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Strategic leadership and Change management in the County Government of Bungoma, Kenya: The moderating effect of Stakeholder Engagement

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Abstract

The advent of County Governments in 2013 made many Kenyans optimistic that these devolved governments would deliver on public services more effectively compared to its predecessor. Nevertheless, the execution of various county plans, including the County Integrated Development Plans (CIDP), has not achieved the anticipated outcomes in numerous counties. Data from the Kenyan Institute for Public Policy Research and Analysis (KIPPRA) reveals that merely 30% of change initiatives within Kenyan county governments are fully implemented. Strategic leadership and stakeholder engagement has been touted as a possible remedy to such scenarios. This study explored the relationship between strategic leadership and change management in Bungoma County's local governance, specifically investigating how stakeholder engagement moderates this relationship. Anchored on strategic leadership theory, the study conducted a census of 73 respondents, adhering to a positivist paradigm and utilizing a causal research design. Data was collected using questionnaires. A pilot was conducted in Kakamega County to ensure data quality. Quantitative data was analyzed using SPSS version 26 for inferential statistics. The findings revealed that strategic leadership has significant statistical effect on change management. Stakeholder engagement was found to have significant moderating influence on the relationship between strategic leadership and change management. The study concluded that stakeholder engagement significantly moderated the relationship between strategic leadership and change management in County Governments of Bungoma, Kenya. To improve management outcomes, it is recommended that the County Government of Bungoma focus on strengthening its strategic leadership practices, particularly in the areas of strategic planning, corporate culture and organizational control. This could be achieved through targeted leadership development programs that equip managers with the necessary skills to effectively lead change initiatives.

Keywords: Strategic leadership; Change management; County Government; Bungoma County Government

1. Introduction

Strategic leadership is a practice in which executives, using different styles of management, develop a vision for their organization that enables it to adapt to or remain competitive in a changing economic and technological climate. Strategic leaders are able to use this vision to motivate employees and departments, fostering among them a sense of unity and direction in order to implement change within their organization. The main objectives of strategic leadership are to streamline processes, boost strategic productivity, promote innovation and cultivate an environment that encourages employees to be productive, independent and to push forward their own ideas. Strategic leaders sometimes make use of reward or incentive programs to encourage employees and help them reach their goals.

Leadership is one of the main factors in bringing positive change to the organization, if there is no strategic leadership in the organization, the change will not be in the direction desired (Hatluak and Rashad, 2017). When an organization

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lacks leadership, it means that its leaders are neglecting leadership roles and responsibilities. It is leadership that is missing, not leaders. If every manager understood and fulfills his or her leadership responsibilities, there would be no problem with good leadership. It is the attention of managerial and leadership responsibilities that convert competent administrators to effective leaders, thus those appointed to a position of responsibilities need to appreciate what leadership is expected of them. Everything is brought into being with a changing nature; the ages themselves soaring in constant movement (Germaine, 2016).

To be an effective leader one must be open to change, influencing, and setting objectives is about change, effective leaders realize the need for continual change to improve performance. Perry and Brad (2018) opine that change must be well managed and it requires not only good management but good and effective leadership. Burnes (2017) asserts that change management is based on two approaches that are planned and emergent change approach. Burnes (2017) further argues that planned change is suitable in a predictable and stable environment, where the change process is consciously planned by taking the organization from a stable state to another stable state.

The study that was done in the US by Morrell, (2017) on the strategic leadership and nature of its work, alludes that the success of strategic leadership may require new thinking about how to use the resources of the universities to its full capacity. Further Morrell, (2017) affirms that strategic leadership involves having a vision of what the university can and should become, and offering new ways of understanding the challenges and opportunities. Study done by Mutuku (2015) on strategic change management at East African Breweries Limited, Kenya eludes that the meddling of the government in organizations' management hinders success in change management. And in the study done on the Egyptian universities on strategic leadership by Miller, (2018) reveal that there is a need to apply a style of leadership strategy to avoid the weakness of interest involving faculty members, administrators, and students in the strategic planning process and limiting it to academic leaders. In a case done in Nigeria by Umashankar and Dutta (2017), strategic management practices found that organizational problems originate from lack of strategic planning, mediocre organization structure, poor recruitment, and retention of staff, ineffective internal control, and deficient communication.

The establishment of County Governments in 2013 raised hopes among many Kenyans that these devolved entities would enhance the delivery of public services compared to their predecessors. However, the execution of various county initiatives, including the County Integrated Development Plans (CIDP), has largely fallen short of expectations in numerous counties. According to the Kenyan Institute for Public Policy Research and Analysis (KIPPRA), only 30% of change initiatives within county governments have been fully implemented. A significant issue plaguing several county operations is the frequent delays and abandonment of public projects, resulting in considerable inefficiencies and waste of resources. Recent findings from the Office of the Auditor-General reveal that more than 35% of projects initiated by county governments remain either incomplete or have been entirely abandoned, often due to inadequate planning, lack of stakeholder involvement, and leadership issues (Auditor-General, 2023). These unfinished projects hinder the counties' ability to provide essential services, leading to increased operational costs and public discontent. Ineffective management of change processes and insufficient engagement with key stakeholders by leadership further exacerbate the risk of project delays and abandonment, impacting vital services such as infrastructure, healthcare, and education that residents rely on (Bosire, 2023).

Additionally, there has been a surge in litigation cases involving county governments in Kenya, including Bungoma, primarily stemming from employee grievances such as unfair dismissal, wrongful termination, and breach of contract. According to a report from the Ethics and Anti-Corruption Commission (EACC), employment-related lawsuits against county governments have increased by approximately 25% over the past three years, a trend attributed to inconsistent HR practices and lack of clear change management strategies (EACC, 2023). The dismissal cases reflect underlying issues in leadership and governance, where abrupt or unfair dismissals are often perceived as politically motivated or as a result of ineffective strategic leadership. This environment of high litigation not only drains financial resources through legal fees and settlements but also demoralizes the workforce, further complicating the effective management of county initiatives (Muthaura, 2021). Addressing these issues through improved strategic leadership and structured stakeholder engagement can help mitigate delays, reduce legal cases, and foster a more stable and effective county governance system.

Current literature underscores the significance of strategic leadership in tackling public sector issues such as resource limitations, bureaucratic inflexibility, and complex stakeholder interactions (Muthaura, 2021; Rowley, 2020). Moreover, stakeholder engagement has surfaced as a vital moderating factor that can strengthen the influence of strategic leadership on change outcomes by fostering inclusivity, transparency, and public trust (Bryson, 2019; Ogola, 2022). This study seeks to address the lack of context-specific research on governance within Kenyan county governments, where devolved frameworks require leadership models that align with local needs (Bosire, 2023). The insights gained from this research will provide actionable guidance for policymakers and contribute to a deeper understanding of leadership and change management in developing contexts.

1.1. Statement of the Problem

Strategic leadership provides numerous benefits, including the establishment of a clear vision and direction for the organization, proactive management of challenges, efficient resource allocation, and the fostering of a sense of purpose and commitment among employees. It also facilitates the implementation of strategic changes and innovations while enhancing decision-making processes (Robbins and Judge, 2016). However, county governments in Kenya face persistent difficulties in effectively executing change initiatives, despite efforts in strategic leadership. Strategic leadership, which plays a central role in diving change, has been shown to struggle within the decentralized governance structure contrary to the expectations of devolved county governments outlined in 2010 constitution.

According to the Kenyan Institute for Public Policy Research and Analysis (KIPPRA), only 30% of change initiatives within county governments are successfully completed, with many counties reporting challenges such as insufficient stakeholder engagement, political interference, and limited resources (KIPPRA, 2022). In Bungoma County, for instance, the delays and cancellations of public projects, alongside an increase in litigation concerning unjust employee terminations, underscore ongoing governance issues. Recent data from Kenya's Auditor-General (2023) indicates that approximately 35% of projects initiated by the county remain unfinished or have been abandoned, often due to poor planning, inadequate stakeholder involvement, and leadership deficiencies. These incomplete projects place a strain on public resources and hinder access to vital services. Furthermore, employment-related lawsuits against county governments have risen by 25% in recent years, primarily due to complaints regarding unfair dismissals and inconsistent human resource practices, as noted by the Ethics and Anti-Corruption Commission (EACC, 2023). In Bungoma County, public discontent with governance and a lack of inclusivity in decision-making have been identified as significant obstacles to effective public service delivery (Bosire, 2023).

Furthermore, the literature illustrates the vital importance of stakeholder engagement as a moderating factor in change management processes. Evidence suggests that counties with increased stakeholder participation witness a 40% rise in the success rates of change initiatives, resulting from improved accountability, transparency, and support for leadership decisions (Rowley, 2020). When stakeholders, including local communities, businesses, and civic organizations—are actively involved, strategic leaders are more effectively able to pursue change initiatives that reflect the community's priorities, thus mitigating resistance and enhancing successful outcomes (Bryson, 2019). Therefore, it is crucial to explore the moderating effect of stakeholder engagement within the strategic leadership-change management dynamic in Bungoma County to enhance governance effectiveness under Kenya's devolved system.

1.2. Conceptual Framework

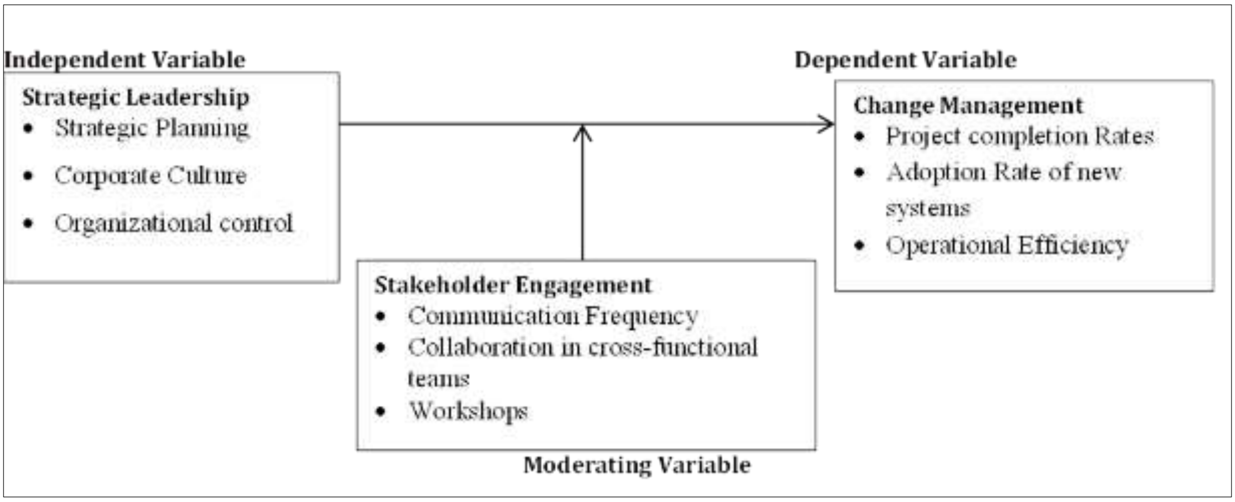

Figure 1 Conceptual Framework

1.2.1. Change Management

Change management is a systematic approach to transitioning individuals, teams, and organizations from a current state to a desired future state. It involves planning, implementing, and monitoring changes within an organization to ensure that the change process is efficient, effective, and sustainable (Kotter, 2018). Change management is crucial in ensuring that changes are smoothly integrated into the organizational culture, minimizing resistance, and maximizing the benefits of new initiatives (Hiatt, 2006). In county governments, several indicators can reflect the effectiveness of change management. The completion of implemented projects is one such indicator. Successful project completion signals effective planning and execution, demonstrating the government's capacity to meet citizens' needs. This also indicates that resources are being managed efficiently, leading to improved public satisfaction (Mori, 2023). Increase in own-source revenue generation, which reflects the financial independence and fiscal responsibility of county governments, is also cited as a key indicator of change management (Mule and Sikalieh, 2021). Ndegwa (2020) posits that institutional adaptation, which is the ability of an institution to adapt to new systems, technologies, or governance structures, is a good indicator of change management. This can be measured by the implementation of new policies or adoption of new systems that streamline county operations. A significant outcome indicator is the level of public trust in the county government post-change implementation. This includes public satisfaction with leadership, improved transparency in decision-making, and the overall credibility of county leadership (Ngirande and Chinomona, 2020).

1.2.2. Strategic Leadership

Strategic leadership is defined as a leader's capacity to foresee, conceptualize, and remain adaptable while empowering others to initiate necessary strategic transformations (Hitt, Ireland, and Hoskisson, 2018). This form of leadership encompasses various approaches, including managing through others, enabling organizations to navigate the evolving global business landscape. According to Robbins and Judge (2016), strategic leadership is instrumental in crafting visions, establishing objectives, and motivating followers to realize these aspirations. This indicates that strategic leadership involves the formulation of visions, allocation and control of resources to effectively and efficiently cultivate an organizational culture that aligns with the achievement of organizational goals. Consequently, strategic leadership integrates the insights of Robbins and Judge (2016), Hitt, Ireland, and Hoskisson (2018), as well as Knudson, Meyer, and Kearns (2019), suggesting that a leader's strategic approach significantly contributes to organizational effectiveness. To maintain a focus on goals, leaders must reassess both the objectives and values of the organization to ensure successful implementation, while also empowering practitioners to engage in innovative thinking (Krejcie, 2018). Effective strategic leadership comprises six essential components: defining the company's vision or goals; leveraging and sustaining core competencies; nurturing human resources; fostering a robust organizational culture; prioritizing ethical practices; and instituting balanced organizational controls (Ireland and Hitt, 2018).

1.2.3. Stakeholder Engagement

Stakeholder engagement is crucial for organizations aiming to foster strong relationships, improve performance, and achieve mutual goals. This engagement involves understanding and addressing the diverse interests, expectations, and concerns of various stakeholders such as customers, employees, regulators, and partners. A key aspect of stakeholder engagement is stakeholder support, which refers to the backing and active involvement of stakeholders in organizational projects or initiatives. Achieving support requires effective communication, transparency, and the alignment of stakeholder expectations with organizational objectives (Adelakun et al., 2024). Additionally, stakeholder interest refers to the specific needs, desires, and motivations that stakeholders have concerning a project or organization's activities. Understanding these interests helps tailor engagement strategies to ensure that all parties feel heard and valued, thus enhancing cooperation. This can be accomplished through regular updates, feedback mechanisms, and collaborative platforms, as evidenced in recent practices in data governance and energy sector engagement (Zhang, Sun, and Zhang, 2022; ESB Networks, 2023). Stakeholder participation rate is another important measure, indicating the extent to which stakeholders actively engage in decision-making or other processes. High participation rates often lead to better-informed decisions and more effective outcomes. Lastly, stakeholder collaboration emphasizes the need for joint efforts in achieving shared goals, especially through structured interactions like workshops, advisory councils, and industry consultations (Fasola and Abimbola, 2023; ESB Networks, 2023).

2. Theoretical Framework

Selznick (1984) asserts that strategic theory is concerned with organizational leadership, particularly regarding the comprehensive transformation of the organization. This theory posits that strategic leadership encompasses the ability to learn, adapt, and recognize the importance of managerial insight and the development of human capital. Consequently, it suggests that strategic leadership prioritizes the transformation of an organization to ensure its operations are sustainable, competitive, and profitable in both the short and long term. The theory further indicates that strategic leadership should concentrate on individuals who are willing to embrace and assume overall responsibility within the organization. Boal and Hooijberg (2017) highlight that while strategic leadership is often associated with top executives, senior management team members also play a crucial role, as they are actively engaged in the execution of strategy and performance. The entire organization relies on its strategic leadership for vital functions such as establishing strategic direction through decision-making, articulating and disseminating a vision, developing essential competencies and capabilities, and creating organizational structures, control systems, and processes. Thus, strategic leadership theory suggests that leaders must possess cognitive complexity to effectively assimilate the necessary capacities to lead these initiatives within an organization (Mihelic and Tekavcic, 2018). A heightened focus can be achieved when leaders maintain a clear vision for the organization, allowing for resource allocation that ensures success. Such visions are attainable only through a thorough analysis of current and future environments, facilitated by the development of human capital (Kahiga, 2017).

2.1. Empirical Studies

2.1.1. Effect of Strategic Leadership on Change Management

Ferede, Endawoke, and Tessema (2024) explored the effects of strategic leadership on change management within Ethiopian public organizations, focusing on organizational culture, knowledge management, and accountability. They used an explanatory design with a quantitative approach, collecting data through a structured questionnaire survey from 366 randomly sampled respondents in public organizations. The findings revealed that strategic leadership, organizational culture, knowledge management, and accountability had a direct impact on change management. However, the study did not address the challenges faced by county governments in Kenya, where governance is shaped by devolution, local political dynamics, and community needs. This gap suggests the need for further studies examining these factors within the Kenyan county context.

Fekadu (2023) focused on the impact of strategic leadership on organizational change at the Cooperative Bank of Oromia. He used a descriptive research design with purposive sampling to select 110 respondents, including executive management members, department directors, district directors, senior managers, and branch managers. Primary data was collected through self-administered questionnaires. The study found that strategic leadership practices such as strategic thinking, anticipation, and planning accounted for 47.3% of organizational change. However, the research was limited to a banking context, making it difficult to apply the findings to county governments, which face unique challenges such as political interference, resource constraints, and community-driven changes. The public sector context, particularly within county governments, requires further exploration of how these leadership practices apply.

Sirengo and Kariuki (2018) examined the influence of various leadership styles (transformational, transactional, bureaucratic, and charismatic) on organizational change at the Kenya Power Pension Fund (KPPF). They used a census sampling method and selected 45 respondents from KPPF, including employees, trustees, and regional representatives. Primary data was collected via a questionnaire. Their findings showed that strategic leadership significantly influenced change management, explaining over 60% of the change. However, the study focused on a pension fund in the private sector, which operates under different conditions compared to county governments. The political pressures, stakeholder interests, and public accountability inherent in county governance were not considered, suggesting a need for studies that assess how leadership styles impact change management in the public sector.

Wanjala (2018) investigated the relationship between strategic leadership and strategic change in paper and board manufacturing firms in Kenya. Using a sample of 70 out of 84 paper and board manufacturing firms, primary data was collected through a closed-ended structured questionnaire administered to CEOs. The study found a significant positive relationship between transformational and transactional leadership and strategic change. However, the manufacturing sector context makes it less applicable to county governments, where leadership challenges include managing public accountability, local politics, and resource limitations. The study does not explore the dynamics of change management in public sector organizations such as county governments, suggesting a gap in understanding how these leadership practices apply in the public sector context.

Kimaku (2021) aimed to identify the determinants of strategic change implementation among state corporations in Kenya. The study used a cross-sectional survey design and targeted 392 state corporations in Kenya, selecting 80 corporations through proportionate stratified random sampling. Data was collected from 320 senior and middle-level management respondents from key departments like the CEO office, ICT, finance, and HR. The study revealed that leadership commitment significantly influenced the implementation of strategic change. However, the focus on state corporations limits the applicability of the findings to county governments, which operate under a different governance structure and face unique challenges due to devolution, local politics, and resource constraints. Further research is needed to explore the role of leadership commitment in county governments, particularly those with resource limitations and political sensitivity. The study sought the test the following first null hypothesis:

- *H_{01}: Strategic Leadership has no statistically significant effect on change management in the County Government of Bungoma*

3. Moderating Effect of Stakeholder Engagement

Extant literature suggests that the engagement of stakeholders significantly enhances their support, resulting in a more effective and smoother implementation of changes led by strategic leaders (Wachira, Rotich, Ndungu, and Githae, 2024; Kilonzi, Atikiya, and Atambo, 2023; Bostan and Saleem, 2022; Muhangi, Iqbal, and Mulindwa, 2024). This engagement diminishes resistance to change, allowing strategic leadership to direct their attention toward the broader vision, while stakeholders contribute to alleviating opposition and fostering a supportive environment for change. Furthermore, stakeholders who are actively involved in the decision-making process can help ensure that the strategic vision and change initiatives are in harmony with the interests and needs of various organizational groups. On the other hand, if stakeholder engagement is not managed properly (stakeholders to feel neglected, uninformed, or excluded), it can weaken the relationship between strategic leadership and the success of change management. Additionally, conflicts among stakeholders may reduce the effectiveness of both leadership and change management strategies.

Wachira et al. (2024) explored the relationship between strategic leadership and the performance of hospitals in Kenya, with stakeholder collaboration moderating this relationship. Using hierarchical moderated multiple regression (MMR) analyses and structural equation modeling (SEM), the study found that stakeholder collaboration significantly moderates the relationship between strategic leadership and hospital performance. This study emphasizes the importance of stakeholder engagement in enhancing performance but does not extend the findings to the public sector governance of county governments. The study's focus on hospitals, which operate under a specific set of regulations and dynamics, limits its applicability to the broader context of county governments, where the nature of stakeholders and leadership challenges can be vastly different, especially in resource-constrained environments.

Kilonzi, Atikiya, and Atambo (2023) assessed the influence of leadership practices on the performance of departments in the National Government of Kenya, moderated by stakeholder involvement. The study used a mixed research design and collected data from 195 respondents from National Government Heads of Departments in the counties. The findings indicated that leadership practices significantly influenced performance, with stakeholder involvement acting as a moderator. While this study shows the impact of stakeholder involvement on performance in public administration, it does not specifically address the local governance context or the unique challenges faced by county governments in Kenya, such as political influence, community engagement, and devolution.

Bostan and Saleem (2022) investigated the moderating effect of stakeholder relationships on the relationship between inclusive leadership and project success in project-based construction firms. The study found that inclusive leadership positively impacted project success, especially when both internal and external stakeholders were managed effectively. While the study provides useful insights into the role of stakeholder management in project success, its focus on the construction industry limits the transferability of its findings to public sector organizations, particularly county governments. The public sector governance framework and the complexity of stakeholder relationships in county governments, where politics, public opinion, and local resource availability play significant roles, were not explored.

Muhangi *et al.* (2024) examined the moderating effect of stakeholder management on the relationship between managerial competencies and financial performance of microfinance institutions (MFIs) in Uganda. The study employed a cross-sectional design and found that managerial competencies, combined with effective stakeholder management, significantly influenced financial performance. This study highlights the importance of stakeholder management in organizational success but is primarily focused on the financial sector, which operates under different dynamics than county governments. The local governance and public sector challenges in counties like Bungoma—such as resource limitations, political interference, and community demands—are not addressed in the context of stakeholder management. The study sought the test the following second null hypothesis:

- *H_{02}: Stakeholder Engagement has no statistically significant moderating effect on relationship between strategic leadership and change management in the County Government of Bungoma*

4. Research Methodology

This investigation was based on the positivism paradigm, which aimed to objectively identify facts by empirically analyzing the relationships between different variables. According to the philosophy of positivism, the research strategy is centered on the collection of data and the development of hypotheses (Hughes and Sharrock, 2016). The study employed a causal research design and was conducted within the county governments of Bungoma, Kenya. The target population consisted of 73 respondents, all of whom held managerial positions, from executive to line managers. The sampling frame included County Secretaries, CECs, Chief Officers, Directors, and Sub County Administrators—employees responsible for the daily implementation of programs, projects, and tasks that affect the overall strategy. As a result, the study included all 73 respondents, thereby constituting a census study. Furthermore, purposive sampling, a non-probability technique, was adopted to intentionally focus on a group of individuals believed to possess reliable or expert knowledge relevant to the study.

Primary data was collected using structured questionnaire. The questionnaire was based on 5- point Likert scale ranging from 1= strongly disagree, 2= Disagree, 3 = Fairly Agree, 4 = Agree and 5= strongly agree. A pilot study was conducted in Kakamega County using 10% of the target population of 73 respondents. A questionnaire response rate of 89.0% was achieved. Cronbach's alpha was used to determine the reliability of the research instruments. Strategic leadership had Cronbach alpha of 0.913, stakeholder engagement of 0.909 and change management of 0.867. Validity was assessed through both construct and content validity, incorporating expert evaluations from professionals at the School of Business and Economics at Masinde Muliro University of Science and Technology, private consultants, and two randomly selected managers from Kakamega County. Construct validity was further assessed using factor analysis, resulting in an average factor loading of 0.776, which exceeds the threshold of 0.5.

Data was analyzed using inferential statistics to make inferences. The inferential analysis comprised hierarchical regression analysis which tested both the direct effect of strategic leadership on change management and moderating effect of stakeholder engagement on the relationship between strategic leadership and change management. Data collected was analyzed using SPSS Version 26.

Three steps were involved in achieving the study objectives.

- **Step One** involved testing the influence of independent variable in this case strategic leadership on dependent variable. This tested the first hypothesis
- **Step Two** entailed testing the effect of independent variable and moderating variable in this case stakeholder engagement on dependent variable.
- **Finally step Three** involved, testing the effect of, independent variable (X_1), moderating variable (M) and the interactive term (product of independent and moderating variable) on dependent variable (Y). Moderating effect happens if the effect of interaction is significant in the second step. This tested the second null hypothesis.

The three steps involved in hierarchical regression analysis for moderating effect were written as:

- Step One: $Y= \beta_0 + \beta_1X_1 +\varepsilon$
- Step Two: $Y= \beta_0 + \beta_1X_1 + \beta_2M +\varepsilon$
- Step Three: $Y= \beta_0 + \beta_1X_1 + \beta_2M+ \beta_3X_1 * M+\varepsilon$

Where:

- β_0 represented Constant Term,
- β_i; i = 1 to 3 is the regression coefficients which measured the change induced on the study variables.
- X_1= Employée value proposition
- M=Stakeholder Engagement;
- X_1*M=Interaction term between Strategic leadership and Stakeholder Engagement;
- Y=Change management and;
- ε=Error/disturbance.

5. Results

As indicated in the methodology section, the relevant results are summarized in Table 1.

Table 1 Model Summary for Moderating Variable of Stakeholder Engagement

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.808[a]	0.653	0.651	0.53523	0.653	263.889	1	63	0.000
2	0.821[b]	0.674	0.670	0.52070	0.021	8.925	1	62	0.003
3	0.835[c]	0.698	0.691	0.50324	0.024	10.813	1	61	0.001

a. Predictors: (Constant), Strategic leadership; b. Predictors: (Constant), Strategic leadership, Stakeholder engagement; c. Predictors: (Constant), Strategic leadership, Stakeholder engagement, Strategic leadership*Stakeholder engagement; d. Dependent Variable: Change management; Source: Research Data (2024)

From Table 1, in Model 1, the regression of independent variable (strategic leadership) and change management produced an R^2 of 0.653 was obtained in this model. This means that strategic leadership explained 65.3% of variance in the dependent variable. Further, Model 2, the findings also showed that when stakeholder engagement was added as a moderator, the results obtained indicated that independent variable and the moderating variable were significantly and jointly related to change management in County Government of Bungoma ($p<0.05$). The R^2 moved from 0.653 (65.3%) to 0.674 (67.4%) implying that an additional 0.021 (2.1%) was added in the model.

Lastly, model 3, to investigate how the stakeholder engagement moderates the relationship between strategic leadership and change management in County Government of Bungoma. The interaction terms of the independent variable and the moderator (Stakeholder engagement) were entered in the regression model and R square of 0.698 was realized. This represented an additional 2.4% in the final R square indicating that there is a potentially significant moderation effect of stakeholder engagement on the relationship between strategic leadership and change management in County Government of Bungoma. Between first model and final model, there is significant 4.5% (69.8% from 65.3%) increase in the variance explained in change management.

Table 2 Model Fitness (ANOVA Table)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	75.597	1	75.597	263.889	0.000[b]
	Residual	40.106	63	0.286		
	Total	115.704	64			
2	Regression	78.017	2	39.009	143.875	0.000[c]
	Residual	37.687	62	0.271		
	Total	115.704	64			
3	Regression	80.755	3	26.918	106.293	0.000[d]
	Residual	34.948	61	0.253		
	Total	115.704	64			

In model 1, ANOVA results showed that F (1,64) = 263.889 and P value was 0.000 meaning the model is feasible. Tests were done at 0.5 or 5% level of significance. The results indicated that strategic leadership had a statistically significant effect in explaining change in change management. In model 2, ANOVA results showed that F (2,64) = 143.875, P=0.000 implying the model is feasible at 5% level of significance. The results indicated that strategic leadership and stakeholder engagement have a statistically significant effect in explaining change in change management. Finally, in model 3, ANOVA results showed that F (3,64) = 106.293, P=0.000 implying the model is significant at 0.05. The results indicated that strategic leadership, stakeholder engagement and interaction of strategic leadership and stakeholder engagement have a statistically significant effect in explaining change in change management.

Table 3 Regression Coefficients for Moderating Variable of Stakeholder engagement

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.382	0.225		1.697	0.092
	Strategic leadership (SP)	0.942	0.058	0.808	16.245	0.000
2	(Constant)	0.305	0.220		1.382	0.169
	Strategic leadership	0.706	0.097	0.606	7.265	0.000
	Stakeholder engagement (SE)	0.251	0.084	0.249	2.987	0.003
3	(Constant)	3.281	0.930		3.529	0.001
	SP	-0.185	0.287	-0.159	-0.646	0.519
	Stakeholder engagement	-0.517	0.247	-0.512	-2.090	0.038
	SP*SE	0.221	0.067	1.461	3.288	0.001

a. Dependent Variable: Change management Source: Research Data (2023)

The results in Table 3 indicate coefficient result for the moderation effect of stakeholder engagement on the relationship between strategic leadership and change management in County Government of Bungoma. In model 1 which comprised of strategic leadership, the B coefficient is 0.942, p=0.000 implying that a unit increase in strategic leadership would results to change management to significantly increase by 0.942 units. In model 2, when stakeholder engagement was entered in the model, the B coefficient for strategic leadership is 0.706, p=0.000 while for stakeholder engagement is 0.251, p=0.003. This postulated that a unit increase in stakeholder engagement would results to change management to significantly increase by 0.251 units. In model 3, when stakeholder engagement interaction strategic leadership was entered in the model, the B coefficient for strategic leadership is -0.185 p=0.519, stakeholder engagement is -0.517, p=0.038 and interaction of stakeholder engagement interaction strategic leadership is 0.221, P=001. This postulated that a unit increase in stakeholder engagement would cause the effect of strategic leadership on change management in County Government of Bungoma to increase by 0.221 units. This implies that stakeholder engagement has a significant moderating effect on the relationship between strategic leadership and change management in County Government of Bungoma. These findings were also represented in the model equation as shown in below

$$Y=0.382+0.942X_1$$
$$Y=0.305+0.706X_1+0.251M$$
$$Y=3.281-0.185X_1-0.517M+0.221X_1M$$

Where

- Y is the Change management in the County Government of Bungoma (**Dependent Variable**)
- X_1 is the Strategic leadership (**Independent Variable**)
- M is the Stakeholder engagement (**Moderating Variable**)

6. Discussion of the Findings

- ***H_{01}: There is no significant relationship between Strategic Leadership and Change management in the County Government of Bungoma.***

The findings from Table 1 in Model 1, which show that strategic leadership explains 65.3% of the variance in change management (R^2 = 0.653), are highly significant and align with previous research on the critical role of strategic leadership in driving change. The high R^2 value suggests that strategic leadership is a major predictor of successful change management, highlighting the importance of strong leadership in navigating organizational change. Studies have consistently demonstrated that strategic leadership is essential for directing and managing change within organizations, with leaders setting the vision, aligning resources, and ensuring that change efforts are effectively communicated and implemented (Avolio, Walumbwa, and Weber, 2009).

The B coefficient of 0.942, with a p-value of 0.000, further strengthens this argument by indicating that a one-unit increase in strategic leadership results in a significant increase of 0.942 units in change management. The first null hypothesis was rejected. This finding suggests a strong positive relationship between strategic leadership and change management, meaning that leaders who exhibit strategic foresight, decision-making capabilities, and the ability to inspire and motivate their teams can significantly enhance the likelihood of successful change implementation. This is supported by recent studies which have shown that strategic leaders play a pivotal role in driving organizational change by providing direction, fostering a positive organizational culture, and building consensus among stakeholders (Kotter, 2012; Elving, 2005).

Furthermore, the statistical significance of the relationship ($p = 0.000$) underscores the robustness of this association. A p-value less than 0.05 indicates that the result is unlikely to have occurred by chance, further confirming that strategic leadership is a critical determinant of change management success. This aligns with the findings of Sirengo and Kariuki (2018), who also found that strategic leadership positively influences change management in organizational settings. Similarly, Ferede et al. (2024) observed that strategic leadership directly impacts the effectiveness of change management within public organizations, particularly when combined with strong organizational culture and accountability mechanisms.

These results contribute to the growing body of literature emphasizing the vital role of leadership in facilitating organizational change. The findings suggest that for change initiatives to succeed, county governments, such as those in Bungoma, should prioritize strategic leadership that can provide a clear vision, manage resistance, and align stakeholders towards common goals. The substantial variance explained (65.3%) also suggests that while strategic leadership is a major determinant of change management, other factors (such as stakeholder engagement, organizational culture, and resources) may further influence the outcomes of change efforts. Thus, a comprehensive approach to leadership, which considers these additional factors, may enhance the overall effectiveness of change management strategies in county governments and other public sector organizations.

- **H_{02}: Stakeholder Engagement has no statistically significant moderating effect on the relationship between strategic leadership and change management in the County Government of Bungoma**

The findings presented indicate a meaningful and statistically significant moderating effect of stakeholder engagement on the relationship between strategic leadership and change management in the County Government of Bungoma, Kenya. The second null hypothesis was rejected. In the regression analysis, the introduction of the interaction terms between the independent variable (strategic leadership) and the moderator (stakeholder engagement) resulted in an increase in the R^2 value from 0.653 in Model 1 to 0.698 in the final model (Model 3), reflecting an additional 2.4% variance in the dependent variable (change management). This suggests that stakeholder engagement explains a portion of the unexplained variance in change management that strategic leadership alone could not account for. This increase in R^2 (69.8% - 65.3% = 4.5%) implies that the moderating effect of stakeholder engagement enhances the explanatory power of the model, showing that strategic leadership's influence on change management is significantly strengthened when stakeholder engagement is taken into account. The increase in explained variance underscores the importance of considering stakeholder involvement in change processes, particularly in the complex environment of county governance. This finding aligns with recent literature that highlights the critical role of stakeholder engagement in the public sector, where decisions and changes often require balancing various interests (Bryson, Crosby, and Bloomberg, 2014; Morsing and Schultz, 2006).

In Model 3, the coefficients and significance levels further support the moderating role of stakeholder engagement. The B coefficient for strategic leadership is -0.185 ($p = 0.519$), indicating no significant direct effect of strategic leadership in the presence of stakeholder engagement as the moderator. On the other hand, the coefficient for stakeholder engagement is -0.517 ($p = 0.038$), suggesting that stakeholder engagement alone has a significant negative impact on change management, though this effect could be contextual, particularly reflecting the challenges or complexities in managing stakeholder expectations and interests. Importantly, the interaction term between stakeholder engagement and strategic leadership has a coefficient of 0.221 ($p = 0.001$), which is statistically significant, indicating that stakeholder engagement significantly moderates the relationship between strategic leadership and change management. This suggests that as stakeholder engagement increases, the positive impact of strategic leadership on change management is amplified, aligning with findings from previous studies that show that stakeholder involvement can enhance leadership effectiveness by fostering support, reducing resistance, and ensuring alignment with local needs (Vangen and Huxham, 2003; O'Toole and Meier, 2011).

These findings underscore the critical role of stakeholder engagement in facilitating successful change management in the County Government of Bungoma. While strategic leadership alone is important, its effectiveness is substantially enhanced when leaders actively engage stakeholders in the change process. This insight contributes to a growing body of research that emphasizes the importance of involving key stakeholders in the governance and leadership processes of public sector organizations, especially in settings with diverse and competing interests like county governments. The findings from the studies by Wachira et al. (2024), Kilonzi et al. (2023), Bostan and Saleem (2022), and Muhangi et al. (2024) collectively highlight the crucial role of stakeholder engagement in moderating the relationship between leadership and organizational outcomes. Together, these studies suggest that stakeholder engagement is a key moderating factor in leadership effectiveness across various sectors, including healthcare, public administration, project management, and financial institutions. This highlights the need for leaders to integrate stakeholder perspectives to achieve optimal outcomes in organizational performance and change management.

However, several studies have found no significant moderating effect of stakeholder engagement on the relationship between leadership and change management. Kariuki et al. (2022) on organizational change in the banking sector showed that while leadership style influenced change management outcomes, stakeholder engagement had little moderating effect on these relationships. The authors concluded that organizational culture and internal leadership traits played a more critical role than external stakeholder engagement (Kariuki et al., 2022). Similarly, Ochieng and Ndirangu (2023) examined public sector leadership in Kenya and found that the impact of stakeholder involvement on change management processes was not statistically significant, suggesting that the organizational structure and leadership commitment were more influential factors. Lastly, Mugisha et al. (2024) explored stakeholder influence in Ugandan government agencies and found that despite considerable attention to stakeholder involvement, it did not significantly affect the leadership-change management relationship, with internal factors like organizational resistance being more impactful. These studies highlight that the role of stakeholder engagement may not always be as significant as anticipated

7. Conclusion

The findings from this study demonstrate a strong and positive relationship between strategic leadership and change management in the County Government of Bungoma. Strategic leadership significantly explains the variance in change management outcomes, including project completion, increased revenue generation, and stakeholder satisfaction. The results indicate that improvements in strategic leadership can substantially enhance the effectiveness of change management initiatives. The study provided strong evidence of a significant moderating effect of stakeholder engagement on the relationship between strategic leadership and change management in the County Government of Bungoma. It is clear that the presence of stakeholder engagement strengthens the influence of strategic leadership on key change management outcomes. This suggests that involving stakeholders in the leadership process can significantly enhance the effectiveness of change management initiatives within the county government context.

Implication of the Findings

The findings of this study imply that enhancing strategic leadership within the County Government of Bungoma can significantly improve the success of change management initiatives. By fostering stronger leadership capabilities, the county can better manage projects, increase revenue generation, and ensure higher stakeholder satisfaction. Moreover, the study highlights the critical role of stakeholder engagement in amplifying the impact of strategic leadership. When stakeholders are actively involved in the leadership process, the effectiveness of change management initiatives is strengthened, leading to more successful outcomes. This suggests that for effective governance, it is essential not only to improve leadership practices but also to ensure that stakeholders are part of the decision-making and implementation processes. Consequently, this approach can lead to more sustainable and efficient changes, fostering greater public trust, reducing resistance to change, and ensuring that the county meets its development goals more effectively.

Recommendations

To improve change management outcomes, it is recommended that the County Government of Bungoma focus on strengthening its strategic leadership practices, particularly in the areas of strategic direction, planning, and control. This could be achieved through targeted leadership development programs that equip managers with the necessary skills to effectively lead change initiatives. It is recommended that the County Government of Bungoma further integrate stakeholder engagement into its leadership and change management processes. By involving stakeholders in decision-making and project planning, the government can amplify the positive effects of strategic leadership, leading to more successful outcomes in project completion, revenue generation, and stakeholder satisfaction. Efforts should focus on establishing mechanisms for continuous stakeholder collaboration and communication, which can create a more supportive environment for implementing change initiatives.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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