with operational activities, appropriate deployment of financial, human, and technological resources, continuous monitoring of implementation progress, and effective coordination across organizational functions (Kaplan & Norton, 2008; Teece, 2020). Weak execution capability can result in implementation delays, inefficient resource utilization, fragmented organizational efforts, and failure to achieve anticipated turnaround outcomes. These challenges may be particularly pronounced in state corporations because their turnaround programmes operate within bureaucratic structures, resource constraints, regulatory oversight, and multiple stakeholder interests.

Although previous studies have investigated strategic leadership, corporate turnaround, governance, restructuring, strategic change, and organizational performance, limited empirical attention has been directed towards Strategy Execution Capability as a multidimensional construct comprising strategic alignment, resource deployment, performance monitoring, and organizational coordination in Kenyan state corporations. While studies such as Kimaku et al. (2019) and Majani et al. (2026) provide important insights into strategic change implementation and resistance to change in Kenyan state corporations, they do not adequately establish how these integrated execution capabilities influence corporate turnaround strategy implementation. Moreover, limited research has examined whether government policy and regulatory support moderate this relationship. This study therefore sought to address these conceptual and contextual gaps by examining the influence of Strategy Execution Capability on corporate turnaround strategy implementation in Kenyan state corporations within the Nairobi Metropolitan Region, while assessing the moderating effect of government policy and regulatory support.

Objective of the Study

The study was guided by two objectives:

i). To examine the influence of the dimensions of strategy execution capability on implementation of corporate turnaround strategy in Kenyan State Corporations within the Nairobi Metropolitan Region.

ii). To determine the moderating effect of government policy on the relationship between strategy execution capability and Turnaround Implementation in Kenyan State Corporations within the Nairobi Metropolitan Region.

Research Hypotheses

The study sought to test the following research hypotheses:

i). **H01:** Strategy Execution Capability has no significant influence on Turnaround Implementation in Kenyan State Corporations within the Nairobi Metropolitan Region

ii). **H02:** Government policy has no significant moderating effect on the relationship between strategy execution capability and Turnaround Implementation in Kenyan State Corporations within the Nairobi Metropolitan Region.

REVIEW OF LITERATURE

The study is anchored on Dynamic Capabilities Theory, Resource-Based View (RBV) Theory, and Institutional Theory. Collectively, these theories explain how internal organizational capabilities and external institutional conditions influence corporate turnaround strategy implementation. Dynamic Capabilities Theory serves as the anchor theory, RBV explains Strategy Execution Capability as an organizational resource, while Institutional Theory explains how government policy and regulatory conditions may influence strategy implementation.

Dynamic Capabilities Theory, developed by Teece, Pisano, and Shuen (1997) and subsequently refined by Teece (2007, 2018, 2020), argues that organizations sustain performance by developing capabilities to sense opportunities and threats, seize opportunities, and continually reconfigure resources in response to environmental changes. Unlike perspectives emphasizing possession of resources, Dynamic Capabilities Theory focuses on the organization's capacity to renew, integrate, and redeploy resources under changing conditions (Teece et al., 1997; Teece, 2020). Corporate turnaround requires such adaptability because organizations experiencing decline must restructure activities, reallocate resources, respond to emerging challenges, and continuously realign operations with recovery priorities. Strategy Execution Capability can therefore be regarded as a dynamic capability encompassing strategic alignment, resource deployment, performance monitoring, and organizational coordination. This theoretical position is consistent with evidence that successful strategic change within Kenyan state corporations depends substantially on organizations' ability to manage implementation processes effectively (Kimaku et al., 2019).

The Resource-Based View, advanced by Wernerfelt (1984) and Barney (1991), proposes that superior organizational outcomes arise from valuable, rare, inimitable, and non-substitutable resources and capabilities. These include tangible resources such as finances and technology and intangible resources such as organizational knowledge, managerial competencies, routines, and execution systems (Barney, 1991). Strategy Execution Capability represents an intangible capability because it enables management to align organizational priorities, deploy available resources, coordinate activities, and monitor implementation. This perspective also complements recent findings emphasizing the contribution of resource mobilization and allocation, adaptability, technology, and stakeholder engagement to organizational performance (Lepore et al., 2026).

Institutional Theory, associated with Meyer and Rowan (1977) and Scott (2021), explains how organizational behaviour is shaped by regulatory frameworks, government policies, societal expectations, political structures, and institutional norms. Public corporations are particularly affected because their strategic activities are undertaken within government regulatory and accountability systems. Supportive policies may provide

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

regulatory clarity, institutional legitimacy, resources, and implementation flexibility, whereas bureaucratic delays and inconsistent regulations may impede implementation (Scott, 2021). This perspective supports government policy as the moderating variable and is particularly relevant given evidence from Kenyan state corporations that government policies and regulations can influence organizational change and performance (Majani et al., 2026).

The conceptual framework proposes that Strategy Execution Capability, comprising strategic alignment, resource deployment, performance monitoring, and organizational coordination, influences corporate turnaround strategy implementation, measured through financial recovery, operational efficiency, organizational restructuring, and strategic repositioning. Government policy, represented by regulatory support, policy consistency, and institutional support, moderates this relationship by potentially strengthening or weakening the effectiveness of strategic execution capabilities in facilitating turnaround implementation (Teece, 2020; Scott, 2021; Kimaku et al., 2019).

Empirical literature generally demonstrates that strategy execution capabilities contribute positively to organizational transformation and strategy implementation. Regarding strategic alignment, Kaplan and Norton (2008) established that alignment between organizational objectives, structures, and employee activities enhances implementation by improving organizational focus and coordination. Wenzel et al. (2021) similarly linked strategic alignment with successful organizational restructuring and recovery.

Resource deployment is equally critical. Pisano (2020) observed that effective deployment of financial, human, and technological resources enhances organizational adaptability and implementation effectiveness. Within Kenya, Kimaku et al. (2019) found that successful strategic change implementation in state corporations required attention to implementation determinants and recommended sufficient allocation of resources alongside effective stakeholder involvement. More recently, Lepore et al. (2026) examined resource mobilization and allocation among the strategic management practices influencing organizational performance, reinforcing the importance of resource capability.

Regarding performance monitoring, organizations require continuous measurement mechanisms to identify implementation deviations and institute corrective interventions. Kaplan and Norton (2008) associated comprehensive performance-measurement systems with improved strategy implementation, while Samimi et al. (2022) demonstrated that robust monitoring facilitates early identification of implementation problems and timely corrective action.

Organizational coordination facilitates information sharing, departmental integration, resource utilization, and collective action. Okumus (2003) found that effective interdepartmental coordination reduced implementation conflicts, while Helfat and Martin (2021) associated coordination with strategic flexibility and organizational transformation. Kenyan evidence from Kimaku et al. (2019) similarly highlights the importance of involving organizational stakeholders during strategic change implementation. Finally, government policy and regulatory support may create enabling or constraining implementation conditions. Policy stability, regulatory clarity, institutional support, and appropriate oversight may enhance implementation, whereas policy inconsistency and bureaucracy may impede it (Scott, 2021; Meyer & Peng, 2022). Majani et al. (2026) specifically incorporated government policies and regulations when examining organizational change and performance among state corporations in Nairobi Metropolitan Area. Thus, an empirical gap remains regarding their moderating influence on the integrated relationship between Strategy Execution Capability and corporate turnaround implementation.

Conceptual Framework

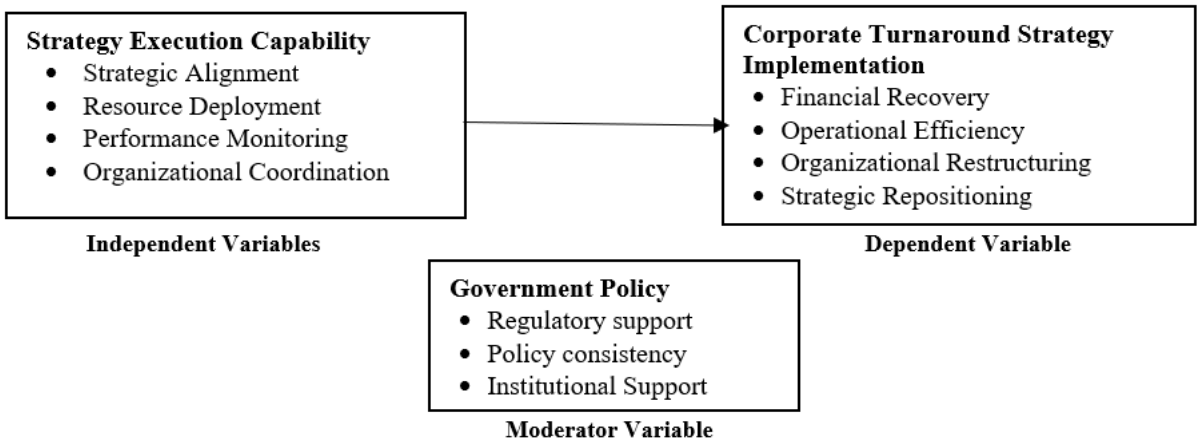


Figure 2.1: Conceptual Framework

MATERIALS AND METHODS

Research Design

The study adopted a positivist philosophy and descriptive cross-sectional survey design. The design facilitated objective measurement of Strategy Execution Capability, government policy, and corporate turnaround implementation without manipulating the variables (Creswell & Creswell, 2023; Saunders et al., 2023). Data were collected at a single point in time and analyzed quantitatively using descriptive statistics, correlation, multiple regression, and hierarchical regression.

Target Population and Sampling Technique

The study targeted 450 respondents from 90 Kenyan state corporations operating within the Nairobi Metropolitan Region. Five managers were considered from each corporation, representing the CEO's office, finance, human resources, risk, and ICT functions because of their knowledge of strategic and turnaround implementation processes. The study employed stratified and simple random sampling. Stratification divided the population into relevant homogeneous categories to enhance representation, after which simple random sampling gave respondents within each

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

stratum an equal probability of selection (Creswell & Creswell, 2023; Saunders et al., 2023). Using Yamane's (1967) sample-size formula, a sample of 212 respondents was obtained from the population of 450.

Instrumentation and Data Collection Procedure

The study employed both primary and secondary data. Primary data were collected using a structured questionnaire comprising closed- and open-ended questions. Closed-ended questions generated standardized quantitative responses, while open-ended questions provided respondents with an opportunity to offer additional insights (Creswell & Creswell, 2023; Saunders et al., 2023). Secondary data were obtained from scholarly publications, books, government and policy documents, and other relevant sources. Before the main survey, 21 questionnaires, representing approximately 10% of the intended sample, were pilot-tested to assess clarity, relevance, usability, validity, and reliability. Feedback from the pilot exercise informed refinement of the research instrument before administration to the final study respondents.

Data analysis

Data were analyzed using IBM SPSS Version 29. Both descriptive and inferential statistical techniques were employed to transform the collected data into meaningful information and facilitate interpretation of the study findings (Hair et al., 2022; Saunders et al., 2023; Pallant, 2020). Descriptive statistics comprising frequencies, percentages, means, and standard deviations were used to summarize respondents' characteristics and responses relating to the study variables. These statistics facilitated identification of patterns and general tendencies in Strategy Execution Capability and corporate turnaround strategy implementation.

Inferential analysis involved Pearson correlation, multiple linear regression, and hierarchical regression analysis. Pearson correlation analysis established the strength and direction of relationships among the study variables, while multiple regression determined the individual and combined influence of strategic alignment capability, resource deployment capability, performance monitoring capability, and organizational coordination capability on corporate turnaround strategy implementation (Hair et al., 2022; Gujarati et al., 2021). Hierarchical regression analysis was applied to establish the moderating effect of government policy on the relationship between Strategy Execution Capability and turnaround implementation. Prior to regression analysis, diagnostic tests for normality, linearity, homoscedasticity, and multicollinearity were conducted to establish conformity with regression assumptions. Results were presented using tables, charts, and graphs, supported by regression coefficients, significance levels, confidence intervals, and relevant statistical measures.

Ethical Considerations

Ethical approval for the study was obtained from the Ethics Review Committee of Taita Taveta University. Participation was voluntary, and all respondents provided informed consent before taking part in the study. Respondents' anonymity and confidentiality were safeguarded through the use of unique identification codes, while collected data were securely stored with access restricted to authorized persons. Throughout the data collection process, enumerators adhered to established ethical standards by maintaining professionalism, respecting participants' rights and privacy, and ensuring that respondents were treated with dignity and courtesy.

RESULTS

A total of 212 questionnaires were issued to respondents, with 178 filled and returned. The returned questionnaires formed a response rate of 83.96% as shown in Table 1.

Table 1: Response Rate

Questionnaire	Frequency	Percent
Returned	178	83.96
Non-returned	34	16.04
Total	**212**	**100.0**

Demographic Information Analysis

Table 2: Demographic Data

Category	Sub-Category	Frequency (n)	Percentage (%)
Gender	Male	104	58.43
	Female	74	41.57
Age Bracket	20–30 Years	18	10.11
	31–40 Years	62	34.83
	41–50 Years	71	39.89
	51 Years and Above	27	15.17
Position Level	Top Management / Executive	31	17.42
	Senior Management	83	46.63
	Middle Management	64	35.95
Department	Chief Executive Office	22	12.36

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

	Finance	45	25.28
	Human Resource	38	21.35
	Risk Management	36	20.22
	ICT	37	20.79
Length of Service	Below 5 Years	24	13.48
	5–10 Years	68	38.20
	11–15 Years	56	31.46
	Above 15 Years	30	16.85
TOTAL		**178**	**100%**

Key Findings

The descriptive analysis examined respondents' perceptions of strategic alignment capability, resource deployment capability, performance monitoring capability, organizational coordination capability, government policy, and corporate turnaround strategy implementation. Using a five-point Likert scale, all six constructs recorded mean scores above 3.41, indicating high levels of agreement among the 178 respondents regarding the presence and importance of the practices examined.

Performance monitoring capability recorded the highest composite mean (M = 3.91, SD = 0.58), suggesting that state corporations had relatively well-established mechanisms for monitoring progress, assessing performance indicators, and undertaking corrective measures. This was followed by strategic alignment capability (M = 3.82, SD = 0.64), indicating that organizational objectives, departmental priorities, and employee activities were generally aligned with turnaround priorities.

Organizational coordination capability recorded a mean of 3.74 (SD = 0.66), demonstrating generally favourable perceptions of collaboration, information sharing, departmental integration, and coordination during turnaround implementation. Resource deployment capability recorded M = 3.65 (SD = 0.71), suggesting that respondents generally considered the deployment of financial, human, and technological resources supportive of turnaround implementation.

The dependent variable, corporate turnaround strategy implementation, achieved a relatively high mean of 3.71 (SD = 0.69), indicating meaningful progress in financial recovery, operational efficiency, organizational restructuring, strategic repositioning, service delivery, and sustainability. Government policy recorded the lowest mean (M = 3.58) and highest variability (SD = 0.75). Although still reflecting high agreement, this suggests differing experiences regarding regulatory support, policy consistency, and institutional assistance across state corporations. Overall, the descriptive results indicate generally favourable strategic execution conditions, while highlighting government policy and resource deployment as comparatively weaker areas requiring greater attention.

Table 3: Descriptive Statistics for Strategic Alignment Capability Items (N = 178)

Statement	SD f (%)	D f (%)	N f (%)	A f (%)	SA f (%)	Mean	Std. Dev.
Organizational goals are clearly aligned with turnaround objectives.	2 (1.1)	3 (1.7)	44 (24.7)	94 (52.8)	35 (19.7)	3.88	0.78
Departmental objectives support the organization's turnaround strategy.	2 (1.1)	4 (2.2)	57 (32.0)	96 (53.9)	19 (10.7)	3.71	0.73
Employees clearly understand the organization's turnaround priorities.	2 (1.1)	4 (2.2)	42 (23.6)	89 (50.0)	41 (23.0)	3.92	0.81
Strategic plans are effectively translated into operational activities.	2 (1.1)	3 (1.7)	61 (34.3)	97 (54.5)	15 (8.4)	3.67	0.70
Resources are aligned with strategic priorities.	2 (1.1)	3 (1.7)	47 (26.4)	96 (53.9)	30 (16.9)	3.84	0.76
Management communicates strategic priorities consistently.	2 (1.1)	10 (5.6)	62 (34.8)	81 (45.5)	23 (12.9)	3.63	0.82
There is a shared organizational commitment toward turnaround implementation.	2 (1.1)	2 (1.1)	43 (24.2)	103 (57.9)	28 (15.7)	3.86	0.73

Note. SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; f = frequency; (%) = percentage of respondents (N = 178).

Table 4: Descriptive Statistics for Resource Deployment Capability Items (N = 178)

Statement	SD f (%)	D f (%)	N f (%)	A f (%)	SA f (%)	Mean	Std. Dev.
Adequate financial resources are allocated to turnaround initiatives.	2 (1.1)	9 (5.1)	57 (32.0)	81 (45.5)	29 (16.3)	3.71	0.84

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

Human resources are effectively deployed to support turnaround implementation.	2 (1.1)	10 (5.6)	71 (39.9)	80 (44.9)	15 (8.4)	3.54	0.77
Technology resources adequately support turnaround initiatives.	2 (1.1)	8 (4.5)	53 (29.8)	82 (46.1)	33 (18.5)	3.76	0.84
Resources are allocated based on strategic priorities.	2 (1.1)	10 (5.6)	75 (42.1)	79 (44.4)	12 (6.7)	3.50	0.75
Resources are utilized efficiently during implementation.	2 (1.1)	9 (5.1)	60 (33.7)	83 (46.6)	24 (13.5)	3.66	0.82
Resource shortages are addressed promptly.	2 (1.1)	18 (10.1)	70 (39.3)	69 (38.8)	19 (10.7)	3.48	0.86
Resource deployment enhances turnaround implementation.	2 (1.1)	6 (3.4)	59 (33.1)	89 (50.0)	22 (12.4)	3.69	0.77

Note. **SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; f = frequency; (%) = percentage of respondents (N = 178).**

Table 5: Descriptive Statistics for Performance Monitoring Capability Items (N = 178)

Statement	SD f (%)	D f (%)	N f (%)	A f (%)	SA f (%)	Mean	Std. Dev.
Turnaround implementation progress is monitored regularly.	2 (1.1)	2 (1.1)	35 (19.7)	101 (56.7)	38 (21.3)	3.96	0.75
Performance indicators are clearly established.	2 (1.1)	2 (1.1)	47 (26.4)	107 (60.1)	20 (11.2)	3.79	0.69
Implementation milestones are reviewed periodically.	2 (1.1)	2 (1.1)	33 (18.5)	97 (54.5)	44 (24.7)	4.01	0.76
Corrective actions are taken whenever implementation deviates from plans.	2 (1.1)	2 (1.1)	50 (28.1)	109 (61.2)	15 (8.4)	3.75	0.67
Performance reports support strategic decision-making.	2 (1.1)	2 (1.1)	38 (21.3)	104 (58.4)	32 (18.0)	3.91	0.73
Feedback is used to improve turnaround implementation.	2 (1.1)	6 (3.4)	56 (31.5)	90 (50.6)	24 (13.5)	3.72	0.78
Performance monitoring enhances implementation effectiveness.	2 (1.1)	2 (1.1)	31 (17.4)	113 (63.5)	30 (16.9)	3.94	0.70

Note. **SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; f = frequency; (%) = percentage of respondents (N = 178).**

Table 6: Descriptive Statistics for Organizational Coordination Capability Items (N = 178)

Statement	SD f (%)	D f (%)	N f (%)	A f (%)	SA f (%)	Mean	Std. Dev.
Departments collaborate effectively during turnaround implementation.	2 (1.1)	5 (2.8)	51 (28.7)	89 (50.0)	31 (17.4)	3.80	0.80
Information flows efficiently across departments.	2 (1.1)	6 (3.4)	65 (36.5)	89 (50.0)	16 (9.0)	3.62	0.74
Cross-functional teams coordinate turnaround activities effectively.	2 (1.1)	5 (2.8)	47 (26.4)	88 (49.4)	36 (20.2)	3.85	0.81
Organizational units work toward common turnaround objectives.	2 (1.1)	5 (2.8)	69 (38.8)	89 (50.0)	13 (7.3)	3.60	0.72
Roles and responsibilities are clearly defined.	2 (1.1)	5 (2.8)	54 (30.3)	91 (51.1)	26 (14.6)	3.75	0.78
Interdepartmental conflicts are resolved promptly.	2 (1.1)	13 (7.3)	67 (37.6)	76 (42.7)	20 (11.2)	3.56	0.83
Coordination improves turnaround implementation success.	2 (1.1)	3 (1.7)	50 (28.1)	99 (55.6)	24 (13.5)	3.79	0.74

Note. **SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; f = frequency; (%) = percentage of respondents (N = 178).**

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

Corresponding Author: Farhiya Ali Ibrahim

Table 7: Descriptive Statistics for Government Policy (Moderator) Items (N = 178)

Statement	SD f (%)	D f (%)	N f (%)	A f (%)	SA f (%)	Mean	Std. Dev.
Government policies support corporate turnaround initiatives.	2 (1.1)	12 (6.7)	60 (33.7)	77 (43.3)	27 (15.2)	3.65	0.86
Regulatory frameworks facilitate turnaround implementation.	2 (1.1)	14 (7.9)	73 (41.0)	74 (41.6)	15 (8.4)	3.48	0.80
Government policies are consistent and predictable.	2 (1.1)	12 (6.7)	57 (32.0)	76 (42.7)	31 (17.4)	3.69	0.88
Government oversight promotes successful turnaround implementation.	2 (1.1)	14 (7.9)	77 (43.3)	73 (41.0)	12 (6.7)	3.44	0.78
Government provides adequate institutional support for turnaround programmes.	2 (1.1)	12 (6.7)	64 (36.0)	77 (43.3)	23 (12.9)	3.60	0.84
Government regulations encourage strategy execution.	2 (1.1)	22 (12.4)	70 (39.3)	65 (36.5)	19 (10.7)	3.43	0.88
Government policy enhances successful implementation of turnaround strategies.	2 (1.1)	9 (5.1)	63 (35.4)	83 (46.6)	21 (11.8)	3.63	0.80

Note. **SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; f = frequency; (%) = percentage of respondents (N = 178).**

Table 8: Descriptive Statistics for Corporate Turnaround Strategy Implementation Items (N = 178)

Statement	SD f (%)	D f (%)	N f (%)	A f (%)	SA f (%)	Mean	Std. Dev.
Turnaround initiatives have improved financial recovery.	2 (1.1)	7 (3.9)	53 (29.8)	85 (47.8)	31 (17.4)	3.76	0.82
Turnaround strategies have enhanced operational efficiency.	2 (1.1)	8 (4.5)	67 (37.6)	84 (47.2)	17 (9.6)	3.60	0.77
Organizational restructuring has been successfully implemented.	2 (1.1)	7 (3.9)	50 (28.1)	83 (46.6)	36 (20.2)	3.81	0.84
Strategic repositioning initiatives have achieved intended objectives.	2 (1.1)	7 (3.9)	71 (39.9)	85 (47.8)	13 (7.3)	3.56	0.74
Turnaround implementation has improved service delivery.	2 (1.1)	7 (3.9)	56 (31.5)	87 (48.9)	26 (14.6)	3.72	0.80
The organization has achieved significant progress in implementing turnaround strategies.	2 (1.1)	15 (8.4)	67 (37.6)	73 (41.0)	21 (11.8)	3.54	0.85
Corporate turnaround initiatives have enhanced organizational sustainability.	2 (1.1)	4 (2.2)	54 (30.3)	94 (52.8)	24 (13.5)	3.75	0.76

Note. **SD = Strongly Disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly Agree; f = frequency; (%) = percentage of respondents (N = 178).**

Table 9: Descriptive Statistics for Study Variables

Variable Construct	Mean (M)	SD	Interpretation
Strategic Alignment Capability	3.82	0.64	High Agreement
Resource Deployment Capability	3.65	0.71	High Agreement
Performance Monitoring Capability	3.91	0.58	High Agreement
Organizational Coordination Capability	3.74	0.66	High Agreement
Government Policy (Moderator)	3.58	0.75	High Agreement
Corporate Turnaround Strategy Implementation	3.71	0.69	High Agreement

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

Correlation Analysis

Pearson Product Moment Correlation analysis was conducted to establish the strength and direction of relationships between Strategy Execution Capability dimensions, government policy, and corporate turnaround strategy implementation. The findings revealed that all four dimensions of Strategy Execution Capability had positive and statistically significant relationships with corporate turnaround strategy implementation at the 1% significance level ($p < .01$). This indicates that improvements in strategic execution capabilities were associated with higher levels of successful turnaround implementation among the surveyed state corporations.

Strategic alignment capability recorded the strongest correlation with corporate turnaround strategy implementation ($r = .684$, $p < .01$). This strong positive association implies that state corporations characterized by greater alignment of organizational objectives, resources, and activities with their strategic priorities tended to report more successful turnaround implementation. Strategic alignment therefore appears particularly important in ensuring that different organizational units work toward common turnaround objectives.

Resource deployment capability had the second strongest relationship with turnaround implementation ($r = .651$, $p < .01$). The result indicates that effective allocation and utilization of financial, human, and technological resources are positively associated with successful execution of turnaround initiatives. Similarly, performance monitoring capability demonstrated a strong positive and statistically significant correlation ($r = .618$, $p < .01$). This suggests that continuous tracking of performance, identification of implementation gaps, and timely corrective action are associated with improved turnaround implementation.

Organizational coordination capability was also positively and significantly related to turnaround strategy implementation ($r = .592$, $p < .01$). Thus, improved collaboration, information sharing, departmental integration, and coordination among organizational stakeholders are associated with more effective execution of turnaround initiatives. Government policy similarly exhibited a positive and statistically significant relationship with turnaround implementation ($r = .514$, $p < .01$), although this relationship was comparatively weaker than those of the four execution capabilities.

Importantly, correlations among the predictor variables ranged from $r = .362$ to $r = .548$, indicating moderate interrelationships. Since none approached the commonly applied threshold of .80, the results suggested no serious multicollinearity concern and supported proceeding with regression analysis. Overall, the correlation findings indicate that stronger strategic alignment, resource deployment, performance monitoring, organizational coordination, and supportive government policy are associated with improved corporate turnaround strategy implementation, with strategic alignment emerging as the strongest bivariate correlate.

Table 10: Pearson Correlation Matrix (with Significance and Sample Size)

Variable	1	2	3	4	5	6
1. Turnaround Strategy Implementation	1					
2. Strategic Alignment	0.684** Sig. = .000 N = 178	1				
3. Resource Deployment	0.651** Sig. = .000 N = 178	0.512** Sig. = .000 N = 178	1			
4. Performance Monitoring	0.618** Sig. = .000 N = 178	0.548** Sig. = .000 N = 178	0.491** Sig. = .000 N = 178	1		
5. Organizational Coordination	0.592** Sig. = .000 N = 178	0.463** Sig. = .000 N = 178	0.425** Sig. = .000 N = 178	0.482** Sig. = .000 N = 178	1	
6. Government Policy	0.514** Sig. = .000 N = 178	0.395** Sig. = .000 N = 178	0.410** Sig. = .000 N = 178	0.388** Sig. = .000 N = 178	0.362** Sig. = .000 N = 178	1

Note. **** Correlation is significant at $p < .01$ (two-tailed), N = 178 for all pairs. Each cell reports the Pearson correlation coefficient, the significance value (Sig., 2-tailed), and the sample size (N). The results show strong, positive, and statistically significant relationships between all sub-dimensions of strategy execution capability and corporate turnaround strategy implementation, with strategic alignment showing the strongest bivariate association.**

Regression Analysis

The multiple regression model assessed the combined influence of strategic alignment capability, resource deployment capability, performance monitoring capability, and organizational coordination capability on corporate turnaround strategy implementation. The model produced a multiple correlation coefficient of $R = .782$, indicating a strong positive relationship between the combined strategic execution capabilities and corporate turnaround strategy implementation.

The coefficient of determination was $R^2 = .612$, implying that the four Strategy Execution Capability dimensions collectively explained approximately 61.2% of the variation in corporate turnaround strategy implementation among the state corporations studied. This represents substantial explanatory power and demonstrates that strategic execution capabilities are important determinants of successful turnaround implementation. The remaining 38.8% of variation can be attributed to other factors not incorporated in the direct-effects model, as well as random variation.

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

The adjusted R^2 of .603 indicates that, after adjusting for the number of predictors included in the model, approximately 60.3% of the variation in turnaround implementation remained explained by the four capabilities. The relatively small difference between R^2 (.612) and adjusted R^2 (.603) suggests that the model was reasonably stable and that the explanatory contribution was not substantially inflated by the inclusion of multiple predictors. The standard error of the estimate was .435, indicating a relatively modest level of prediction error. Overall, the findings demonstrate that Strategy Execution Capability collectively provides substantial explanatory power for corporate turnaround strategy implementation.

Table 11: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.782	0.612	0.603	0.435

Table 12: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.742	4	12.936	68.358	<.001
	Residual	32.738	173	0.189		
	Total	84.480	177			

Analysis of Variance (ANOVA) was conducted to determine whether the multiple regression model was statistically significant in explaining corporate turnaround strategy implementation. The findings showed a regression sum of squares of 51.742, compared with a residual sum of squares of 32.738, while the total sum of squares was 84.480. The regression model had 4 degrees of freedom, while the residual component had 174 degrees of freedom. The corresponding regression mean square was 12.936, compared with a residual mean square of .189.

The model generated an F-statistic of 68.358 with $p < .001$. Since the significance value was below the conventional .05 threshold, the overall regression model was statistically significant. This means that the four Strategy Execution Capability dimensions—strategic alignment, resource deployment, performance monitoring, and organizational coordination—when considered collectively, significantly predicted corporate turnaround strategy implementation.

The statistically significant F-statistic demonstrates that the explanatory power observed in the model was unlikely to have occurred by chance. Consequently, the null proposition that the Strategy Execution Capability dimensions collectively have no significant influence on corporate turnaround strategy implementation was not supported by the results. Instead, the evidence demonstrates that variations in the strategic execution capabilities were systematically associated with variations in the effectiveness of turnaround implementation.

Overall, the ANOVA findings confirm the statistical adequacy and significance of the direct-effects regression model, thereby providing justification for examining the individual regression coefficients to establish the unique contribution of each Strategy Execution Capability.

Table 13: Regression Coefficient Results

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.415	0.182	—	2.280	.024
Strategic Alignment Capability	0.312	0.058	0.334	5.379	<.001
Resource Deployment Capability	0.285	0.054	0.298	5.278	<.001
Performance Monitoring Capability	0.224	0.059	0.221	3.797	<.001
Organizational Coordination Capability	0.198	0.052	0.194	3.808	<.001

The regression coefficient results established that all four dimensions of Strategy Execution Capability had positive and statistically significant unique effects on corporate turnaround strategy implementation. The estimated regression model was $Y = 0.415 + 0.312X_1 + 0.285X_2 + 0.224X_3 + 0.198X_4$, where the predictors represented strategic alignment, resource deployment, performance monitoring, and organizational coordination capabilities, respectively.

Strategic alignment capability emerged as the strongest predictor, with $B = .312$, $\beta = .334$, $t = 5.379$, $p < .001$. Holding other factors constant, a one-unit improvement in strategic alignment was associated with a .312-unit increase in turnaround strategy implementation. This indicates that aligning organizational objectives, departmental priorities, and activities with turnaround objectives is particularly important for successful implementation.

Resource deployment capability was the second strongest predictor ($B = .285$, $\beta = .298$, $t = 5.278$, $p < .001$), demonstrating that effective mobilization and utilization of organizational resources significantly enhances turnaround implementation. Performance monitoring capability also had a significant positive effect ($B = .224$, $\beta = .221$, $t = 3.797$, $p < .001$), suggesting that systematic monitoring, performance reviews, and corrective actions improve execution outcomes.

Similarly, organizational coordination capability significantly influenced turnaround implementation ($B = .198$, $\beta = .194$, $t = 3.808$, $p < .001$). Effective coordination therefore facilitates collaboration and integration of organizational activities during turnaround processes. Comparing standardized coefficients, the predictors ranked as strategic alignment ($\beta = .334$), resource deployment ($\beta = .298$), performance monitoring ($\beta =$

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

.221), and organizational coordination (β = .194). Thus, while all four capabilities significantly contribute to turnaround implementation, strategic alignment capability makes the strongest unique contribution.

The overall model becomes:

$$Y = 0.415 + 0.312X_1 + 0.285X_2 + 0.224X_3 + 0.198X_4$$

Moderation Testing (Hierarchical Regression Analysis)

Hierarchical regression analysis was conducted to determine whether government policy moderated the relationship between strategy execution capability and corporate turnaround strategy implementation. In Model 1, strategy execution capability explained 61.2% of the variance in turnaround strategy implementation ($R^2 = .612$, $p < .001$). When government policy was introduced in Model 2, the explanatory power increased to 64.6% ($R^2 = .646$), representing a significant 3.4% increase in explained variance ($\Delta R^2 = .034$, F-change = 16.512, $p < .001$).

The interaction term between strategy execution capability and government policy was introduced in Model 3. This increased R^2 from .646 to .687, representing an additional significant 4.1% variance explained ($\Delta R^2 = .041$, F-change = 22.384, $p < .001$). The interaction term was positive and statistically significant (B = .186, β = .201, t = 4.731, $p < .001$), confirming the presence of a moderating effect.

The findings therefore demonstrate that government policy significantly strengthens the positive influence of strategy execution capability on corporate turnaround strategy implementation. Thus, favourable and consistent government policies, regulatory frameworks, and institutional support enhance the effectiveness of strategy execution capabilities in achieving turnaround outcomes. Consequently, the null hypothesis (H02) that government policy has no significant moderating effect was rejected.

Table 14: Hierarchical Regression Model Summary (Moderation Analysis)

Model	R	R^2	Adj. R^2	ΔR^2	F Change	Sig. F
1	0.782	0.612	0.603	0.612	68.358	<.001
2	0.804	0.646	0.636	0.034	16.512	<.001
3	0.829	0.687	0.676	0.041	22.384	<.001

Note. **Model 1: predictor is strategy execution capability (SEC). Model 2: predictors are SEC and government policy. Model 3: predictors are SEC, government policy, and the SEC × government policy interaction. Introducing the interaction term in Model 3 yielded a statistically significant increase in explanatory power, confirming that government policy significantly moderates the effect of strategy execution capability on corporate turnaround implementation.**

Table 15: Hierarchical Interaction Model Coefficients

Construct	B	SE	β	t	Sig.
(Constant)	0.284	0.165	—	1.721	.087
Strategy execution Capability (X)	0.482	0.062	0.495	7.774	<.001
Government Policy (Z)	0.215	0.055	0.218	3.909	<.001
X × Z Interaction	0.186	0.039	0.201	4.731	<.001

Note. **Dependent variable: corporate turnaround strategy implementation. A high level of government policy support accelerates the impact of execution capability on turnaround outcomes, whereas low policy support dampens this impact.**

Fitted interaction regression model: $Y = 0.284 + 0.482X + 0.215Z + 0.186(X \cdot Z)$

Interpretation of Findings

The findings demonstrate that Strategy Execution Capability is a significant determinant of corporate turnaround strategy implementation among Kenyan state corporations. All four dimensions—strategic alignment, resource deployment, performance monitoring, and organizational coordination—had statistically significant positive effects on turnaround implementation. Strategic alignment emerged as the strongest predictor, implying that successful turnaround depends substantially on aligning organizational objectives, resources, departmental activities, and employee responsibilities with recovery priorities. Resource deployment was also important, demonstrating that financial, human, and technological resources must be effectively mobilized and directed towards strategic priorities. Performance monitoring enhanced implementation through continuous evaluation and corrective action, while organizational coordination promoted collaboration, information sharing, and integration across departments.

The findings further established that government policy significantly moderated the relationship between Strategy Execution Capability and turnaround implementation. The positive interaction coefficient showed that supportive government policy strengthens the contribution of

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

execution capability, whereas inadequate policy support weakens it. Overall, turnaround success therefore depends on both strong internal execution capabilities and an enabling institutional environment.

Practical Implications

The findings provide important practical guidance to managers of Kenyan state corporations. Management should prioritize strategic alignment, given its comparatively stronger contribution to turnaround implementation, by ensuring that organizational objectives, departmental targets, employee responsibilities, and resource allocation are linked to turnaround priorities. Managers should further optimize financial, human, and technological resources, institutionalize performance-monitoring systems, and strengthen interdepartmental collaboration and information sharing. The findings provide managers with a practical framework for prioritizing execution capabilities according to their demonstrated contribution to turnaround success.

For government and oversight agencies, the findings emphasize the importance of creating policies that promote organizational flexibility, reduce administrative barriers, strengthen oversight, and provide supportive institutional conditions. Such an environment can enhance the returns generated from state corporations' internal strategic execution capabilities.

Theoretical Implications

The study contributes theoretically by integrating Dynamic Capabilities Theory, the Resource-Based View, and Institutional Theory in explaining corporate turnaround strategy implementation. The findings support Dynamic Capabilities Theory by demonstrating that strategic alignment, resource deployment, performance monitoring, and organizational coordination represent execution capabilities through which organizations adapt and implement turnaround strategies. They support the Resource-Based View by showing that Strategy Execution Capability constitutes a valuable organizational capability capable of improving implementation outcomes. Institutional Theory is reinforced by the significant moderating effect of government policy, demonstrating that internal organizational capabilities operate within broader regulatory and institutional environments. Thus, the study extends turnaround literature by demonstrating that successful implementation results from the interaction between internal strategic capabilities and external institutional support.

Limitations of the Descriptive Analysis

The study's descriptive analysis provides a useful overview of respondents' perceptions but has several limitations. First, descriptive statistics such as means, standard deviations, frequencies, and percentages describe prevailing conditions but cannot independently establish causal relationships among variables. Second, the findings relied largely on self-reported questionnaire responses and may therefore be influenced by respondents' perceptions or response tendencies. Third, the cross-sectional design collected data at a single point in time, meaning that the descriptive findings cannot capture changes in Strategy Execution Capability or turnaround implementation over time. Furthermore, the study focused on state corporations within the Nairobi Metropolitan Region, limiting direct generalization to other public-sector institutions or geographical contexts. These limitations justify complementary inferential and future longitudinal analyses.

CONCLUSIONS AND RECOMMENDATIONS

The study concludes that Strategy Execution Capability significantly enhances corporate turnaround strategy implementation among Kenyan state corporations. Successful turnaround is therefore not determined merely by the quality of strategies formulated but by organizations' capacity to translate those strategies into coordinated operational actions. Strategic alignment, resource deployment, performance monitoring, and organizational coordination all demonstrated statistically significant positive contributions to turnaround implementation.

Strategic alignment emerged as particularly important, indicating that turnaround initiatives are more successful where organizational goals, departmental objectives, employee responsibilities, and resources are synchronized with recovery priorities. The study therefore concludes that state corporations should institutionalize mechanisms that translate turnaround objectives into departmental and individual performance targets. Clear strategic communication should accompany this alignment to promote shared understanding and commitment.

Resource deployment also significantly influenced turnaround implementation. State corporations should therefore ensure that financial, human, technological, and physical resources are allocated according to strategic priorities rather than routine administrative considerations. Particular attention should be given to addressing resource shortages promptly and improving resource optimization because variations in resource availability can undermine consistent implementation outcomes. The descriptive results specifically identified resource deployment as an area with further room for improvement.

The study further concludes that performance monitoring strengthens turnaround execution by enabling organizations to track implementation progress and undertake timely corrective action. Management should institutionalize dynamic performance-tracking systems, establish measurable performance indicators, undertake regular progress reviews, and ensure that monitoring information feeds directly into managerial decision-making. Organizational coordination should similarly be strengthened through cross-functional teams, improved information flows, clearly defined responsibilities, and mechanisms for resolving interdepartmental conflicts.

Importantly, the study concludes that government policy is not merely an external contextual factor but significantly moderates the effectiveness of Strategy Execution Capability. High policy support strengthens the influence of execution capability on turnaround outcomes, whereas low policy support dampens it. Government and oversight agencies should consequently promote policy consistency, regulatory clarity, institutional support, and administrative flexibility. Policies should reduce unnecessary bureaucratic barriers while maintaining effective accountability and oversight mechanisms.

Overall, managers should adopt an integrated execution approach combining strategic alignment, optimal resource deployment, continuous performance monitoring, and effective organizational coordination. Policymakers should simultaneously create an enabling institutional environment because the effectiveness of internal execution capabilities is enhanced when supported by predictable and facilitative government policies.

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

Future Research Directions

Future studies should employ longitudinal research designs to examine how Strategy Execution Capability and corporate turnaround outcomes evolve over time, since the present cross-sectional study provides evidence from only one point in time. Researchers should also expand the geographical and institutional scope to include county-level government entities across Kenya's 47 counties, allowing comparison of strategic execution and turnaround outcomes across different public-sector contexts.

Future research could adopt mixed-method approaches, combining quantitative surveys with interviews and case studies to obtain deeper insights into organizational resistance, leadership dynamics, political influence, and other implementation barriers not fully captured through quantitative questionnaires. Further studies should also investigate additional moderating or contextual variables, including leadership style, organizational culture, technological capability, political environment, and stakeholder engagement. Finally, researchers should investigate additional determinants that account for the remaining unexplained variation in corporate turnaround strategy implementation, thereby developing a more comprehensive model of turnaround success within Kenyan state corporations.

Acknowledgments

We would like to express my sincere gratitude to all individuals and institutions who contributed to the successful completion of this research project. Their guidance, support, cooperation, and encouragement were invaluable throughout the research process.

We also wish to acknowledge the management and staff of the state corporations within the Nairobi Metropolitan Region who generously participated in this study by providing the required information and responding to the research questionnaires. Their willingness to share their experiences and perspectives on Strategy Execution Capability, government policy, and corporate turnaround strategy implementation greatly enriched the study. Their cooperation and commitment made the successful completion of this research possible.

ETHICAL DECLARATIONS

Funding Information: This research received no external funding or financial support.

Conflict of Interest: The authors declare that there are no conflicts of interest associated with the conduct, analysis, or publication of this research.

Data Availability Statement: The data supporting the findings of this study may be obtained from the corresponding author upon reasonable request, subject to applicable confidentiality and ethical considerations.

Research Ethics: Ethical approval for the study was obtained from Taita Taveta University. Participation was voluntary, and informed consent was obtained from all participants before their involvement in the study.

AUTHOR CONTRIBUTION

Farhiya Ali Ibrahim - Conceptualization, methodology, data collection, data analysis, and writing of the original manuscript.

Patrick Mutua Kimaku - Supervision, methodological refinement, review, and editing of the manuscript.

Meshack Mwandoe Pongah - Supervision, validation, review, and editing of the manuscript.

DATA AVAILABILITY

To protect participants' confidentiality and comply with ethical requirements, the complete dataset generated and analyzed during this study is not publicly accessible. However, anonymized data and relevant supporting materials may be made available by the corresponding author upon reasonable request and subject to appropriate ethical and confidentiality considerations.

REFERENCES

1) Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management, 17*(1), 99–120. https://doi.org/10.1177/014920639101700108
2) Bryson, J. M. (2018). *Strategic planning for public and nonprofit organizations: A guide to strengthening and sustaining organizational achievement* (5th ed.). Jossey-Bass.
3) Creswell, J. W., & Creswell, J. D. (2023). *Research design: Qualitative, quantitative, and mixed methods approaches* (6th ed.). SAGE Publications.
4) Gujarati, D. N., Porter, D. C., & Gunasekar, S. (2021). *Basic econometrics*. McGraw-Hill Education.
5) Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2022). *Multivariate data analysis* (8th ed.). Cengage.
6) Hrebiniak, L. G. (2005). *Making strategy work: Leading effective execution and change*. Wharton School Publishing.
7) Kaplan, R. S., & Norton, D. P. (2008). *The execution premium: Linking strategy to operations for competitive advantage*. Harvard Business Press.
8) Kimaku, P. M., Omwenga, J., & Nzulwa, J. D. (2019). Determinants of successful implementation of strategic change in state corporations in Kenya. *The Strategic Journal of Business & Change Management, 6*(2), 82–95. https://doi.org/10.61426/sjbcm.v6i2.1101
9) Lepore, B. N., Kimaku, P. M., & Omido, K. H. (2026). Strategic management practices and post-pandemic performance of agricultural firms in Kenya. *International Journal of Social Science and Humanities Research, 4*(1), 79–98. https://doi.org/10.61108/ijsshr.v4i1.251
10) Majani, L. V., Kimaku, P. M., & Omido, K. H. (2026). Managing resistance to change and its effect on performance of state corporations in Nairobi Metropolitan Area, Kenya. *International Journal of Social Science and Humanities Research, 4*(1), 118–138. https://doi.org/10.61108/ijsshr.v4i1.253
11) Mathu, S. W., Gichinga, L., & Kimaku, P. (2026). Strategic decision-making approaches and organisational performance of commercial state corporations in Kenya. *The Strategic Journal of Business & Change Management, 13*(3).

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

12) Meyer, J. W., & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology, 83*(2), 340–363. https://doi.org/10.1086/226550
13) Okumus, F. (2003). A framework to implement strategies in organizations. *Management Decision, 41*(9), 871–882. https://doi.org/10.1108/00251740310499555
14) Pallant, J. (2020). *SPSS survival manual: A step by step guide to data analysis using IBM SPSS* (7th ed.). Routledge.
15) Saunders, M. N. K., Lewis, P., & Thornhill, A. (2023). *Research methods for business students* (9th ed.). Pearson.
16) Scott, W. R. (2021). *Institutions and organizations: Ideas, interests, and identities*. SAGE Publications.
17) Teece, D. J. (2007). Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal, 28*(13), 1319–1350. https://doi.org/10.1002/smj.640
18) Teece, D. J. (2018). Business models and dynamic capabilities. *Long Range Planning, 51*(1), 40–49. https://doi.org/10.1016/j.lrp.2017.06.007
19) Teece, D. J. (2020). Hand in glove: Open innovation and the dynamic capabilities framework. *Strategic Management Review, 1*(2), 233–253.
20) Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal, 18*(7), 509–533. https://doi.org/10.1002/(SICI)1097-0266(199708)18:7%3C509::AID-SMJ882%3E3.0.CO;2-Z
21) Trahms, C. A., Ndofor, H. A., & Sirmon, D. G. (2013). Organizational decline and turnaround: A review and agenda for future research. *Journal of Management, 39*(5), 1277–1307. https://doi.org/10.1177/0149206312471390
22) Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal, 5*(2), 171–180. https://doi.org/10.1002/smj.4250050207
23) Yamane, T. (1967). *Statistics: An introductory analysis* (2nd ed.). Harper & Row.

License: This is an open access article under the CC BY 4.0 license: https://creativecommons.org/licenses/by/4.0/

Corresponding Author: Farhiya Ali Ibrahim