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ABSTRACT

Public road transport sector in Kenya is experiencing deteriorating performance associated with increased cases of road accidents, poor service delivery, periodical strikes of public road transport sector Sacco's and slow rate of implementation National Transport and Safety Authority (NTSA) regulations. The study aimed to establish the influence of strategic leadership on performance of Savings and Credit Co-operative Societies in the Public Road Transport in Kenya. Further, the moderating effect of environmental analysis on the relationship between strategic leadership and performance of Sacco's in the public road transport in Kenya was tested. Positivist paradigm and adopted descriptive research design was used. The target population was 475 Public Road Transport Sacco's operating in Kenya as per National Transport and Safety Authority report of 2015. Stratified random sampling method was adopted to choose 189. Respondents were selected from large, medium and small public Road Transport Sacco's operating in Kenya. Managers of public road transport Sacco's were the respondents of the study. Structured questionnaires were used to collect primary data. Secondary data was collected from internal reports of Sacco's such as strategic plans and other reports. Data was analyzed quantitatively and tabulated using descriptive statistics. Regression and correlation analysis, were conducted to established statistical relationship between strategic leadership on performance of Sacco's in the Public Road Transport Sector in Kenya. The study concluded that unless Sacco's dedicate their effort in strategic leadership achieving competitive advantage would be an uphill task. The study recommended that the Ministry of Transport should establish an institute that equips managers of public road transport sector Sacco's with formal knowledge on development, implementation and evaluation of strategies.

Key Word: *Strategic Leadership, Organization Performance*

Introduction

World class organizations are driven by strategic management practice in order to perform and achieve a competitive edge (Murimbika & Urban, 2013). Most of the global companies operating in the developed countries like United States, Germany, China and Russia have achieved their strategic goals by adopting strategic management practice. According to Rodríguez and Pedraja (2012), firms need to look inward for strategic opportunities and adopt strategic management practices that promote an entrepreneurial posture that simultaneously captures existing organizational competitive advantages while at the same time explore future needs that will ensure sustainable competitiveness. Turbulent business environments, competition, globalization and influence of technology are aspects that are directly or indirectly influencing strategic decisions of competitive firms (Pearce & Robinson, 2009). Ofunya (2013) argues that the strategy of an organization consists of the business approaches and initiatives it undertakes to attract customers and fulfill their expectations, to withstand competitive pressures and to strengthen its market position. These strategic responses provide opportunities for the organization to respond to the various challenges within its operating environment. Firms also develop strategies to enable them seize strategic initiatives and maintain a competitive edge in the market (Porter, 2004).

Kaplan and Norton (2006) assert that performance management is commonly used today to describe a range of managerial activities designed to monitor, measure and adjust aspects of individual and organizational performance through management controls of various types. Performance management integrates the management of organizational performance with the management of individual performance. Organizational performance perspectives suggested by Kaplan and Norton include; financial perspective, that entails measuring whether the organization is generating profits from its core businesses; Customer perspective, that entail customer satisfaction from goods and services; Internal business processes, that involves continuous improvement of services using modern technology and finally innovation and learning, that entails ability of organizations to develop new products and services thus team learning and co-partnerships in the industry (Martindale, 2011). John and Richard (2011) argue that due to the changing business environment, competitive organizations can adopt a number of strategic management practices such as strategic leadership, strategic human resource development and information and communication technology in order to enhance their performance. Strategic leadership is regarded as a multifunctional, involves managing through others, and helps organizations cope with change that seems to be increasing exponentially in today's globalized business environment (Griffin, 2007). Strategic leadership requires the ability to accommodate and integrate both the internal and external business environment of the organization, and to manage and engage in complex information processing (Kipkemoi, 2010).

The history of public road transport in Kenya stretches back to 1934 when London-based Overseas Trading Company (OTC) introduced the first buses, a fleet of 13 on 12 routes. These routes 1-12 formed the earliest traditional bus routes in Kenya that are still in use today. Public road transport is dominated by Matatus. The term Matatu is derived from a local Kikuyu vernacular term "mang'otore matatu" which means thirty cents, which was then the standard charge for every trip made (GoK, 2014). Road infrastructure is one of the key components of communication and development of nations. The Kenya Vision 2030

aspires for a country with integrated roads, interconnected railways, communication ports, airports, infrastructure waterways and communications as well as provision of adequate energy. Kenya's roads sector has undergone many changes over the past five decades and has yet reached arguably its most illustrious period. Implementation of the latest road policy is expected to take the sector to the next level in the context of the 2010 Constitution (National Transport & Safety Authority, 2014).In regards to the Kenya's road to economic and social development, road infrastructure has played and continues to play a key role. In this, the public sector has been the key actor supported by a diverse cast that includes development partners and the private sector (GoK, 2014).

Transport services constitute a key component of Kenya's service sector in both their contribution to the country's employment and income generation and their role in external trade, especially at the regional level. The Kenya economy is dependent on roads and road transport. Good infrastructure facilitates trade, economic development and improvement in the quality of life, especially in Kenya where roads carry over 80 per cent of passenger transport. Roads are one of the modes of transport of people and goods and are used to interconnect other modes as well as provide access to basic social services (KIPPRA, 2014). Unfortunately, the industry's vast growth has been accompanied by increasing road accidents, poor customer service, lack of compliance to laws from industry players and inefficiency on the part of law enforcers. The causes of accidents include reckless driving, non-roadworthy vehicles and the poor conditions of the roads which are among aspects contributing to poor performance of the public road transport sector in Kenya (National Transport & Safety Authority, 2014). Formation of the public road transport sector Sacco's was initiated by the Ministry of Transport and Communications Legal Notice No. 161 formulated in 2003. The aim of the policy was to regulate the Public Service Vehicle (PSV) sub-sector. Due to the informal nature of the public road transport in Kenya, Sacco's are being formed as an initiative of the Transport and Communications Legal Notice No. 161.

The aim of forming Sacco's was to control and regulate the operations of the sector with an objective of enhancing sanity in the Matatu sector in Kenya. Matatu owners are encouraged to register their vehicles under Sacco's as a new government policy through the Ministry of Transport (National Transport & Safety Authority, 2014). Recent changes in government institutions that engage with operators in the Matatu sector have brought about renewed hope of finding a lasting solution to the public road transport problem that is common in most urban towns in Kenya. By bringing together various government institutions under the National Transport and Safety Authority (NTSA), the Government intended to make it easier to monitor and regulate public road transport in the country through Sacco's. The new National Transport and Safety Authority Regulations requires that Matatu owners should hand over their vehicles to registered road transport Sacco's by signing a contract or franchise agreements with the management of Sacco's. The role of Sacco's is to ensure that the industry players abide by the policies formulated by the government and ensure the public road transport is managed more efficiently and effectively (National Transport & Safety Authority, 2014). KIPPRA (2013) noted that the Matatu industry in Kenya has for many years been associated with road accidents, recklessness and lawlessness. It is an industry that is most cited for lack of strategic practices and policies. These include no schedules, poor working conditions for workers, fluctuating fares, undesignated stops, cartels, and harassment. Despite all this, Matatu

industry is a major economy booster; creating direct and indirect employment to thousands of diverse vehicle owners, Matatu Sacco's, management companies, drivers, touts, route managers, mechanic; and a source of livelihood and investment opportunity for hundreds of Kenyans working in insurance companies, tracking companies and spare parts dealers among others (National Transport & Safety Authority, 2014).

Despite the economic significance of Sacco's in the public road transport in Kenya, it is observed that public road transport sector is underperforming based on increased rate of strikes among industry players, high rate of accidents that have increased mortality rates and psychological duress among family members of accident victims, inconsistencies in service delivery and slow rate of implementing new policies (NTSA, 2015). Stability of the public road transport sector in Kenya is purely dependent on strategic management of Sacco's which remains a challenge despite the efforts of the Ministry of Transport to encourage Sacco's to embrace law and order (KIPPRA, 2014). Otieno and Oyugi (2016) assert that Sacco's operate under complex and dynamic environment which is unique and specific to the sector. This has contributed to either collapse or deteriorating performance for those survived. This is due to numerous challenges encountered in this volatile environment and which have also affected Sacco's in the public road transport sector. According to the National Transport and Safety Authority report of (2015), it was noted that 93% of the Sacco's in the public road transport in Kenya were not embracing the strategic management approach in their operation as compared to developed countries such as United States of America, Germany, Denmark among others. As such, inconsistencies in public road transport sector services are a clear indicator of deteriorating performance of the sector. Non-adherence of industry stakeholders, drivers, touts, commuters to NTSA regulations and high cases of accidents are some of the issues of concern in this sector. (Ministry of Transport & Communication, 2009). According to a survey conducted in Kenya by the Ministry of Transport (2009), it was noted that formulation of strategic policies was the only approach to regulate and transform the public road transport sector in order to stimulate economic development. However, despite limited studies conducted locally, it was noted from their findings that little attention had been paid by previous researchers with regard to strategic leadership and performance of the public road transport sector in Kenya. Therefore, it is on this background this study sought to establish the influence of strategic leadership on performance of Sacco's in the public road transport sector in Kenya.

Objective of the Study

The objective of the study was to establish the influence of strategic leadership on the performance of Sacco's in the Public Road Transport in Kenya.

Null Hypothesis of the Study

H_{01}: There was no significant influence of strategic leadership on performance of Sacco's in the Public Road Transport in Kenya.

Literature Review

Theoretical Review

The theory was established by Griffin in 2007. The theory argues that organizational performance is determined by effective implementation of strategies formulated by top leaders. Internal factors that include; leadership styles of management, employee skills, structure of the organization, information control systems, technology in use and culture among other factors are some of the critical aspects that contribute to organizational performance. According to the model, strategic leadership is the fundamental

perspective of successful change implementation among organizations operating in the turbulent business environment (Redman & Wilkinson, 2006). Ricky Griffin's theory suggest that the main factors that influence organizational performance are; organization leadership style which provides strategic vision or direction, communicating effectively, enhancing motivation of staff and setting up team culture and value in an organization (Taiwo & Idunnu, 2010). Leaders offer direction and influence organization performance. An organization structure is another factor proposed by the model. Organic structures that are decentralized enhance change implementation while mechanical structures that are centralized hinder effective change implementation of competitive firms. Decentralized structures enhance communication, transparence and accountability among leaders and employees in any organization (Woods, 2010).Organization objectives are achieved by dedicated team of employees who are influenced by leadership qualities (Arthur, Strickland & Gamble, 2008). The third factor proposed by the theory that enhances performance of the organization is technology in use. Organizations with automated systems are likely to improve customer service delivery and minimize costs of operation. Technology enhances job design, control system which includes financial budgeting, procedures that influence organization strategy implementation (Zima, 2007).

Empirical Review

Strategic Leadership and Organization Performance

Martindale (2011) established that strategic leadership entails the ability of leaders to institutionalize and conceptualize the formulated vision, mission, objectives and strategies. Strategic leader's eyes are always on the horizon, not just on the near at hand. A strategic leader influences the organization by aligning the systems, culture, and organizational structure to ensure consistency with the strategy. Influencing employees to voluntarily make decisions that enhance the organization is the most important part of strategic leadership. The study further noted that a leader, in both instances, prepares for the future and considers both the long-term goal as well as understanding the current contextual setting of the organization. However, it was noted that the study adopted cross-sectional research design, adopted a sample size that was too large and probability sampling techniques selected was inaccurate, multiple tools of data collection such as interview guide and questionnaire and observation forms were used. Furthermore, it was observed that data analysis method was discriminant analysis method.

Research Methodology

This study adopted a positivist research philosophy to establish the influence of strategic leadership on the performance of Sacco's in the Public Road Transport in Kenya. The study adopted descriptive research design to establish the influence of strategic management practice on the performance of Sacco's in the public road transport sector in Kenya. Target population of this study was 475 Sacco's in the Public Road Transport Sector in Kenya and Registered by the National Transport and Safety Authority (NTSA, 2015). The population was divided using stratified random sampling technique into subgroups of large, medium and small Sacco's based on number of employees working in each Sacco. Stratified random sampling technique was preferred by the researcher because it provided the opportunity of selecting respondents with accurate information concerning the problem under investigation. Cronbach's Alpha coefficient was used to test reliability of the instruments and Alpha values more than 0.7 were considered appropriated for further analysis as recommended by Novikov and Novikov (2013). Statistical Package for Social Sciences, (SPSS version 24) software was used to

analyze data quantitatively. The general model for testing the objective of the study to predict the direct effect between strategic leadership and performance of public transport sector Sacco;s in Kenya was represented by the model in the form of: **H_{01}:PPTSS = β_O + β_1SL + ε.** Where PPTSS was the dependent variable (Performance of Public Transport Sector Sacco's) and is a linear function of SL+ ε . β_0 is the intercept, β_1 is the regression coefficient or change induced in PPTSS by SL which is Strategic Leadership+ ε which is the error term that accounts for the variability in PPTSS that cannot be explained by the linear effect of the predictor variables. Further, for testing the moderating effect of environmental analysis on the relationship between strategic leadership and performance of public transports sector Sacco's was represented by the model of the form: **H_{02}:PPTSS= β_O +β_1SL+ β_2 EA + β_3SL*EA + ε.** Where EA is moderating variable which is environental analysis. The study targeted a total of 189 managers of Public Road Transport Sector Sacco's operating in Kenya. 178 questionnaires were received from the field, 11 were poorly or inappropriately filled and therefore they were not used in the analysis. A total of 178 questionnaires were used in the analysis, this represented 94 % response rate which was above the adequate 50% as recommended by Fisher (2010) and Saunders *et al.* (2009).

Research Findings

Table 1: Strategic Leadership

Indicators of Measurement	N	Mean	S.D	%
Leaders of Sacco's always understand business environment trends and develop policies that enhance competitiveness.	178	4.26	.884	74%
Leaders have a long term perspective or vision that will enable the Sacco's to survive in the competitive environment.	178	4.21	.664	71%
Leaders always engaged key stakeholders whenever they make strategic decisions.	178	3.23	.587	63%
Leaders have clear goals to achieve within a given period of time.	178	3.11	.673	61%
Leaders formulate and implement strategies with minimal resistance.	178	3.04	.596	59%
Leaders always review strategies formulated and develop contingency plans.	178	2.59	.498	48%
Leaders always encourage participative management style.	178	2.41	.345	33%
Leaders always encourage proactive measures of change implementation rather than reactive to achieve Sacco's strategic objectives.	178	2.22	.354	29%
Leaders always intend to institutionalize strategy to minimize resistance from workers.	178	2.11	.276	29%
Sacco have visionary leaders who formulate objectives that reflect vision and mission of the Sacco's	178	2.08	.223	26%

Source: Statistical Package for Social Sciences

As shown in Table 1, it was indicated by majority of the respondents that their leaders did not always understand business environmental trends that influenced their business landscape such as competition, change of consumer demands, employee diversity and globalization with a mean of 4.26. Some indicated that, to a larger extent, most of their leaders did not have a long term perspective of their Sacco's. Lack of visionary leaders was evident among Sacco's which operated in the public road transport sector due to inability to recruit knowledgeable and specialized employees

with a mean of 4.21. Further, some of the respondents further indicated that their leaders rarely engaged them in key decision making thus high level of employee resistance in implementing new policies formulated internally with a mean of 3.23. This implied that majority of the leaders or managers of the Sacco's did not give their employees an opportunity to contribute in decision making thus low creativity and innovation culture in the Public Road Transport sector. Some indicated that their Sacco's did not have clear goals and strategies to achieve the goals formulated due to inability of leaders to influence employees towards the goals with a mean of 3.11.

Some indicated that employee resistance during implementation of new strategies was evident due to lack of motivation and appropriate mechanisms of monitoring individual efforts in the Sacco with a mean of 3.04. This implied that most of the employees were not satisfied with their jobs despite working for their Sacco's. Compensation policies were none existent and drivers and touts were paid wages which were unsatisfactory based on the revenue collected form the Public Road Transport Sacco's. Some noted that their leaders rarely reviewed or developed contingency plans to manage their Sacco's. This was due to lack of the necessary expertise to conduct the review and develop contingency plans. Some of the respondents indicated that their leaders did not encourage participatory management as an initiative of improving performance of their Sacco's with a mean of 2.59. This implied that most of the leaders were applying autocratic style of management rather than democratic style that enhanced creativity and innovation among workers. It was also indicated by some of the respondents that their leaders had little conceptual and analytical management skills to diagnose industry trends. This was as a result of lack of training and recruitment of qualified and knowledgeable staff to handle dynamics in the Public Road Transport Sector.

In addition, it was noted that still there was a gap of developing capacity to work in Public Road Transport Sector Sacco's due to lack of formal institute that provide courses tailored to employees in the Public Transport sector. It was noted by some (29%) of the respondents that leaders were not conversant with proactive measures to implementation new regulation with a mean of 2.22. This implied that most of the leaders managing Public Road Transport Sacco's adopted reactive measures rather than proactive due to lack of appropriate skills in strategic management. Some of them also revealed that their leaders had little knowledge of institutionalizing strategy to minimize resistance from workers with a mean of 2.11. This implied that institutionalizing new regulation among Sacco's was an uphill task due to poor timing, employee resistance and lack of knowledge on implementation of new regulation formulated by National Transport and Safety Authority (NTSA). Some indicated that their leaders were not conversant with the vision and mission with a mean of 2.08. This implied that some of the Sacco's were not prepared to face the changing trends in the Public Transport sector due lack of a clear vision and mission to determine the long direction and competitiveness of the sector.

Table 2: Strategic Leadership Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	Constant	1.139	1.2235		5.515	0.0133		
	X1	0.887	0.1032	0.152	4.223	0.0122	1.000	1.000

a. Dependent Variable: Performance of SACCOs in the Public Road Transport Sector in Kenya

As depicted in Table 2, regression coefficient of determination explained the extent to which changes in the dependent variable could be explained by the change in the independent variable or the percentage of variation in the dependent variable that was explained by the independent variable (Strategic Leadership). At 95% confidence level and 5% significance level, the results indicated that the statistical significance value of strategic leadership variable was less than the critical value of 0.05 and multicollinearity was non-existent in the model because the Variance Inflation Factor (VIF) is 1.00, indicating that a unit increase of strategic leadership will lead to performance of Sacco's in the public road transport sector by a factor of 0.887.

Therefore, the findings corresponded with that of Njau (2000) and Ofunya (2013) who assert that strategic leadership is reflected by aspects of motivating workers, implementing new changes, enhancing creativity and innovation, teamwork, strategy institutionalization and solving employee conflicts are determined by visionary leadership. Further, K'obonyo and Arasa (2012) concur that effective leaders implement change through articulating a vision, fostering acceptance of group goals, providing individualized support and intellectual stimulation and clarifying performance expectations. Strategic leaders rethink the situation rather than going through with a change. They make proactive rather than reactive measures (Kwamensa, 2016).

Table 3: Environmental Analysis Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	Constant	1.139	1.2235		5.515	0.0133		
	X4	0.489	0.451	0.452	3.125	0.0110	1.000	1.000

a. Dependent Variable: Performance of SACCOs in the Public Road Transport Sector in Kenya

As illustrated in Table 3, the study sought to examine the extent to which environmental analysis influenced the dependent variable at 95% confidence level and 5% significance level. The results indicated that the statistical significance value of environmental analysis variable was less than the critical value of 0.05 and multicollinearity

was non-existent in the model because the Variance Inflation Factor (VIF) is 1.00, indicating that, a unit increase of environmental analysis led to performance of Sacco's in the public road transport sector by a factor of 0.489.

Table 4: Summary of Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	p-value
		B	Std. Error	Beta		
	(Constant)	1.139	1.2235		1.515	0.0133
	Strategic Leadership	0. 887	0.1032	0.152	4.223	0.0122

As shown in Table 4, the study concluded strategic leadership has a significant positive effect on Performance of Public Road Transport Sector in Kenya. Holding other factors constant (1.139), a unit increase of strategic leadership leads to an increase in performance of Sacco's in the public road transport sector in Kenya by magnitude of 0.887. As the rule of the thumb when; $t \geq 2$ and $p \leq 0.05$, the values are said to be statistically significant as shown in Table 4 where the t and p-values (t, p value) for strategic leadership were (4.223, 0.0122) respectively.

Table 5: Correlations Analysis with Moderating Variables

	Strategic Leadership	Environmental Analysis
	1	
Strategic Leadership	.528**	
	.003	
Environmental Analysis	.398*	.437**
	.029	.008
** Correlation is significant at the 0.01 level (2 tailed) *Correlation is significant at the 0.05 level (2 tailed)		

As shown in Table 5, the study sought to establish the moderating effect of the environmental analysis between strategic leadership on performance of Sacco's in Public Road Transport Sector in Kenya. After analysis, it was established that environmental analysis as a moderating variable had an effect on performance of Sacco's in the Public Road Transport Sector in Kenya. The level of significance changed from 95% to 99% significance level test statistic. 398*, p ≤0.05 and .437**, p value ≤0.01 meaning environmental analysis had an effect as the level of precision increased making the correlation more strong compared to when environmental analysis was not used. Therefore, it was concluded that environmental analysis had a significant moderating effect between strategic leadership on Performance of Sacco's in the Public Road Transport Sector in Kenya.

Table 6: Model 1: Results of Logit Regression Analysis

Variable	β	Wald's X^2	Odd Ratio Exp (B)	P-Value
Strategic Leadership	1.669	6.832	5.308	0.009
Constant	-18.221	37.080	0.000	0.000
Interaction Term (BP-PI-Cent)	-0.810	0.183	0.445	0.669
Observations (n) 178 Nagelkerke R^2 0.281 Cox & Snell's R^2 0.218 Hosmer & Lameshow (8df) 0.825				
Dependent Variable (Performance of Sacco's in the Public Transport Sector in Kenya)				
Note: p≤ 0.05				

To test the null hypothesis that said there was no significant influence between strategic leadership and performance of Sacco's in the Public Road Transport in Kenya, binary logistic regression model was used to predict the effects of performance of Sacco's in the Public Road Transport in Kenya. After Conducting logit regression analysis as illustrated in Table 6, it was shown that (β=1.669, Exp (B) =5.308 and P < 0.05). Based on this results, the null hypothesis was rejected at 95% confidence level since predictor variable (strategic leadership) had a significance value of 0.009 which was less than 0.05 and odd ratio (exp =5.308 (B) value of more than 1. This implied that strategic leadership had a positive influence on performance of Sacco's in the Public Road Transport Sector in Kenya. The beta (β) value of 1.669 implied that a unit increase in strategic leadership would lead to 1.669 times increase in performance of Sacco's in the Public Road Transport Sector. The odds ratio of 5.308 means that a unit increases in strategic leadership would increase performance of Sacco's by 5.308 times. These findings corresponded with Kipkemoi (2010) who established that strategy formulation was an initiative of top leaders. It was the policy of top leadership to formulate strategies, implement and development measures to rectify any deviations if implementation was not successful. Further, Lemeng'i, (2016) concurs that strategic leadership had a direct correlation with organization performance and vice versa.

Table 7: Model 2: Logistic Regression Results for Moderation Effects

Variable	β	Wald's X^2	Odd Ratio Exp (B)	P-Value
Environmental Analysis.	0.810	0.183	0.005	0.001
Interaction Term (BP-PI-Centered)	0.732	24.209	2.079	0.000
Constant	3.015	21.949	20.381	0.000
Note: p≤ 0.05				

To test the null hypothesis that said there was no significant moderating effect of environment analysis on the relationship between strategic management practice and performance of Sacco's

in the public road transport in Kenya, The results in Table 7 showed that (β= 0.810, Exp (B) =0.005 and P < 0.05). This results indicated that the null hypothesis was rejected at 95% confidence level since moderating variable (environmental analysis) had a significant value of 0.001 which was less than 0.05 and odd ratio (exp (B) value of less than 1. This implied that issues of business environmental such as industry regulations, competition and economic factors had a positive moderating effect between strategic leadership and performance of Sacco's in the Public Road Transport sector in Kenya. The findings were consistent with past study by Ofunya (2013); Aduda & Kingoo (2012); Afsal et al. (2013) whom that established that environmental analysis was necessary for any company operating in the 21st century. They argued that strategies formulated should be aligned with changing business environments.

Conclusion and Recommendations

The study found out that despite the fact that strategic leadership influenced performance of public road transport sector Sacco's in Kenya, to a larger extent Sacco's did not e analyze the business environment in which they operated for strategic decision making. The study noted that leaders of the Sacco's did not have a long term view of the organization despite changes in the business environment that ranged from competition, technology, change of regulation and change of consumer demands. Lack of the vision, mission and clear goals in majority of the Sacco's are key challenges. In addition, it emerged that leaders adopted reactive rather than proactive measures when it came to implementation of new regulations enacted by the Ministry of Transport and authorities like traffic police and National Transport and Safety Authority. Implementation of new changes by leaders was an uphill task due to lack of necessary skills, knowledge and experience to deal with change management among the Sacco's. Most of the leaders did not own the vision and mission of their Sacco's due to lack of strategic plans among some of the Sacco's that operate in the Public Transport Sector in Kenya. It emerged that stakeholder engagement and change management were issues that were given little attention by leaders. Periodical strikes and unsatisfactory services offered were as a result of non-engagement of key industry stakeholders such as drivers, touts, and service representative employees, commuters, investors, the Government and other like-minded agencies during decision making process. Change management and training of workers were issues not given the attention deserved to transform the sector. Some of the employees of the Sacco's were semi-illiterate and did not have the necessary training to enable them improve their services. Issues of managing changes in the industry were hampered by inability of leaders to adopt appropriate strategic initiatives to enhance performance of the Sacco's.

Conclusion

It was established that most of the Sacco's adopted autocratic style of management. Therefore, it was concluded that, it was the responsibility of top leadership to adopt a combination of management styles to influence employee behaviors. It is through participative leadership that organizations would realize change implementation and enhanced productivity.

Recommendation

It was established by the study that most of the Sacco's in the Public Transport Sector in Kenya did not embrace strategic leadership initiatives such as formulation of objectives that reflect the vision and mission. Further, it was noted that change management was a key challenge among Sacco's. Therefore, this study recommended that management boards of Sacco's should strive and engage other partners to help them develop

strategic plans and policies to enable them run their Sacco's with a clear vision , mission and goals. Further, it was noted that most leaders were incapable of influencing workers to adapt to new regulation enacted by authorities such as traffic police department and NTSA. Therefore, this study recommended that leaders of Sacco's should be engaged based on their qualifications and previous experience. Further, leaders need to attend strategic leadership courses to enable them formulate better policies to enhance competitiveness of the sector.

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