Journal of Business and Entrepreneurship

[ISSN 2958-1125]
Volume: 03 Issue: 01 | October-2024

JBE

Effect of concentric strategy on the performance of Commercial State Corporations in Kenya

Authors
Faith Yator (1); **Simon Kipchumba** (2); **John Tanui** (3)
Main author email: faith.yator@gmail.com

(1.2.3) Kabarak University, Kenya.

Cite this article in APA
Yator, F., Kipchumba, S., & Tanui, J. (2024). Effects of concentric strategy on the performance of Commercial Sate Corporations in Kenya. *Journal of business and entrepreneurship, 3*(1), 25-36. https://doi.org/10.51317/jbe.v3i1.608

OPEN ACCESS A publication of Editon Consortium Publishing (online)

Article history
Received: 06.08.2024
Accepted: 07.09.2024
Published: 07.10.2024

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Abstract
The study sought to assess the effect of concentric strategy on the performance of Commercial State Corporations in Kenya. A cross-sectional correlational design was adopted as the study design. The target population was 1,026 senior managers of the Commercial State Corporations. The sample size was 99 senior managers in Commercial State Corporations. Primary data was gathered using a structured questionnaire. Collected data was analysed using descriptive data analysis techniques (Mean, Standard Deviation, Maximum and Minimum) and regression analysis. The results were presented using tables and figures. The study established a significant effect of concentric strategy on the financial, customers and internal business process performance of Commercial State Corporations in Kenya (β =0.829, p=0.000<0.05; β =0.648, p=0.000<0.05). Only learning, growth, and development as a measure of a Balanced Scorecard were not affected by the concentric strategy of the Commercial State Corporations. This study concludes that the concentric strategy significantly improved the financial, customer, and internal business process performance of Commercial State Corporations in Kenya, as supported by statistical evidence. However, it had no significant effect on learning, growth, and development performance. The study recommends that Commercial State Corporations in Kenya establish policies for strategic partnerships, develop performance metrics and Key Performance Indicators, and regularly monitor progress to effectively implement concentric strategies and enhance long-term performance.

Key terms: Concentric strategy, corporations, managers, mean, performance.

INTRODUCTION

Concentric strategy is particularly relevant to Commercial State Corporations for they seek to enhance performance, which will enable them to leverage existing capabilities and resources while responding to market needs and governmental goals such as alignment with national development goals, leveraging existing resources and capabilities, and enhancing competitiveness, among others. Concentric strategy is a strategic approach that allows companies to expand their operations by adding new products or services related to their core business or technology. It leverages existing competencies, reduces risk, enhances resource utilisation, and creates new growth opportunities. By building upon their strengths and exploiting similarities, companies can increase their competitiveness and achieve synergies when entering related businesses. By leveraging existing resources, responding to market demands, and fostering innovation, these corporations can enhance their performance, competitiveness, and societal impact. This strategy not only supports their growth but also contributes to national development initiatives, Gonzalez and Garcia (2021).

A concentric strategy can help companies reduce risk by expanding their business without straying too far from their core competencies. It can also lead to economies of scale and scope by allowing the company to share resources and reduce costs across its different product lines. Raimo and Lentz (2023) expound in their study that concentric diversification strategy in findings has a positive correlation between the strategy and firm performance. This emphasises the importance of aligning new product lines with existing capabilities. It is clear that the adoption of the concentric strategy in the Commercial State Corporation in Kenya will enhance performance. Benefits of a concentric strategy include the ability to leverage existing resources and capabilities, reduce costs through economies of scale, and mitigate risk by entering related markets. However, there are also potential drawbacks, such as the risk of spreading resources too thin and diluting the company's core competencies (Yu, 2012).

Concentric strategy, therefore, can be a viable strategy for companies looking to expand their product or service offerings while leveraging existing resources and capabilities. Careful analysis and planning are crucial when implementing a concentric strategy. It requires aligning the new products or services with the company's overall goals and objectives, conducting market and resource assessments, assessing risks, developing an implementation plan, and continuously evaluating and adjusting the strategy. By taking these steps, the company can increase its chances of success and effectively leverage its existing strengths in new business areas. The significance of studying the effect of concentric strategy on the performance of Commercial State Corporations in Kenya is facile. It not only provides valuable insights for enhancing organisational performance and informing policy decisions but also contributes to national economic growth and competitiveness. This, at the end of the study, will lead to better performance of Commercial State Corporations if they can position themselves as effective agents of change in Kenya's Vision 2030, among others.

LITERATURE REVIEW

Turgay et al. (2012), adopting similar strategies in Kenya Commercial State Corporations can help to understand their potential effects in comparison to Jordanian private Corporations. Both Jordanian private corporations prioritised efficiency and cost-effectiveness in their strategy. Implementing similar strategies in Kenyan Commercial State Corporations could enhance their operational efficiency and service delivery. The current study among Kenyan Commercial State Corporations aimed at examining whether similar positive relationships exist between these strategies and corporate performance by implementing cost cutting and differentiation strategies. This involves evaluating the extent to which corporations implement cost reduction and differentiation strategies and their impact on various performance indicators. The current study can contribute to the knowledge base on strategic management and provide practical insights for managers and policymakers in Commercial State Corporations. Gaining insight into how strategies focused on cutting costs and distinguishing products affect business outcomes enables companies to make well-informed choices. This understanding allows them to craft approaches that are in harmony with their objectives and the current market conditions.

Mwangi (2023), in his study on the Impact of Concentric Diversification on the Financial Performance of Commercial State Corporations in Kenya: A Case Study of Kenya Power and Lighting Company, the study reveals that strategic expansion into related energy services positively influenced profitability and operational efficiency, showcasing the potential benefits of a concentric strategy for Commercial State Corporations in the energy sector. This implies that when a company seeks to expand its existing product lines, it needs to restructure itself to include new products within those lines. The mention of Bowman et al.'s (2013) study on organisational failure and turnaround in the for-profit sector suggests that there may be value in learning from best practices and sharing ideas about markets and business cultures. While not directly related to the specific findings of Turabamariya and Irechukwu's study, it highlights the potential benefits of knowledge sharing and the importance of learning from successful practices in improving organisational performance. The study provides insights into the specific context of the hospitality industry in Rwanda and may not be directly applicable to other industries or regions. Further research is needed to validate and generalise these findings.

The current study employed a cross-sectional correlational research design rather than a descriptive research design. The current study employed a novel research design to address a research gap and provide new insights into the relationship between service corporate strategies and organisational performance in the context of Kenyan Commercial State Corporations. This research employed a snapshot-style correlation analysis to examine how different corporate service strategies (including concentric and horizontal approaches) relate to performance indicators in Kenya's Commercial State Corporations. Although the study's results may not be broadly applicable to all situations, they still offer meaningful insights and add to our understanding of how corporate strategies connect with performance outcomes in this specific setting.

The study conducted by Enobong et al. (2022) on the effect of innovation on the sustainability of hospitality firms in Nigeria. The study's findings emphasise the significant positive influence of concentric and conglomerate corporate strategies on the sustainability of hospitality firms, as well as the role of innovation moderation. The current study, which employs a cross-sectional correlational design in the context of the corporations, aims to fill a research gap. In contrast to the Nigerian research that concentrated on the hospitality sector and used a quantitative survey approach, this study investigated how service corporate strategies impact organisational performance in Kenya's Commercial State Corporations. The research utilised a cross-sectional correlational method to assess the relationships between various service corporate strategies implemented by these corporations and their resulting organisational performance. This approach enables the measurement of different factors at a particular moment and explores the connections between them.

There is a distinction between the Nigerian study that focused on the hospitality industry and the current study that aimed at exploring the contribution of corporate strategies to organisational performance. By examining this relationship in a different context, the current study can make a contribution to our understanding of how corporate strategies impact performance outcomes in a specific industry and organisational setting. The current study provides important insights into the effectiveness of the strategies employed and their impact on various performance indicators such as financial performance, market share, customer satisfaction, or other relevant metrics. These insights can inform decision-making processes within these organisations, allowing them to align their strategies with their desired performance outcomes.

The study conducted by Clinton-Etim (2020) on vertical integration and performance drew on both secondary data from the company's financial records and primary data from questionnaires distributed to Olam Nigeria Limited employees. Vertical integration components had a positive impact on financial performance measures at Olam Nigeria Limited, according to the study's findings. Previous research by Beheshti et al. (2014) and Isaksen (2007) suggested that vertical integration can improve financial performance.

The study conducted by Clinton-Etim (2020) focused on a specific company, Olam Nigeria Limited. The current study explored the impact of vertical integration on the performance of Commercial State Corporations in Kenya. The current study's context differs from the Nigerian study as it focuses on Commercial State Corporations in Kenya rather than a single company. Additionally, the current study gathered primary data through structured questionnaires, allowing for direct insights from employees within the state corporations.

The study's findings can add empirical evidence and insights specific to the context of the corporations to the existing literature. They can contribute to closing the research gap and improving understanding of how vertical integration strategies affect the performance of these organisations. When considering the adoption or expansion of vertical integration strategies in Kenya, Commercial State Corporations have potential benefits, problems, and implications associated with such strategies.

The study conducted by Gachoki et al. (2022) shows a positive relationship between corporate strategies and financial performance, specifically return on assets and highlights the potential benefits of corporate strategies in the insurance industry. The positive effect of concentric diversification implies that insurance companies that use multiple sales and promotion strategies outperform those that use only one. This emphasises the significance of diversifying revenue streams and expanding product offerings in order to improve financial performance.

This study was conducted in the establishment of Kenyan insurance companies, using a census approach to collect comprehensive financial data. The current study, on the other hand, examined the performance of Kenyan public services and state corporations, as well as the impact of various strategies, including diversification. The current study aimed at filling the research gap and provide insights specific to this sector by studying Commercial State Corporations in the context of public services. The current study's findings may differ from those found in the insurance industry in terms of the contribution of corporate strategies to the performance of state corporations. While the study by Gachoki et al. (2022) provides useful insights into the contribution of diversification and financial performance in the insurance sector, it is important to consider contextual and industry differences. The current research provided a focused analysis of Commercial State Corporations in the public sector, expanding knowledge of the impact of corporate strategies on their performance and filling a research gap in this specific context.

Mutune and Simba (2018) conducted research on the corporate strategies influencing the business performance of Kenyan SMEs. The study highlighted the proclivity of SMEs in developing countries, including Kenya, in pursuing product corporate strategies as a growth strategy without conducting a strategic analysis, which has a negative impact on their business performance. Many SMEs take a "trial and error" approach to diversification, failing to consider the best strategy for their specific context. The study sought to determine the most effective product diversification strategy for SMEs, particularly those in developing countries. Corporate strategies and SME performance were found to have an inverted U-shaped relationship, according to the findings. While concentric diversification may be appealing, it restricts SMEs to specific sectors, products, or services. Conglomerate diversification, known for its flexibility, was identified as the most effective strategy for small and medium-sized businesses. Interconnected diversification had the least impact on SME performance.

In contrast to the study by Mutune and Simba (2018) that focused on Small and Medium Enterprises, the current study was based on Commercial State Corporations in Kenya, which represent a different context and organisational setting. Commercial State Corporations are typically larger and have different objectives, resources, and constraints compared to SMEs. The current investigation sought to fill a research gap by investigating the impact of corporate strategies on the performance of Kenyan state corporations. The study provided valuable insights into the effectiveness of corporate strategies within the public services sector by focusing on state corporations. This will contribute to the understanding of how different diversification approaches can be applied in a unique context and provide recommendations specific to state corporations, addressing the research gap identified in the study by Mutune and Simba (2018).

Wanjiru (2016) analysed product corporate strategies and performance in real estate companies using the Balance Score Card model. The study employed an explanatory design, which allowed for the investigation of relationships between the independent variable (product diversification strategy) and the dependent variable (firm performance). The sample size was 231 people, and structured questionnaires were used to collect data.

The study's results revealed positive contribution of concentric product diversification to firm performance in the real estate industry are useful for real estate companies. According to the findings, diversifying the product portfolio by adding related or complementary products can lead to improved firm performance. Wanjiru (2016) studied real estate companies in Nairobi City County using an exploratory research design. The current used a cross-sectional research design. As a result, the current study targeted filling the research gap by investigating the impact of corporate strategies on Commercial State Corporation performance and providing insights specific to Kenya's public services sector.

Kim et al. (2017) investigated concentric diversification based on technological capabilities. By analysing patents and products, the study aimed to provide a systematic approach for firms to discover new business opportunities. There were several steps in the research procedure. First, text-mining techniques were used to extract information from the United States patent and trademark databases to create an integrated patent-product database. Second, association rule mining was employed to construct a product ecology network that captured the directed technological relationships between various products. Third, to identify potential product areas for concentric diversification, a link prediction analysis was performed. Finally, three quantitative indicators were developed to assess the characteristics of the identified areas.

The case study made use of a large dataset that included 850,676 patents and 328,288 products from the integrated patent-product database from 2010 to 2014. The findings demonstrated that the current method allowed for a thorough search for potential areas for concentric diversification and a quick assessment of their characteristics. The results had statistical significance. According to the researchers, their approach could be a valuable decision-making tool for small and medium-sized high-tech companies considering entering new business areas but lacking domain knowledge. It should be noted that this study focused on companies in the United States and used the US patent and trademark database. The current study, on the other hand, was conducted among Kenyan Commercial State Corporations in the Kenyan context and the public services sector.

Abdi (2021) conducted research on how concentric diversification strategy contributes to the financial performance of Nairobi Securities Exchange-listed energy and petroleum companies. The goal was to figure out how a concentric diversification strategy relates to financial performance. The descriptive research design used in the study is appropriate for presenting empirical assessments, numerical data, and statistical analysis and for providing a clear picture of the collected data. Descriptive research seeks to describe and document the characteristics of a particular phenomenon or population. In this case, the goal of the study was to describe the relationship between concentric product diversification and firm performance in the real estate industry. A stratified sample of 111 respondents was chosen from a population of 153 managers. The sample included employees from four publicly traded energy and petroleum companies: Total Kenya Ltd, KenGen Ltd, Umeme Ltd, and Kenya Power and Lighting Company Ltd. Data was collected using questionnaire, and inferential and descriptive statistics were used in the analysis. Descriptive statistics, including frequencies and percentages, were used to summarise the data. Inferential statistics, specifically correlation and regression analysis, were employed.

The findings of the study revealed a significant and positive relationship between concentric diversification strategy and financial performance with a correlation coefficient of 0.734 and a p-value less than 0.01, providing valuable insights into the impact of diversification on the financial performance of Nairobi Securities Exchange-listed energy and petroleum companies. While the findings of the previous study provide a foundation of concentric diversification and financial performance, it is important to note that the specific findings may not be directly applicable to the context of Kenyan state corporations. The results from the current study have the potential to generate new knowledge and contribute to decision-making in the context of state corporations, thereby filling a research gap in this area. The reviewed literature illustrates both the potential benefits and challenges of concentric strategies across various sectors. However, limited research directly addresses their implications for the performance of Commercial State Corporations in Kenya. With careful planning and execution, Commercial State Corporations can leverage this approach of adopting a concentric strategy to drive sustainable growth and improve public service. This study seeks to fill this gap and provide actionable insights for policymakers and managers in this sector. Limitations of the research methodology: Cross-sectional studies often rely on surveys or questionnaires that may not capture the complexity of human behaviour or attitudes. This can result in oversimplified findings.

RESULTS AND FINDINGS

Effect of Concentric Strategy on Financial Performance of State Corporations

In testing the effect of concentric strategy on the performance of state corporations, the study used the following Balanced Score Card measures: financial performance as the outcome variable against concentric strategy as the cause variable.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.490[a]	.240	.232	.57636

Results from Table 1 revealed that the R value was 0.490 whereas R Square was 0.240, which indicated a high degree of correlation. The R^2 value indicates how much of the dependent variable, "financial performance of Commercial State Corporations in Kenya," was explained by the independent variable, "concentric strategy". In this case, 24 per cent was the R Squared, which was fairly large, indicating a high degree of correlation. The high degree of correlation variability indicated that 24 per cent of the financial performance of the Commercial State Corporations could be explained by the single effect of concentric corporate strategy.

Table 2: ANOVA between Concentric Strategy and Financial Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.173	1	10.173	30.624	.000[b]
	Residual	32.222	97	.332		
	Total	42.395	98			

The Predictors: "concentric strategy." The Dependable variable: "Financial performance of Commercial State Corporations in Kenya". Table 2 indicated that the regression model predicted the outcome variable significantly with p=0.000, which was less than 0.05, and indicated that overall, the model statistically and significantly predicted the outcome variable. The implication of this finding was that the data collected for the study had a high correlation between the independent variable (concentric strategies) and the dependent variable (financial performance).

Table 3: Effect of Concentric Strategy on Financial Performance

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.550	.372		4.161	.000
	Concentric strategy	.566	.102	.490	5.534	.000

Table 3 shows the results of the analysis of the effect of concentric strategy on the financial performance of Commercial State Corporations in Kenya. The study established a significant effect of concentric strategy on the financial performance of Commercial State Corporations in Kenya, β =0.566, p=0.000<0.05. The results, therefore, indicated that an increase in concentric strategy by one (1) unit will lead to the financial performance of Commercial State Corporations in Kenya by 0.566 multiple units. Based on statistical evidence, it deduced that concentric strategy had a notable effect on the financial performance of Commercial State Corporations in Kenya. This finding is supported by Turabamariya and Irechukwu (2022), who established that conglomerate diversification, which involves seeking new opportunities unrelated to existing product lines, enables maximum utilisation of organisational resources.

Effect of Concentric Strategy on Customers' Performance of State Corporations

In testing the effect of concentric strategy on performance of state corporations, the study used the following Balanced Score Card measures: customers' performance as the outcome variable against concentric strategy as the cause variable.

Table 4: Model Summary for Effect of Concentric Strategy on Customers' Performance of State Corporations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.611[a]	.374	.367	.60999

Results from Table 4 revealed that the R value was 0.611, whereas R Square was 0.374, which indicated a high degree of correlation. The R^2 value indicates how much of the dependent variable, "financial performance of Commercial State Corporations in Kenya," was explained by the independent variable, "concentric strategy". In this case, 37.4 per cent was the R Squared, which was fairly large, indicating a high degree of correlation. The high degree of correlation implied that 37.4 per cent variation of the dependent variable (Customer performance) of the state corporation was due to changes in the independent variable (Concentric Corporate Strategy).

Table 5: ANOVA between Corporate Strategy and Financial Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.084	1	21.084	56.664	.000[b]
	Residual	35.348	95	.372		
	Total	56.432	96			

The Predictors: "concentric strategy." The Dependable variable: "customers' performance of Commercial State Corporations in Kenya". Table 5 indicated that the regression model predicted the outcome variable significantly with p=0.000, which was less than 0.05, and indicated that; overall, the model statistically and significantly predicted the outcome variable. The implication of this finding was that the data collected for the study had a high correlation between the independent variable (concentric strategies) and dependent variable (customers'' performance)

Table 6: Effect of Concentric Strategy on Customers' Performance

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.245	.403		.609	.544
	Concentric strategy	.829	.110	.611	7.528	.000

Table 6 shows the results of the analysis of the effect of concentric strategy on customers' performance of Commercial State Corporations in Kenya. The study established a significant effect of concentric strategy on customers' performance of Commercial State Corporations in Kenya, β =0.829, p=0.000<0.05. The results, therefore, indicated that an increase in concentric strategy by one (1) unit will lead to customers' performance of Commercial State Corporations in Kenya by 0.829 multiple units. Based on statistical evidence, it deduced that concentric strategy had a significant effect on customers' performance of Commercial Commercial State Corporations in Kenya. This finding is supported by findings from Gachoki et al. (2022), which show a positive relationship between corporate strategies and financial performance, specifically return on assets and highlight the potential benefits of corporate strategies in the insurance industry. The positive effect of concentric diversification implies that insurance companies that use multiple sales and promotion strategies outperform those that use only one.

Effect of Concentric Strategy on Internal Business Process Performance of State Corporations

This section presents the results of the effect of concentric strategies on the internal business process performance of Commercial State Corporations in Kenya. In testing the effect of concentric strategy on internal business process performance of state corporations, the study used the following Balanced Score Card measures: internal business process performance as the outcome variable against concentric strategy as the cause variable. The high degree of correlation implied that 22.9 per cent variation of the dependent variable (Internal Business Process performance) of the state corporation was due to changes in the independent variable (Concentric Corporate Strategy).

Table 7: Model Summary for Effect of Concentric Strategy on Internal Business Process Performance of State Corporations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.479[a]	.229	.221	.68081

Results from Table 7 revealed that the R-value was 0.479, whereas R Square was 0.229, which indicated a high degree of correlation. The R^2 value indicates how much of the dependent variable, "internal business process performance of Commercial State Corporations in Kenya", was explained by the independent variable, "concentric strategy". In this case, 37.4 per cent was the R Squared, which was fairly large, indicating a high degree of correlation.

Table 8: ANOVA between Concentric Strategy and Financial Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.352	1	13.352	28.807	.000b
	Residual	44.960	97	.464		
	Total	58.312	98			

The Predictors: "concentric strategy." The Dependable variable: "Internal business process performance of Commercial State Corporations in Kenya". Table 8 indicated that the regression model predicted the outcome variable significantly with p=0.000, which was less than 0.05, and indicated that; overall, the model statistically and significantly predicted the outcome variable. The implication of this finding was that the data collected for the study had a high correlation between the independent variable (concentric strategies) and the dependent variable (internal business process performance).

Table 9: Effect of Concentric Strategy on Internal Business Process Performance

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.920	.440		2.091	.039
	Concentric strategy	.648	.121	.479	5.367	.000

Table 9 shows the results of the analysis of the effect of concentric strategy on the internal business process performance of Commercial State Corporations in Kenya. The study established a significant effect of concentric strategy on the internal business process performance of Commercial State Corporations in Kenya, β =0.648, p=0.000<0.05. The results, therefore, indicated that an increase in concentric strategy by one (1) unit will lead to internal business process performance of Commercial State Corporations in Kenya by 0.648 multiple units. Based on statistical evidence, it deduced that concentric strategy had a significant effect on the internal business process performance of Commercial State Corporations in Kenya. This finding is supported by Wanjiru's (2016) results, which revealed positive contribution of concentric product diversification to firm performance in the real estate industry are useful for real estate companies. According to the findings, diversifying the product portfolio by adding related or complementary products can lead to improved firm performance.

Further, the study is supported by Kim et al. (2017), who investigated potential areas for concentric diversification based on technological capabilities. The findings demonstrated that the current method allowed for a thorough search for potential areas for concentric diversification and a quick assessment of their characteristics. The results had statistical significance. According to the researchers, their approach could be a valuable decision-making tool for small and medium-sized high-tech companies considering entering new business areas but lacking domain knowledge. Again, the finding is also supported by Abdi (2021), who conducted research on how concentric diversification strategy contributes to the financial performance of Nairobi Securities Exchange-listed energy and petroleum companies. The findings of the study, which revealed a significant and positive relationship between concentric diversification strategy and financial performance with a correlation coefficient of 0.734 and a p-value less than 0.01, provide valuable insights into the impact of diversification on the financial performance of Nairobi Securities Exchange-listed energy and petroleum companies. The findings in the study also showered positive relationships between concentric diversification strategy on the performance of Commercial State Corporations in Kenya. Both diversification and concentric strategies aim to improve organisational performance, and they do so through different mechanisms with varying implications. Abdi's study provides valuable insights into how diversification impacts financial performance within the private sector, but the effects of concentric strategy on Comercial State Corporations in Kenya would likely involve broader considerations, including public accountability, operational efficiency, and service delivery.

Effect of Concentric Strategy on Learning, Growth and Development Performance of State Corporations
In testing the effect of concentric strategy on internal business process performance of state corporations, the study used the following Balanced Score Card measures: learning, growth and development performance as the outcome variable against concentric strategy as the cause variable.

Table 10: Model Summary Effect of Concentric Strategy on Learning, Growth and Development Performance of State Corporations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.052[a]	.003	-.008	.58653

Results from Table 10 revealed that the R value was 0.052, whereas R Square was 0.003, which indicated a low degree of correlation. The R^2 value indicates how much of the dependent variable, "learning, growth and development performance of Commercial State Corporations in Kenya," was explained by the independent variable, "concentric strategy". In this case, 0.3 per cent was the R Squared, which was too low, indicating a very low degree of correlation. The low degree of correlation implied that 0.3 per cent variation indicated that the dependent variable (Learning, Growth and Development performance) could not be explained by changes in the independent variables (Concentric Corporate Strategy).

Table 11: ANOVA between Corporate strategy and Financial Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.090	1	.090	.263	.609[b]
	Residual	33.369	97	.344		
	Total	33.460	98			

The Predictors: "concentric strategy." The Dependable variable: "Learning, growth and development performance of Commercial State Corporations in Kenya". Table 11 indicated that the regression model predicted the outcome variable significantly with $p>0.05$, which was greater than 0.05, and indicated that; overall, the model did not statistically and significantly predicted the outcome variable. The implication of this finding was that the data collected for the study had a low degree of correlation between the independent variable (concentric strategies) and dependent variable (learning, growth and development performance). Based on statistical evidence, it deduced that concentric strategy did not significantly affect the learning, growth and development performance of Commercial State Corporations in Kenya.

Discussion

The descriptive statistics findings on concentric strategy revealed that Commercial State Corporations in Kenya did not employ this strategy to enhance their performance. Specifically, these corporations did not trade in closely related products, manage value chains to improve competitive performance, or provide after-sales services to customers. Additionally, starting new businesses did not enhance performance by increasing market knowledge, teamwork did not improve coordination and information sharing, and the corporations could not effectively respond to the competitive environment or expand into new markets by diversifying into new lines of business.

The hypothesis: The concentric strategy does not significantly affect the performance of commercial state-owned corporations in Kenya, which was tested by means of regression analysis. The results showed a statistically significant relationship between concentric strategy and the performance of SOCs in Kenya. Also, this finding is supported by Abdi (2021), who found that diversification strategies had a positive correlation of 0.734 and $p<0.01$ with financial performance. This sheds light on how diversification affects the financial performance of energy and oil enterprises listed in the Nairobi Securities Exchange.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions: This study is concluded based on the following variables: Financial Performance: The study established a significant effect of concentric strategy on the financial performance of Commercial State Corporations in Kenya. Statistical evidence indicates that concentric strategy significantly impacts financial performance. Customer Performance: The study also found a significant effect of concentric strategy on customer performance. Statistical evidence demonstrated a significant impact of concentric strategy on customer performance. Internal Business Process Performance: The study identified a significant effect of concentric strategy on the internal business process performance of Commercial State Corporations. Statistical evidence confirmed a significant impact of concentric strategy on internal business process performance. Learning, Growth, Development Performance: Concentric strategy did not significantly affect learning, growth, and development performance. The hypothesis stating that concentric strategy has no significant effect on performance was rejected based on statistical tests showing significant effects on financial, customer, and internal business process performance but not on learning, growth, and development performance.

Recommendations: The study established that concentric strategy had a significant effect on the performance of Commercial State Corporations in Kenya. Implementing a concentric strategy can have significant implications for the performance of Commercial State Corporations in Kenya. Commercial State Corporations in Kenya should develop a policy for strategic partnerships with private sector companies or international organisations that operate within related industries. The corporations should establish policy for performance metrics and key performance indicators (KPIs) to measure the success of the concentric strategy implementation. Monitor progress regularly and make adjustments as needed to ensure alignment with organisational goals and objectives. By formulating these policy recommendations, Commercial State Corporations in Kenya can effectively implement a concentric strategy to enhance their performance and achieve sustainable growth in the long run. Further research can be done to compare the effectiveness of concentric strategies in Comercial State Corporations versus private corporations to understand differences in outcomes and best practices. Further research can also be done on the role of technology in facilitating the successful implementation of concentric strategies, including how digital tools can support innovation and efficiency.

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