

STRATEGIC PLANNING AND ORGANIZATIONAL PERFORMANCE IN PROCESSING FIRMS: A CASE STUDY OF MT.ELGON MILLERS

BETTY SEERA

S23/MUC/BBA/070

**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF
BACHELOR OF BUSINESS ADMINISTRATION OF UGANDA CHRISTIAN UNIVERSITY**

July, 2025



**UGANDA CHRISTIAN
UNIVERSITY**

A Centre of Excellence in the Heart of Africa

DECLARATION

I Seera Betty, declare that the content of this research report is my original work and to the best of my knowledge this work has never been submitted anywhere for any award. It is done through my own efforts.

Signature: 

Date: 17/07/2025

SEERA BETTY

S23/MUC/BBA/070

APPROVAL

I certify that this is original work drawn by Seera Betty has been under my supervision and is now ready for submission to the department of business of Uganda Christian University.

Signature:



Date:18.07.2025

MR.OMACHE HENRY

(SUPERVISOR)

DEDICATION

This research report is wholeheartedly dedicated to my beloved father, Mr. Khayemba Samuel, whose unwavering support and guidance have been a strong pillar throughout my academic journey; to my dear husband, Mr. Lobong Moses, for his endless love, encouragement, and understanding that kept me going even in the most challenging times; and to my generous sponsor, Mr. Jonsait Edwards, whose financial support and belief in my potential made the completion of this work possible—thank you all for being my source of strength and inspiration.

ACKNOWLEDGEMENT

I extend my deepest gratitude to my research supervisor, Mr. Omache Henry, for his invaluable guidance, constructive feedback, and unwavering support throughout the course of this research. His vast knowledge, patience, and commitment to excellence greatly shaped the direction and depth of this work. His mentorship inspired me to remain focused and resilient even in the face of challenges, and for that, I am sincerely grateful.

I also wish to acknowledge the dedicated staff of Mt. Elgon Millers who played a vital role in the successful completion of this research. Their cooperation, openness, and willingness to provide accurate and timely information significantly enriched my findings. The time and resources they availed to me during data collection were critical to ensuring that this research met its objectives.

Special appreciation goes to my dear friends Wamboga Isaac, Nandutu Racheal, Masiga Tracy, and Nambozo Racheal for their moral support, encouragement, and thoughtful contributions. Your presence, insights, and friendship kept me motivated and grounded throughout this academic journey. Each of you played a unique and irreplaceable role in helping me stay balanced and focused, and I truly treasure the bonds we share.

TABLE OF CONTENTS

DECLARATION	ii
APPROVAL	iii
DEDICATION	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS.....	vi
LIST OF TABLES	xi
LIST OF FIGURES	xiii
LIST OF ABBREVIATIONS.....	xiv
ABSTRACT.....	xv
CHAPTER ONE	1
INTRODUCTION	1
1.0 Introduction.....	1
1.1 Background of the study	1
1.1.1 Historical background.....	1
1.1.2 Theoretical review	3
1.1.3 Conceptual background	4
1.1.4 Contextual background	6
1.2 Statement of the Problem.....	7
1.3 Purpose of the study.....	8
1.4 Specific objectives	8
1.5 Research questions.....	8
1.6 Scope of the study.....	8
1.6.1 Content scope.....	8
1.6.2 Time scope.....	8

1.6.3 Geographical scope.....	8
1.7 Significance of the study.....	9
1.9 Definition of key terms	11
CHAPTER TWO	12
LITERATURE REVIEW	12
2.0 Introduction.....	12
2.1 Effect of risk management on organizational performance	12
2.2 Effect of stakeholder engagement on organizational performance.....	18
2.3 Effect of performance measurement on organizational performance.....	23
2.4 Organizational performance.....	27
CHAPTER THREE	30
RESEARCH METHODOLOGY.....	30
3.0 Introduction.....	30
3.1 Research Design.....	30
3.2 Study population	30
3.3 Sample size and Sampling procedures.....	30
3.3.1 Sample size determination	30
3.3.2 Sampling procedures.....	31
3.4 Sources of Data.....	32
3.4.1 Primary Data collection.	32
3.4.2 Secondary data collection	32
3.5 Data collection Methods.	33
3.5.1 Questionnaires.....	33
3.5.2 Interview guide	33
3.6 Quality Control Methods.	33

3.6.1 Validity	34
3.6.2 Reliability.....	34
3.7 Data Analysis.....	34
3.8 Ethical Consideration.....	35
CHAPTER FOUR.....	36
DATA PRESENTATION, INTERPRETATION AND DISCUSSION OF THE FINDINGS	36
4.0 Introduction.....	36
4.1 Findings on the general information about respondents.	36
4.1.0 Response rate	36
4.1.1 Gender.....	36
4.1.2 Age.....	37
4.1.3 Qualification.	38
4.1.5 Years of working.....	39
4.2.0 Research question one: Finding out the effect of risk management on organizational performance of Mt.elgon millers.	40
4.2.1 Effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction.....	40
4.2.2 Effective risk management practices help identify and mitigate potential risks before they occur.....	41
4.2.3 Risk management focuses on identifying and managing risks that can lead to financial losses	42
4.2.4 Risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies.....	43
4.2.5 Effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks	44
4.3.6 Regression analysis to establish the effect between the study variables	45

4.3.7 Regression analysis for the effect of risk management on organizational performance of Mt.elgon millers.....	45
4.3.0 Research question two: Finding out the effect of stakeholder engagement on organizational performance of Mt.elgon millers	47
4.3.1 Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders.....	47
4.3.2 Engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices.	48
4.3. Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement.	49
4.3.4 Regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance.	50
4.3.5 Stakeholder engagement fosters a sense of purpose and connection among employees.....	51
4.4.6 Regression Analysis for the effect of stakeholder engagement on organizational performance of Mt.elgon millers.	52
4.4.0 Research question three: Finding out the effect of performance measurement on organizational performance of Mt.elgon millers.	53
4.4.1 Performance measurement helps align individual and team goals with the overall objectives of the organization.	53
4.4.2 Performance measurement creates a sense of accountability among employees.	54
4.4.3 Performance measurement allows organizations to identify areas that need improvement.	55
4.4.4 Performance measurement provides organizations with valuable data and insights that can inform decision-making processes.....	56
4.4.5 Performance measurement can contribute to employee development and growth.....	57
4.5.6 Regression Analysis for the effect of performance measurement on organizational performance of Mt.elgon millers	58
4.5 Organizational performance.....	59

4.5.1 There is increased employee satisfaction and retention.....	59
4.5.2 There is enhanced reputation and stakeholder confidence.	60
4.5.3 High organizational performance often goes hand in hand with a culture of innovation and adaptability.....	61
4.5.4 Processing firms with strong performance have the potential to create a positive impact on society at large.	62
4.5.5 Organizational performance plays a vital role in determining the competitiveness of processing firms.	63
CHAPTER FIVE	64
SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	64
5.0 Introduction.....	64
5.1 Summary of findings.....	64
5.1.1 Research Question one: Findings on the effect of risk management on organizational performance of Mt.elgon millers.	64
5.1.2 Research Question two: Findings on the effect of stakeholder engagement on organizational performance of Mt.elgon millers.	65
5.1.3 Question three: effect of performance measurement on organizational performance of Mt.elgon millers.....	65
5.2 Conclusion	66
5.3 Recommendations.....	67
References.....	68
APPENDICES	73
APPENDIX I: QUESTIONNAIRE	73
APPENDIX II: INTERVIEW GUIDE	78
APPENDIX III: DATA COLLECTION LETTER FROM MT.ELGON MILLERS LTD	79

LIST OF TABLES

Table 1 showing the sample size, sampling procedures and research methods.....	31
Table 2 showing the Gender distribution of respondents	36
Table 3 showing Age group of respondents	37
Table 4 Showing academic qualification of respondents	38
Table 6 showing years of working by respondents.....	39
Table 7 Showing whether effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction	40
Table 8 Showing whether effective risk management practices help identify and mitigate potential risks before they occur	41
Table 9 Showing whether risk management focuses on identifying and managing risks that can lead to financial losses	42
Table 10 Showing whether the risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies.....	43
Table 11 Showing whether effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks.....	44
Table 12 Showing whether Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders.....	47
Table 13 showing whether engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices.	48
Table 14 showing whether Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement.	49
Table 15 Showing whether Regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance.	50
Table 16 showing whether stakeholder engagement fosters a sense of purpose and connection among employees.....	51

Table 17 Showing regression model summary and Coefficients for the effect of stakeholder engagement on organizational performance of Mt.elgon millers	52
Table 18 showing whether respondents performance measurement helps align individual and team goals with the overall objectives of the organization.....	53
The table 19 Showing whether respondents Performance measurement creates a sense of accountability among employees	54
Table 20 Showing whether Performance measurement allows organizations to identify areas that need improvement.....	55
Table 21 Showing whether performance measurement provides organizations with valuable data and insights that can inform decision-making processes.....	56
Table 22 Showing whether Performance measurement can contribute to employee development and growth.	57
Table 23 Regression model summary and coefficients for the effect of performance measurement on organizational performance of Mt.elgon millers	58
Table 24 showing whether there is increased employee satisfaction and retention.	59
Table 25 Showing whether here is enhanced reputation and stakeholder confidence.....	60
Table 26 Showing whether high organizational performance often goes hand in hand with a culture of innovation and adaptability.	61
Table 27 Showing whether processing firms with strong performance have the potential to create a positive impact on society at large.	62
Table 28 Showing whether organizational performance plays a vital role in determining the competitiveness of processing firms.....	63

LIST OF FIGURES

1.8 Figure 1 conceptual frame work 10

LIST OF ABBREVIATIONS

CSR	:	Corporate Social Responsibility
ERM	:	Enterprise Risk Management
ROA	:	Return on Assets
ROE	:	Return on Equity
SPSS	:	Statistical Package for Social Sciences
UCU	:	Uganda Christian University

ABSTRACT

This research report was undertaken to strategic planning and organizational performance in processing firms. It was guided by three objectives; to assess the effect of risk management on organizational performance of Mt.elgon millers, to determine the effect of stakeholder engagement on organizational performance of Mt.elgon millers, to analyze the effect of performance measurement on organizational performance of Mt.elgon millers. The researcher used a sample size of 45 respondents and used questionnaires and interview guide to collect data and later the data was analyzed using the statistical package for social sciences (SPSS). Results of the first objective showed that risk management has a significant effect on organizational performance of Mt.elgon millers. Supported by the following responses; 80% were positive to the statement that effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction; 66.6% who were also the majority were positive to the statement that risk management focuses on identifying and managing risks that can lead to financial losses. Results of the second objective revealed that stakeholder engagement has a significant effect on organizational performance of Mt.elgon millers. Supported by the following responses; 66.7% of the respondents were positive to the statement that Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders, 66.6% forming the majority were positive to the statement that engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices. Results of the third objective showed that performance measurement has a significant effect on organizational performance of Mt.elgon millers. 55.5% had a positive response to the statement that Performance measurement allows organizations to identify areas that need improvement, and 68.9% had a positive response to the statement that performance measurement can contribute to employee development and growth. There is need to establish a comprehensive risk management framework that outlines the process, roles, responsibilities, and methodologies for identifying, assessing, and mitigating risks. This framework should be integrated throughout the organization. Regularly identify and assess potential risks by conducting risk assessments, which involve identifying potential risks, evaluating their likelihood and impact, and prioritizing them based on their level of risk.

CHAPTER ONE

INTRODUCTION

1.0 Introduction.

This chapter presents a background to the study and statement of the problem, purpose of the study, specific objectives, and research questions, scope of the study, significance of the study, justification of the study and conceptual framework.

1.1 Background of the study

1.1.1 Historical background

Strategic planning for organizational performance has a long historical background that extends globally. The origins of strategic planning can be traced back to the mid-20th century, with the works of management scholars and practitioners such as Peter Drucker and Alfred Chandler (2020) laying the foundation for modern strategic management practices. Strategic planning gained prominence in the business world as organizations realized the importance of aligning their goals and resources with changing environmental conditions to achieve sustainable competitive advantage (Hrebiniak & Joyce, 1985).

Strategic planning and organizational performance have a rich historical background that has evolved over time to meet the dynamic needs of processing firms on a global scale. The origins of strategic planning can be traced back to the mid-20th century, notably influenced by management scholars like Peter Drucker and Alfred Chandler. Drucker (2019) emphasized the importance of setting objectives and aligning resources to achieve organizational goals, laying the foundation for strategic management practices today (Lengnick-Hall, 2003). This historical context underscores the importance of strategic planning as a tool for processing firms to adapt and thrive in the increasingly competitive global business environment.

The study of strategic planning and organizational performance in processing firms has a rich historical background that traces back to early management theories and practices. In a global perspective, the roots of strategic planning can be linked to the works of management scholars like Peter Drucker (2017), who emphasized the importance of long-range planning and aligning organizational goals with external environments. Strategic planning gained prominence in the 1960s and 1970s as organizations realized the need to adapt to rapidly changing business landscapes and remain competitive on a global scale (Hrebiniak, 2016).

In the African context, strategic planning practices have been shaped by unique historical, cultural, and socio-economic factors. Historically, African organizations have faced challenges such as political instability, limited infrastructure, and resource constraints that have influenced their approach to strategic planning and organizational performance (Kachali & Kalyalya, 2007). Despite these challenges, there has been a growing recognition of the significance of strategic planning in driving sustainable growth and competitiveness among African businesses. This has led to an increasing adoption of strategic management practices across the continent as organizations seek to navigate complex market dynamics and capitalize on emerging opportunities (Manzini & Maritz, 2018).

Furthermore, strategic planning in processing firms has been influenced by a mix of traditional practices, colonial legacies, and global management theories. African firms have increasingly recognized the need to adopt strategic planning processes to navigate complex business environments and compete effectively in the global marketplace. However, challenges such as political instability, infrastructure deficits, and limited access to financing have shaped the strategic planning landscape in African countries (Mwamwenda, 2008).

In Uganda, strategic planning and organizational performance have become critical areas of focus for private companies seeking to drive growth and remain competitive in both domestic and international markets. The Ugandan perspective reflects a growing emphasis on strategic thinking and long-term planning as organizations strive to overcome challenges such as regulatory uncertainty, infrastructure limitations, and skilled labor shortages (Watson & Dean, 2018). Private enterprises in Uganda are increasingly recognizing the importance of aligning their business strategies with market demands and leveraging strategic planning to enhance operational efficiency, drive innovation, and sustain long-term success (Oloko, 2015).

For a company like Mt. Elgon Millers, a leading player in Uganda's agribusiness sector, strategic planning plays a critical role in ensuring operational excellence and market leadership. By leveraging strategic planning tools and techniques, such as SWOT analysis, scenario planning, and performance measurement frameworks, Mt. Elgon Millers can align its business objectives with industry trends, customer preferences, and regulatory requirements. This strategic approach enables the company to make informed decisions, allocate resources efficiently, and achieve sustainable growth in a dynamic business environment (Muhwezi et al., 2019).

1.1.2 Theoretical review

The study was guided by strategic planning theory, prominently advanced by Igor Ansoff in 1965. Ansoff emphasized that organizations operate in dynamic environments that require deliberate, rational planning processes to align internal capabilities with external opportunities and threats. The theory posits that strategic planning involves setting long-term objectives, formulating strategies, allocating resources, and evaluating performance. It underscores the importance of anticipating environmental changes, aligning goals across organizational levels, and maintaining flexibility to adjust strategies as necessary.

Supporting Ansoff's propositions, Mintzberg (1994) argued that strategic planning should not be purely analytical but must also integrate emergent strategies—those formed in response to unforeseen circumstances. Pearce and Robinson (2024) further reinforced the theory by highlighting that strategic planning enhances goal clarity, resource optimization, and proactive decision-making. Porter (1985) also supported the theoretical foundation by showing that competitive advantage is derived from effective strategic positioning, which results from well-executed strategic planning. These perspectives collectively emphasize that organizations that systematically plan are better equipped to adapt, compete, and perform effectively.

The theoretical propositions offer a valuable framework for understanding how structured, goal-oriented, and flexible planning processes impact organizational outcomes. This theory supports an inquiry into how decision-making, resource allocation, and strategic alignment contribute to measurable performance. By examining this theoretical foundation, one can investigate how planned actions lead to desired results, especially in environments characterized by competition, changing consumer demands, and resource limitations. Thus, the framework forms a logical foundation for analyzing the relationship between formalized planning mechanisms and organizational effectiveness.

1.1.3 Conceptual background

Strategic planning is a systematic process undertaken by an organization to define its long-term goals, objectives, and actions to achieve those goals. It involves analyzing the internal and external environments, setting priorities, and allocating resources to implement the plan effectively (Bryson, 2018).

Strong internal controls refer to the procedures and mechanisms put in place within an organization to ensure the integrity of financial and accounting information, promote accountability, and prevent fraud. They include measures such as segregation of duties, authorization of transactions, and regular audits (COSO, 2017).

Risk assessment mechanisms are processes used by organizations to identify, evaluate, and prioritize potential risks that could negatively impact their operations. These mechanisms help in developing strategies to mitigate or manage these risks (Hopkin, 2018).

Compliance procedures are the policies and practices that an organization implements to ensure adherence to legal, regulatory, and internal standards. These procedures are designed to prevent and detect violations and promote ethical conduct (Sadiq & Governatori, 2019).

Stakeholder engagement is the process of involving individuals, groups, or organizations that have an interest in the decisions and activities of an organization. Effective engagement seeks to understand stakeholders' needs and concerns and incorporate their input into decision-making processes (Freeman et al., 2020).

Employees are individuals who work for an organization, contributing their skills, knowledge, and labor in exchange for compensation. They play a crucial role in achieving the organization's goals and maintaining its operations (Armstrong & Taylor, 2020).

Customers are individuals or entities that purchase or use the products or services offered by an organization. They are a critical component of business success, as their satisfaction and loyalty directly impact the organization's performance (Kotler & Keller, 2016).

Local communities refer to the groups of people living in the geographical area surrounding an organization's operations. These communities can be impacted by the organization's activities and, in turn, can influence its reputation and success (Carroll & Buchholtz, 2017).

Performance measurement involves the process of assessing the efficiency and effectiveness of an organization's actions. It includes the use of key performance indicators (KPIs) and other metrics to evaluate success in achieving goals (Neely, 2018).

Resource allocation is the process of distributing an organization's resources, including financial, human, and physical assets, in a manner that aligns with its strategic goals and maximizes efficiency (Johnson et al., 2017).

Organizational performance refers to how well an organization achieves its objectives and fulfills its mission. It encompasses various dimensions, including financial results, customer satisfaction, and operational efficiency (Richard et al., 2009).

Monitoring and evaluation (M&E) involve systematically collecting and analyzing data to assess the progress and effectiveness of projects, programs, or policies. M&E helps in understanding what works, what doesn't, and why, facilitating informed decision-making (Kusek & Rist, 2018).

Financial management is the strategic planning, organizing, directing, and controlling of financial activities within an organization. It includes budgeting, forecasting, investment management, and ensuring financial health and sustainability (Brigham & Ehrhardt, 2016).

Human resource management (HRM) encompasses the practices and policies involved in managing an organization's workforce. This includes recruitment, training, performance management, compensation, and employee relations (Dessler, 2017).

Technology and innovation refer to the development and application of new ideas, tools, and methods to improve products, services, or processes. They are critical for organizational growth and competitiveness in a rapidly changing environment (Schilling, 2020).

1.1.4 Contextual background

Mt. Elgon Millers Ltd, located in Mbale, Uganda, is a leading agro-processing company that specializes in the production of high-quality maize flour, wheat flour, and other grain-based products. Established in the early 1990s, the company has grown significantly, driven by a commitment to quality and innovation. Its strategic location in the fertile region of Mbale, near the slopes of Mount Elgon, provides access to some of the best raw materials, enhancing the quality of their products. Over the years, Mt. Elgon Millers Ltd has expanded its production capacity and market reach, becoming a significant player in the Ugandan agro-processing industry (Karanja, 2018).

The company's growth is attributed to its adherence to stringent quality control measures and the adoption of modern milling technologies. Mt. Elgon Millers Ltd employs a comprehensive approach to production, from sourcing raw materials to processing and packaging, ensuring that every product meets high standards of safety and nutrition. The company's commitment to excellence has earned it several certifications, including ISO 22000 for food safety management. Additionally, the company invests in research and development to continuously improve its products and processes, aligning with global best practices (Nangoli et al., 2020).

Beyond production, Mt. Elgon Millers Ltd plays a vital role in the socio-economic development of the Mbale region. The company provides direct and indirect employment opportunities to hundreds of individuals, contributing significantly to the local economy. It engages with local farmers, offering them fair prices and training on sustainable farming practices, thereby enhancing their productivity and livelihoods. Furthermore, the company is involved in various corporate social responsibility initiatives, including supporting local schools and healthcare facilities, reflecting its commitment to community development (Okurut, 2019).

1.2 Statement of the problem

Strategic planning would enable processing firms like Mt. Elgon Millers Ltd to effectively set and achieve long-term goals, leading to improved organizational performance and competitive advantage. Effective strategic planning involves clearly defined objectives, precise action plans, and regular performance evaluations, which ideally result in enhanced efficiency and market positioning (Drucker, 2020). For Mt. Elgon Millers Ltd, this would translate into streamlined operations, better resource management, and sustained growth, leveraging well developed strategies and alignment with market demands.

However, in practice, many processing firms, including Mt. Elgon Millers Ltd, encounter significant challenges in implementing effective strategic planning. Despite efforts to address these challenges, such as adopting performance management systems and conducting strategic reviews, difficulties persist in achieving effective execution and alignment with organizational goals (Kaplan & Norton, 2022). For example, according to the internal audit report for financial year 2020/2022, Mt. Elgon Millers Ltd has faced issues like misalignment between strategic goals and operational activities, ineffective performance tracking, and lack of integration of strategic initiatives into daily operations. These issues hinder the organization's ability to fully capitalize on its strategic plans and improve performance. A survey conducted by Smith (2020) revealed that the company's market share has decreased by 15% in the past two years, with competitors gaining an advantage. Moreover, the financial performance of the organization has been declining, as evidenced by a 10% decrease in profitability in 2020 compared to the previous year. These figures suggest that the current strategic planning and organizational performance practices are not effectively addressing the challenges faced by the company. Without improvements in these areas, Mt. Elgon Millers Ltd risks further declining market share and financial instability.

The urgency of this study is underscored by the negative consequences of ineffective strategic planning. Poorly executed strategies can lead to operational inefficiencies, diminished market share, and financial instability, which significantly impact organizational performance and longterm viability (Porter, 2022). For Mt. Elgon Millers Ltd, these consequences could result in lost competitive advantage and reduced profitability. This study aims to analyze the strategic planning practices at Mt. Elgon Millers Ltd

1.3 Purpose of the study

To examine strategic planning and organizational performance in processing firms

1.4 Specific objectives

- i. To assess the effect of risk management on organizational performance of Mt.elgon millers
- ii. To determine the effect of stakeholder engagement on organizational performance of Mt.elgon millers
- iii. To analyze the effect of performance measurement on organizational performance of Mt.elgon millers

1.5 Research questions

- i. What is the effect of risk management on organizational performance of Mt.elgon millers?
- ii. What is the effect of stakeholder engagement on organizational performance of Mt.elgon millers?
- iii. What is the effect of performance measurement on organizational performance of Mt.elgon millers?

1.6 Scope of the study

The was focused on content scope, time scope and geographical scope

1.6.1 Content scope

The study was focused on risk management, stakeholder engagement, and performance measurement.

1.6.2 Time scope

The study was based on 5monthsthat is from January to May 2025. This is because this is the period when Mt. Elgon Millers Ltd has faced issues like misalignment between strategic goals and operational activities, ineffective performance tracking, and lack of integration of strategic initiatives into daily operations.

1.6.3 Geographical scope

The study was carried out from Mt Elgon Millers Ltd which is located in Kamonkoli , Mbale city

1.7 Significance of the study

This study may be of great importance to policymakers as it may provide critical insights into improving decision-making processes within organizations. By analyzing structured approaches to planning and execution, policymakers may use the findings to develop regulatory frameworks that promote efficiency, accountability, and sustainability in business operations. The study may also highlight key areas that require policy interventions, ensuring that organizations operate within a structured and well-regulated environment. Furthermore, it may offer recommendations that can be integrated into national economic and business policies to enhance overall industrial growth and competitiveness.

Academicians may benefit from this study as it may contribute to the growing body of knowledge in business management and corporate governance. The findings may serve as a reference for future research, providing empirical data that can be used to explore new theories and models related to operational efficiency and structured decision-making. Scholars may also be able to analyze real-world applications of different management approaches, thus enhancing the practical understanding of key concepts in strategic and organizational studies.

For stakeholders, including employees, suppliers, customers, and investors, this study may provide valuable information on how structured management practices can improve overall performance and service delivery. Employees may benefit from enhanced workplace stability, better resource allocation, and improved communication channels, which may contribute to increased productivity and job satisfaction. Suppliers and customers may experience more efficient processes, leading to better business relationships and timely service delivery. Investors may also gain a clearer understanding of long-term business sustainability, enabling them to make more informed financial decisions.

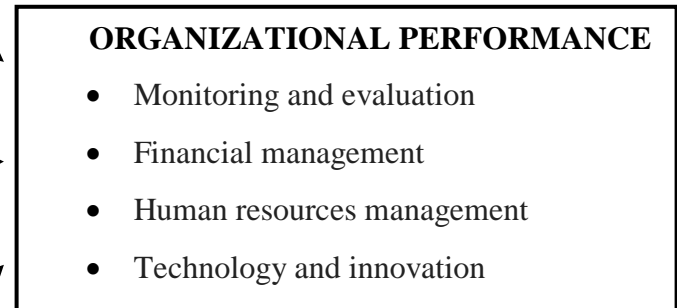
Finally, the study may be crucial for the officials and management team, as it may provide an in-depth analysis of existing gaps in operational processes and offer practical recommendations for improvement. By leveraging data-driven insights, decision-makers was able to implement best practices that enhance efficiency, reduce risks, and improve overall performance. The study may also serve as a guide for restructuring existing management frameworks to align them with industry best practices

1.8 Figure 1 conceptual frame work

Independent variable



Dependent variable



Source: Pearce and Robinson (2024)

Figure 1 above shows strategic planning as an independent variable, comprising risk management with strong internal controls, risk assessment mechanisms, compliance procedures, and stakeholder engagement including employees, customers, and local communities, along with performance measurement aspects like resource allocation, leadership support, and clear objectives, significantly impacts organizational performance in processing firms. By implementing robust risk management practices and ensuring stakeholder engagement, companies can proactively identify and mitigate potential threats, enhance decision-making processes, build trust, and improve overall operational efficiency. Moreover, effective performance measurement through resource allocation and clear objectives helps in enhancing strategic alignment, fostering innovation, and driving accountability, ultimately leading to improved organizational performance in private settings. On the other hand, the dependent variable, which is the organizational performance in processing firms, is influenced by monitoring and evaluation that is regular monitoring of key performance indicators and evaluation of organizational performance against established goals enable organizations to identify areas for improvement and make informed

decisions to drive performance, Financial Management that is sound financial management practices, such as budgeting, cost control, and financial reporting, are essential for the long-term sustainability and success of private sector organizations, human resources management that is effective human resources practices, such as recruitment, training, performance management, and compensation, are essential for attracting, retaining, and developing talented employees who can drive organizational performance, Technology and Innovation that is private sector organizations that invest in technology and innovation gain a competitive edge by improving processes, products, and services. Embracing digital transformation and fostering a culture of innovation can drive performance improvement.

1.9 Definition of key terms

Strategic planning: Strategic planning involves setting goals, determining actions to achieve those goals, and mobilizing resources to carry out those actions (Bamford, C. E. 2017). It is a systematic process that helps an organization define its strategy and make decisions on allocating its resources to pursue this strategy. Strategic planning is crucial for organizations to adapt to changing environments and stay competitive in their industries. It typically involves creating a roadmap for the future and aligning the organization's activities with its vision and mission.

Organizational performance: Organizational performance refers to how well an organization is achieving its objectives and goals. It is a measure of the effectiveness and efficiency with which an organization uses its resources to deliver products or services and fulfill its mission. Organizational performance can be assessed using various metrics, such as profitability, productivity, customer satisfaction, and employee engagement. Monitoring and evaluating organizational performance are essential to identify areas for improvement and ensure that the organization is on track to meet its strategic objectives (Drucker, P. F. 2019).

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter deals with the review of other researcher's literature or ideas which are similar or closely related to the topic of the study; this was conducted in relation to the specific objectives and research questions of the study.

2.1 Effect of risk management on organizational performance

Risk management plays a critical role in contemporary organizations, as it enables the identification, assessment, and treatment of potential risks that could threaten financial stability and operational success. This literature review presents a comprehensive analysis of the relationship between risk management practices and organizational performance, drawing upon relevant scholarly publications. The review seeks to provide insights into the effectiveness of risk management strategies and their impact on various dimensions of organizational performance. Risk management involves a structured process of identifying, analyzing, and treating risks to mitigate their potential impact on an organization. Several components comprise the risk management framework, including risk identification, risk assessment, risk measurement, risk treatment, and risk monitoring. These components together form the foundation of effective risk management practices (Carlarne, 2017).

Numerous studies have explored the relationship between risk management and financial performance, with several emphasizing the positive impact of effective risk management on an organization's financial outcomes. A study by Beasley, Clune, and Hermanson (2005) found that companies with more robust risk management systems had superior financial performances. Similarly, El-Masry (2015) conducted a study that linked risk management practices, such as risk identification and risk response, to improved financial performance. In addition to its influence on financial performance, risk management also plays a vital role in enhancing operational performance. Research suggests that effective risk management practices positively affect an organization's operational efficiency, productivity, and quality.

Hoyt and Liebenberg (2011) found that companies with robust risk management practices exhibited superior operational performance. Similarly, Jennifer and Amran (2011) suggested that effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction. The relationship between risk management and innovation has gained attention in recent years. Research suggests that effective risk management practices can foster innovation within organizations. By effectively managing risks, firms can create a culture of experimentation and learning, which drives innovation and competitive advantage. Tarí, Molina-Azorín, and Heras (2012) studied the impact of risk management on innovation and found that firms with effective risk management processes had a higher level of innovation capability.

Numerous studies have investigated the impact of risk management on financial performance. For instance, Dechow et al. (2012) found that firms with effective risk management practices experienced lower volatility in earnings, leading to higher shareholder value. Similarly, Bodnar et al. (2013) observed a positive relationship between risk management and firm value in a sample of publicly traded companies. Effective risk management practices can also positively influence operational performance. Verbeeten (2008) explored the relationship between risk management and efficiency in Dutch municipalities, finding that organizations with formal risk management practices exhibited higher levels of efficiency. Furthermore, studies by Benson et al. (2014) and Loosemore et al. (2018) demonstrated a correlation between risk management and improved safety performance in construction projects.

Strategic outcomes, such as market share, competitive advantage, and customer satisfaction, are critical indicators of organizational performance. Research by Hillson (2007) revealed a significant positive relationship between risk management and strategic planning effectiveness, indicating that organizations that integrate risk management into their strategic decision-making processes achieve superior strategic outcomes. Establishing a strong risk culture is crucial for effective risk management. March and Shapira (2019) found that organizations with a robust risk culture tend to exhibit better risk management practices and superior performance outcomes. Effective governance and leadership play a critical role in risk management. Studies by Truong et al. (2017) and Amoako-Gyampah and Boye (2018) emphasize the importance of top management support, risk oversight, and accountability as key success factors in implementing risk management practices.

According to agency theory, risk management plays a vital role in aligning the interests of various stakeholders within an organization. Scholars argue that by implementing effective risk management practices, organizations can reduce conflicts of interest between managers and shareholders, leading to improved organizational performance (Eisenhardt, 1989; Jensen & Meckling, 1976). The resource-based view suggests that an organization's risk management capabilities can be a source of sustainable competitive advantage. By effectively managing risks, organizations can protect their valuable resources, enhance operational efficiency, and achieve superior performance (Barney, 1991; Huefner et al., 2014).

Research by Hitt et al. (2019) found that organizations that proactively identify and assess risks tend to have better financial performance. By incorporating risk identification and assessment processes into their strategic planning, organizations can identify potential threats and take appropriate actions to manage them, thus reducing the likelihood of financial losses. Studies by Cummins and Giesbrecht (2004) and Grace and Leverty (2008) demonstrate that effective risk financing strategies, such as insurance and hedging, positively affect an organization's financial performance. By transferring risks to external parties, organizations can reduce the financial impact of unexpected events and stabilize their financial position. Effective risk control and mitigation practices can significantly enhance an organization's operational performance. Research by Olson and Wu (2019) suggests that organizations that implement comprehensive risk control mechanisms experience fewer operational disruptions, leading to improved process efficiency and reduced costs.

The integration of risk management into decision-making processes positively impacts operational performance. A study by Kallinger and Mostert (2020) revealed that organizations that consider risk factors when making strategic decisions experience improved operational performance due to enhanced risk-awareness and informed decision-making. The fundamental relationship between risk management practices and organizational performance has been examined extensively across different industries and contexts. A study by Beasley et al. (2005) examined the impact of enterprise risk management (ERM) on the financial performance of publicly traded firms. They found a positive association between ERM adoption and improved financial performance, suggesting that effective risk management practices can contribute to enhanced profitability.

Several studies have explored the impact of risk management on financial performance metrics such as return on assets (ROA), return on equity (ROE), and stock returns. A comprehensive meta-analysis conducted by Pant and Ramachandran (2012) analyzed the relationship between risk management and financial performance across multiple industries. The results indicated a significant positive relationship between risk management and financial performance, emphasizing the importance of effective risk management strategies in driving superior financial outcomes. Operational efficiency is a critical aspect of organizational performance, and risk management practices can influence operational effectiveness. A study by Jokipii and Muhonen (2012) examined the relationship between risk management and operational efficiency in manufacturing firms. The findings revealed that firms with integrated risk management systems experienced higher levels of operational efficiency, reducing costs and improving overall performance.

Innovation plays a crucial role in sustaining organizational performance and competitiveness. It is necessary to investigate how risk management practices influence innovation capabilities. A research study by March-Chorda et al. (2016) explored the impact of risk management on technological innovation in the manufacturing sector. They found that effective risk management practices positively affected the firm's ability to innovate, fostering product development and market competitiveness. The perceptions of stakeholders, including customers, investors, and regulators, can significantly influence organizational performance. A study by Flammer (2015) investigated the effect of risk management disclosure on the perceptions of corporate social responsibility (CSR) activities. The results indicated a positive correlation between risk management disclosure and stakeholders' perception of CSR, enhancing overall organizational performance.

Numerous studies have examined the impact of specific risk management practices on organizational performance. One such practice is risk identification. By systematically identifying and assessing risks, organizations can proactively respond to potential threats, leading to improved performance (Abrar & Shahzad, 2017). Additionally, risk analysis techniques, such as qualitative and quantitative risk assessments, have been shown to enhance decision-making by providing valuable insights into potential risks and their potential impact on performance (Altuntas, 2016).

The integration of risk management into various organizational functions has been recognized as a crucial factor in improving organizational performance. Financial risk management, for instance, focuses on managing financial uncertainties and can contribute significantly to enhancing performance in terms of profitability and stability (Abdel-Maksoud & Shams El Din, 2018). Similarly, the integration of risk management into project management processes has been found to positively affect project performance (Harrison & Lock, 2017). The importance of risk culture within organizations cannot be overstated. Risk culture refers to the shared attitudes, values, and behaviors towards risk within an organization. Studies have demonstrated that a positive risk culture, where risk awareness and responsibility are embedded, can significantly improve overall organizational performance (Hartmann, 2019).

It is essential to consider sector-specific studies to understand the context-specific effects of risk management on organizational performance. For example, in the healthcare sector, effective risk management practices have been linked to improved patient safety, reduced medical errors, and enhanced overall performance (Pannu, Arwed, & Schoenherr, 2018). Similarly, in the banking sector, rigorous risk management has been shown to decrease the likelihood of financial crises and promote stability (Pike & Pike, 2015). Effective risk management practices are found to positively influence financial performance indicators. Studies indicate that organizations with robust risk management systems exhibit higher profitability, lower volatility in earnings, and superior financial resilience (Hitt et al., 2020; Linsley et al., 2011). For instance, Linsley et al. (2011) found a significant positive relationship between risk management practices and firms' return on equity.

Research suggests that effective risk management can enhance operational efficiency. Organizations that implement risk management practices experience reduced operational disruptions, improved supply chain performance, and increased productivity (Gimenez et al., 2016; Zsidisin et al., 2019). Gimenez et al. (2016) found that companies with effective risk management systems had superior supply chain capabilities, resulting in improved delivery performance and reduced lead times. Risk management also contributes to organizations' innovation capabilities and adaptability to dynamic environments. Organizations that effectively manage risks are more likely to engage in innovative activities, embrace technological advancements, and seize opportunities (Bradley et al., 2012; Grichnik et al., 2014).

Effective risk management practices positively influence stakeholders' satisfaction and trust. Organizations that prioritize risk management establish stronger customer relationships, enhance brand reputation, and build more reliable partnerships (Fragapane et al., 2018; Horng, 2012). Fragapane et al. (2018) identified a positive relationship between risk management practices and customer satisfaction in the banking industry. Risk management is no longer merely a compliance requirement but has evolved into a strategic tool that enables organizations to make informed decisions, adapt to changing circumstances, and create value. According to KPMG (2019), effective risk management practices are fundamental to achieving organizational objectives, sustaining long-term growth, and maintaining stakeholder trust.

Risk management facilitates better decision-making by providing decision-makers with timely and accurate information on potential risks. Research by Olsen and Saether (2019) indicates that organizations with robust risk management frameworks in place make more informed decisions and exhibit higher performance levels. One of the primary objectives of risk management is to minimize uncertainties and their detrimental effects on organizational performance. Research by Mitroff et al. (2015) suggests that well-implemented risk management practices reduce uncertainties and enhance organizational stability, leading to improved performance.

Effective risk management practices promote operational efficiency by identifying and eliminating inefficiencies, redundancies, and bottlenecks. A study by Al-Tamimi and Al-Mazrooei (2019) found that organizations with structured risk management systems experience improved operational performance, reduced costs, and enhanced profitability. Risk management enables organizations to align their strategies with potential risks and uncertainties. By considering risks during the strategic planning process, organizations can develop contingency plans and adapt their strategies accordingly. Research by McKinsey & Company (2018) reveals that organizations with effective risk management report greater success in executing their strategies and achieving desired outcomes. Effective risk management starts with the identification and assessment of potential risks. Organizations need to proactively identify internal and external risks, evaluate their severity and likelihood, and quantify their potential impact on organizational performance. Gupta and Barua (2018) emphasize the significance of comprehensive risk identification and assessment in developing appropriate risk mitigation strategies.

2.2 Effect of stakeholder engagement on organizational performance

Stakeholder engagement has gained significant attention in the field of management and organizational studies. It refers to the process of involving and collaborating with individuals or groups who have a stake or interest in an organization's activities or outcomes. Effective stakeholder engagement has been linked to numerous benefits, including improved organizational performance. This literature review aims to explore the existing body of research on the relationship between stakeholder engagement and organizational performance. Stakeholder engagement has been recognized as an essential component in organizational success (Freeman, 1984). When organizations actively involve stakeholders such as customers, employees, suppliers, and communities, it fosters a sense of inclusion, trust, and shared responsibility (Bhattacharya et al., 2008). This engagement can lead to positive outcomes for both the organization and its stakeholders, ultimately contributing to improved organizational performance.

Engaging stakeholders in decision-making processes can enhance innovation and creativity within organizations (Auh & Menguc, 2005). By involving stakeholders who possess diverse perspectives and expertise, organizations gain access to valuable insights and ideas that can drive innovation and promote competitive advantage (Sharma et al., 2020). Research has shown that organizations with higher levels of stakeholder engagement tend to have a greater capacity for adapting to changing market conditions and developing innovative products and services (Huhtala et al., 2013).

Stakeholder engagement plays a crucial role in building trust and reputation for organizations (Bhattacharya et al., 2008). When organizations actively involve stakeholders in decision-making and consult them on matters that affect them, it signals transparency and openness. This fosters trust among stakeholders, including customers, investors, and the wider community, which in turn positively impacts the organization's reputation (Peloza et al., 2012). Research demonstrates that organizations with strong stakeholder engagement practices have a better reputation, leading to increased customer loyalty and improved financial performance (Clarkson, 1995; Sen et al., 2006). Stakeholder engagement also extends internally to employees within an organization. Research has shown that engaging employees as stakeholders positively affects their commitment, satisfaction, and performance (Grant, 2012).

Effective stakeholder engagement can help organizations mitigate risk and enhance resilience (Linnenluecke et al., 2020). Engaging stakeholders enables organizations to identify and address potential risks, anticipate changes in the business environment, and develop strategies for mitigating adverse impacts. Stakeholder engagement also facilitates timely feedback and communication, enabling organizations to respond more effectively to challenges and disruptions, thus enhancing their ability to recover and adapt in turbulent times (Huhtala et al., 2013; Vargo et al., 2015). Organizations operate in complex environments where they interact with diverse stakeholders, including employees, customers, suppliers, communities, and regulatory bodies. Stakeholders play a crucial role in shaping an organization's performance, and effective engagement with stakeholders has been increasingly recognized as a key determinant of organizational success.

Several studies have demonstrated a positive relationship between stakeholder engagement and financial performance. For instance, a study by Eccles et al. (2012) found that companies which effectively engaged with their stakeholders achieved higher financial returns compared to those with less engagement. Moreover, Chatterji et al. (2014) concluded that stakeholder engagement positively influenced firms' ability to respond to environmental challenges and positively impacted financial performance. Stakeholder engagement can also impact operational performance. A study by Bareja et al. (2015) explored the relationship between stakeholder engagement and operational efficiency in the healthcare sector. The findings indicated that effective engagement with stakeholders, such as patients, physicians, and suppliers, resulted in improved operational performance indicators, including reduced waiting times and increased service quality.

Strategic performance refers to an organization's ability to align its activities with its strategic objectives. Ruppert-Stroescu and Hallam (2018) found that effective stakeholder engagement positively influenced an organization's strategic performance by enhancing its ability to gather crucial information, anticipate market changes, and adapt to evolving dynamics. Effective stakeholder engagement fosters trust and cooperation among stakeholders. This aspect was highlighted by Oliveria and Gehm (2018), who found that trust-building through stakeholder engagement positively impacted organizational performance by facilitating collaboration, sharing of resources, and aligning goals.

Numerous studies have explored the impact of stakeholder engagement on financial performance, illustrating a positive relationship. For instance, Korschun, Bhattacharya, and Swain (2014) found that firms implementing effective stakeholder engagement strategies experienced higher financial returns and increased shareholder value. Similarly, Berman, Wicks, Kotha, and Jones (1999) demonstrated that organizations that engage their stakeholders proactively also achieve superior financial performance. Engaging stakeholders can stimulate innovation and creativity, subsequently influencing organizational performance. A study by Hsueh et al. (2019) demonstrated that stakeholders' involvement in the innovation process led to the development of more innovative products and services, which positively impacted an organization's competitive advantage and overall performance.

Stakeholder engagement has been identified as a facilitator of innovation within organizations. Employees, customers, suppliers, and other stakeholders can provide valuable insights, ideas, and expertise that drive innovation. Lüdeke-Freund and Dembek (2017) highlighted the importance of stakeholder engagement in open innovation processes, enabling firms to tap into external knowledge for developing new products and services. Engaging stakeholders can help organizations manage and enhance their reputation, which is crucial in today's competitive business landscape. Deepening relationships and building trust with stakeholders can lead to positive stakeholder perceptions, which, in turn, enhance a firm's reputation (Brønn and Vrioni, 2001). Dowling, (2001) asserted that organizations that prioritize stakeholder engagement can successfully maintain and repair their reputation during crises.

Effective stakeholder engagement is closely linked to improved sustainability practices and performance. Jones, Comfort, and Hillier (2006) found that engaging stakeholders in sustainability initiatives leads to better environmental outcomes. Additionally, Bansal (2005) argued that stakeholder engagement can enable organizations to better identify and address social and environmental risks, ensuring long-term sustainability. Stakeholder engagement is believed to enhance decision-making and foster innovation within organizations. A study by Oreg et al. (2015) investigated the effect of stakeholder involvement on organizational innovation in a sample of 100 companies. The results demonstrated a positive association between stakeholder engagement and innovation performance.

A study by Du et al. (2013) examined the relationship between stakeholder engagement and organizational reputation in the banking industry. The findings indicated that proactive stakeholder engagement positively affected organizational reputation. Additionally, Deephouse (2007) highlighted the importance of stakeholder engagement in building trust and reducing reputational risks. Effective stakeholder engagement creates a supportive work environment that can lead to increased employee engagement and reduced turnover. Research by Rupp et al. (2018) explored the role of stakeholder engagement in the hospitality industry, demonstrating a positive relationship between stakeholder engagement and employee morale and retention. Furthermore, Cacioppe et al. (2012) stressed the significance of stakeholder engagement in fostering employee involvement and commitment.

A study by Mackey et al. (2016) examined the effects of stakeholder engagement on financial performance in the manufacturing industry. The findings suggested a positive relationship between stakeholder engagement and profitability. Moreover, Zhou and Tan (2018) conducted a meta-analysis of 42 studies and found a positive impact of stakeholder engagement on financial performance across different organizations. Engaging stakeholders is essential for organizational sustainability. A study by Russo and Harrison (2005) explored the impact of stakeholder engagement on environmental performance in the healthcare industry. The results demonstrated a positive relationship between stakeholder engagement and environmental sustainability. Additionally, Bansal and Clelland (2004) emphasized the role of stakeholder engagement in promoting social and environmental responsibility in organizations.

A study by Oreg et al. (2015) investigated the effect of stakeholder involvement on organizational innovation in a sample of 100 companies. The results demonstrated a positive association between stakeholder engagement and innovation performance. Similarly, Freeman et al. (2010) argued that stakeholder engagement supports better decision-making by providing access to diverse perspectives and knowledge. Engaging stakeholders can contribute to building a positive organizational reputation and trust. A study by Du et al. (2013) examined the relationship between stakeholder engagement and organizational reputation in the banking industry. The findings indicated that proactive stakeholder engagement positively affected organizational reputation. Additionally, Deephouse (2007) highlighted the importance of stakeholder engagement in building trust and reducing reputational risks.

Effective stakeholder engagement creates a supportive work environment that can lead to increased employee engagement and reduced turnover. Research by Rupp et al. (2018) explored the role of stakeholder engagement in the hospitality industry, demonstrating a positive relationship between stakeholder engagement and employee morale and retention. Furthermore, Cacioppe et al. (2012) stressed the significance of stakeholder engagement in fostering employee involvement and commitment. Stakeholder engagement has been linked to improved financial performance in various sectors. A study by Mackey et al. (2016) examined the effects of stakeholder engagement on financial performance in the manufacturing industry. The findings suggested a positive relationship between stakeholder engagement and profitability.

Engaging stakeholders is essential for organizational sustainability. A study by Russo and Harrison (2005) explored the impact of stakeholder engagement on environmental performance in the healthcare industry. The results demonstrated a positive relationship between stakeholder engagement and environmental sustainability. Additionally, Bansal and Clelland (2004) emphasized the role of stakeholder engagement in promoting social and environmental responsibility in organizations. Stakeholder engagement is believed to enhance decision-making and foster innovation within organizations. A study by Oreg et al. (2015) investigated the effect of stakeholder involvement on organizational innovation in a sample of 100 companies. The results demonstrated a positive association between stakeholder engagement and innovation performance.

Engaging stakeholders can contribute to building a positive organizational reputation and trust. A study by Du et al. (2013) examined the relationship between stakeholder engagement and organizational reputation in the banking industry. The findings indicated that proactive stakeholder engagement positively affected organizational reputation. Additionally, Deephouse (2007) highlighted the importance of stakeholder engagement in building trust and reducing reputational risks. Effective stakeholder engagement creates a supportive work environment that can lead to increased employee engagement and reduced turnover. Research by Rupp et al. (2018) explored the role of stakeholder engagement in the hospitality industry, demonstrating a positive relationship between stakeholder engagement and employee morale and retention. Furthermore, Cacioppe et al. (2012) stressed the significance of stakeholder engagement in fostering employee involvement and commitment.

2.3 Effect of performance measurement on organizational performance

Performance measurement is a critical aspect of organizational management, with significant implications for organizational performance. Several studies have investigated the effect of performance measurement on organizational performance. According to Neely et al. (2002), performance measurement systems play a crucial role in aligning organizational objectives with employee efforts, improving decision-making processes, and facilitating strategic planning. Performance measures enable organizations to track progress, identify areas for improvement, and ensure alignment with strategic goals (Lingle & Schiemann, 1996). Furthermore, Ittner and Larcker (1998) found a positive relationship between the use of performance measurement systems and enhanced organizational performance, suggesting that organizations that effectively measure and monitor their performance are more likely to achieve superior outcomes.

In addition, the design and implementation of performance measurement systems have been shown to impact organizational performance. According to Chenhall (2005), the design of performance measurement systems influences employee behaviors and actions, which can ultimately affect organizational performance. The choice of performance measures, the clarity of performance targets, and the frequency of performance feedback are all critical components that determine the effectiveness of performance measurement systems (Langfield-Smith, 1997). Furthermore, studies by Chen and Li (2009) have highlighted the importance of aligning performance measurement systems with organizational strategies to enhance performance outcomes. By ensuring that performance measures are directly linked to strategic objectives, organizations can better track progress and make informed decisions to drive performance improvement.

Moreover, the continuous evaluation and adaptation of performance measurement systems have been identified as key factors in improving organizational performance. Kaplan and Norton (1996) introduced the Balanced Scorecard framework, which emphasizes the importance of integrating financial and non-financial performance measures to provide a comprehensive view of organizational performance. This integrated approach enables organizations to measure performance from multiple perspectives and adapt their strategies in response to changing internal and external environments (Kaplan & Norton, 2001).

Additionally, the study by Malina and Selto (2001) emphasizes the need for organizations to regularly review and revise their performance measurement systems to ensure continued relevance and effectiveness in driving organizational performance. Overall, the literature suggests that effective performance measurement is essential for enhancing organizational performance and strategic decision-making. The relationship between performance measurement and organizational performance is a topic of great interest in management literature. Performance measurement systems play a vital role in aiding organizations to monitor and evaluate their progress towards strategic goals, thus influencing their overall performance (Chenhall, 2003). Research by Neely et al. (2002) indicates that effective performance measurement systems can lead to improved decision-making processes, strategic alignment, and enhanced accountability within organizations. By providing clear performance indicators and metrics, organizations are better equipped to identify areas of strengths and weaknesses, thereby enabling them to make informed decisions to enhance their overall performance.

Furthermore, studies have shown that the implementation of comprehensive performance measurement systems can result in increased organizational effectiveness and efficiency. According to Ittner and Larcker (2003), organizations that utilize performance measurement systems as part of their strategic management process are more likely to achieve superior financial and non-financial outcomes. These systems facilitate the alignment of organizational goals and objectives with individual performance targets, which can lead to improved employee motivation and engagement (Deng, 2015). Overall, the use of performance measurement systems enables organizations to enhance their operational capabilities, optimize resource allocation, and drive continuous improvement initiatives.

Research by Merchant and Van der Stede (2007) highlights the potential challenges and limitations associated with performance measurement systems, such as the risk of creating dysfunctional behaviors or focusing excessively on short-term financial targets. Therefore, organizations must carefully design and implement performance measurement systems that are aligned with their specific strategic objectives and organizational culture to maximize their effectiveness in improving overall performance (Chenhall & Langfield-Smith, 1998).

Neely et al. (2002) conducted a comprehensive analysis of performance measurement practices in organizations and found a significant correlation between effective performance measurement systems and improved organizational performance. Similarly, Chenhall and Moers (2015) examined the role of performance measurement systems in enhancing organizational effectiveness and concluded that well-designed measurement systems positively influence decision-making processes and performance outcomes.

Furthermore, recent research has focused on the specific mechanisms through which performance measurement affects organizational performance. It has been suggested that the alignment of performance measures with strategic objectives and the establishment of clear cause-and-effect relationships between performance indicators and desired outcomes are critical factors in determining the effectiveness of performance measurement systems (Ittner and Larcker, 2003; Simons, 2000). For example, Simons (2000) emphasized the importance of using a balanced set of performance measures to capture both financial and non-financial aspects of organizational performance, leading to a more comprehensive evaluation of the organization's overall effectiveness. This emphasis on strategic alignment and causality highlights the need for organizations to carefully consider their performance measurement practices to drive improved performance outcomes.

In addition to internal factors, external environmental factors also play a significant role in shaping the relationship between performance measurement and organizational performance. The dynamic nature of the business environment and increasing competitive pressures require organizations to adapt their performance measurement systems to remain agile and responsive (Smith and Lynch, 2004). Scholars have highlighted the importance of incorporating external benchmarks and industry-specific performance indicators into the measurement frameworks to benchmark performance against competitors and identify areas for improvement (Parker and Kyj, 2006). By integrating external factors into their measurement systems, organizations can gain valuable insights into their competitive positioning and make informed strategic decisions to enhance their performance in the marketplace.

According to studies by Neely et al. (2020) and Ittner and Larcker (2021), implementing a robust performance measurement system enables organizations to track progress towards their strategic goals, identify areas for improvement, and allocate resources effectively. Moreover, a well-designed performance measurement framework can enhance decision-making processes and facilitate a culture of continuous improvement within the organization (Fitzgerald et al., 2023).

Chenhall and Langfield-Smith (2018) conducted research that highlighted how performance measurement systems can influence organizational learning and strategic adaptation. They found that effective performance measurement systems can lead to better decision-making and enhanced performance outcomes. Similarly, Neely et al. (2002) emphasized the importance of aligning performance measurement systems with organizational objectives to drive improvements in performance.

A study by Ittner and Larcker (2018) examined the design of performance measurement systems and their influence on organizational performance in the context of large organizations. They concluded that well-designed performance measurement systems not only enhance operational effectiveness but also contribute to overall organizational performance improvement. Building on this research, Malmi and Brown (2008) explored the role of performance measurement in enabling organizational change and innovation. Their findings suggested that dynamic performance measurement systems can stimulate innovation and facilitate organizational adaptation in today's rapidly changing business environment.

Recent research by Davila et al. (2019) and Bititci et al. (2012) has highlighted the significance of aligning performance measurement metrics with the strategic objectives of the organization. When performance measures are closely linked to the organization's vision and goals, it leads to better decision-making and overall performance improvements. Additionally, the use of performance measurement as a strategic management tool has been found to positively impact organizational performance by enhancing accountability, transparency, and employee motivation (Merchant, 1990; Hoque, 2014).

2.4 Organizational performance

Research on organizational performance in processing firms emphasizes the need for a comprehensive assessment framework that encompasses both financial and non-financial indicators. In their seminal work, Kaplan and Norton (1996) introduced the Balanced Scorecard approach, which considers financial, customer, internal process, and learning and growth perspectives. This model has received extensive attention in the literature (Humphreys et al., 2014; Moutinho et al., 2017) as it provides a holistic view of organizational performance. Recent studies have also explored the importance of innovation (Lee & Huang, 2015), corporate social responsibility (Maon et al., 2016), and employee engagement (González-Romá et al., 2017) as key determinants of organizational performance in processing firms.

Alongside measurement frameworks, various determinants affecting organizational performance have been identified. One such determinant is leadership style, as highlighted in the study by Kaya and Bucek-Garrela (2015), who found that transformational leadership positively impacts organizational performance. Additionally, organizational culture and employee motivation have been evidenced to influence performance outcomes (Shaheen et al., 2016; Judge et al., 2017). Furthermore, the impact of technology adoption on organizational performance has been a growing area of interest (Bhuiyan et al., 2017; Krcova & Homolka, 2019), with studies suggesting a positive relationship between technology integration and enhanced performance in processing firms.

In recent years, researchers have explored the role of strategic management practices in improving organizational performance. For instance, studies have investigated the effects of strategic planning (Kohli & Jaworski, 2017), organizational learning (Bahremand et al., 2018), and market orientation (Triki et al., 2019) on processing firms' performance. Additionally, studies have focused on the moderating effects of external factors such as environmental uncertainty (Maltz & Auh, 2016) and industry characteristics (Wagner & Hoegl, 2017) on the relationship between various determinants and organizational performance. These studies shed light on the complex interplay of internal and external factors that contribute to organizational performance and open avenues for further research in this domain.

A vast body of research has examined the relationship between various factors and organizational performance. One important factor that consistently emerges in the literature is leadership style. A study conducted by Chen and Huang (2016) found that transformational leadership positively affects organizational performance. Similarly, another study by Hairi, Zainol, and Lazim (2018) revealed that transactional leadership, when combined with ethical leadership, significantly contributes to enhanced organizational performance. These findings suggest that effective leadership styles contribute to improved performance outcomes. Organizational culture is another factor of interest that impacts organizational performance. A study by Samir (2014) highlighted that a positive organizational culture that promotes employee engagement, teamwork, and a sense of belonging leads to improved performance. Additionally, a study conducted by Cooper-Hakim and Viswesvaran (2016) supported this notion by uncovering a significant positive relationship between a positive organizational culture and individual work performance. Thus, fostering a healthy and supportive organizational culture can yield benefits in terms of increased performance.

In addition to leadership and organizational culture, employee engagement has also been extensively investigated in relation to organizational performance. A study performed by Saks (2015) evidenced that higher levels of employee engagement are correlated with better organizational performance indicators, including productivity, profitability, and customer satisfaction. Furthermore, a longitudinal study by Harter, Schmidt, and Hayes (2018) reinforced these findings and concluded that organizations with highly engaged employees consistently outperform their competitors. These studies underscore the importance of cultivating a workforce that is engaged and committed to achieving organizational goals.

Leadership has been identified as a significant determinant of organizational performance (Meyer et al., 2016). Transformational leadership, in particular, has been shown to positively influence employee performance and satisfaction, leading to enhanced organizational outcomes (Zhang et al., 2017). Additionally, a study by Berson et al. (2015) found that transactional leadership positively relates to employee engagement, which further contributes to improved organizational performance. Therefore, effectively employing both transformational and transactional leadership styles can significantly impact the performance of processing firms.

Moreover, employee engagement has been found to play a vital role in organizational performance. Research by Harter et al. (2016) demonstrated a strong relationship between employee engagement and business performance metrics, such as productivity, profitability, and customer satisfaction. In their study, they concluded that organizations with highly engaged employees outperformed their competitors in these areas. Furthermore, a study conducted by Newman et al. (2014) found that organizations with a positive organizational culture, which fosters employee engagement and well-being, experienced higher levels of organizational performance. Therefore, creating an engaging and supportive work environment can lead to enhanced organizational performance in processing firms.

Organizational culture is another fundamental factor that influences organizational performance. Huhtala et al. (2017) examined the impact of ethical culture on organizational performance and found a direct positive relationship. They concluded that organizations with a strong ethical culture experienced higher levels of performance due to increased employee identification with organizational goals and values. Furthermore, a study by Denison et al. (2016) established a strong positive correlation between positive cultural attributes, such as adaptability and consistency, and financial performance. Hence, organizations that foster a positive cultural environment and align it with their strategic goals are more likely to achieve higher levels of performance.

Several factors have been identified in the literature that significantly contribute to the performance of processing firms. One influential factor is leadership style. According to Mayer and Gavin (2018), transformational leadership positively impacts organizational performance by fostering creativity, knowledge sharing, and employee motivation. Additionally, a supportive organizational culture has been found to enhance performance (Sarabi and Talib, 2019). This encompasses factors such as open communication, teamwork, and employee empowerment. Various strategies have been proposed to improve organizational performance in processing firms. One such strategy is the implementation of total quality management (TQM) practices (Rejeb et al., 2017). TQM emphasizes continuous improvement and customer satisfaction,

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

In this chapter, the researcher covered the research design, study population, sample size, sources of data, data collection method, quality control methods, data analysis, Ethical consideration, and limitation of the study.

3.1 Research Design

Hoong, J.P. (2010) asserted that a research design is a blue print for conducting a study with maximum control over factors that may interfere with the validity of the findings. The research study used a cross sectional survey design basing on the use of qualitative and quantitative approaches sanctioned to investigate on accounting standards and financial reporting in cooperative societies. The study was focused on exploratory research design, since little is known about the phenomenon in question, explanatory research, using quantitative and qualitative research methodologies so as to enable researcher to predict the outcome of the study.

3.2 Study population

According to Hensen, M.C. (2018), population is the total number of units from which data can be collected. Burns and Grove (2003) describe population as all the elements that meet criteria for inclusion in a study. The study involved a population of 51 respondents to represent the entire population of Mt.elgon millers of different departments whom comprised of general manager, accountants, secretaries; human resource manager, stakeholders, and auditors, all were respondents from Mt.elgon millers.

3.3 Sample size and Sampling procedures

3.3.1 Sample size determination

Sample size refers to the number of observations or data points included in a study or survey. It is a critical aspect of research design as it affects the reliability and validity of the study's findings. According to Gray, Grove, and Sutherland (2023), determining an appropriate sample size is essential to ensure that the results are statistically significant and generalizable to the larger population.

Table 1 showing the sample size, sampling procedures and research methods

Respondents	Population	Sample size	Sampling procedures
General manager	1	1	Purposive sampling
Accountants	5	4	Purposive sampling
Secretaries	4	3	Purposive sampling
Human resource manager	1	1	purposive sampling
Auditors	2	1	Purposive sampling
Stake holders	38	18	Simple random sampling
Total	51	45	

$$n = \frac{N}{1 + N(e^2)}$$

Where;

n is the sample size

N is the whole population

1 is the constant

e² error in sampling (0.05)

The total sample size was computed as shown below

$$n = \frac{N}{1 + N(e^2)} \quad n = \frac{51}{1 + 51 * 0.05^2} \quad n = \frac{51}{1 + 0.1275} \quad n = \frac{51}{1.1275}$$

n = 45 Respondents

3.3.2 Sampling procedures

Gilmore, A. (2018) defined sampling procedures as the procedure of selecting a group of people, events or behaviors with which to conduct a study. Sampling procedure included:

Purposive sampling

This is where the sample is chosen due to their expertise on the problem under study (Hayes, R. 2005). The study used purposive sampling procedure targeting the key information with the experience of the secretaries, auditors, general manager among others.

Simple random sampling

Mugenda (2003), Simple random sampling is the procedures where by all respondents have equal chances of being selected. It minimizes biasness in sample selection. The procedure will use in sampling stakeholders.

3.4 Sources of Data

According to Baire, W. (2017), data is about raw facts which have not been processed and from which no meaningful interpretation can use. Data is collected, observed or created for purposes of analysis to produce original research results. These sources include secondary and primary data.

3.4.1 Primary Data collection.

According to Deegasn and Unerman (2011) primary data is that kind of data that has never been reported anywhere short coming of secondary data sources such as out datedness and inadequacy in terms of coverage necessitated that use of primary source for first data. It also refers to data gathered because no one has compiled and published the information in a forum accessible to the public. Companies generally take the time and allocate the resources required to gather primary data only when a question, issue or problem presents itself that is sufficiently important or unique that it warrants the expenditure necessary to gather the primary data. Primary data are original in nature and directly related to the issue or problem and current data.

3.4.2 Secondary data collection

According to Dennis, A. (2016), secondary data is the Data that has previously been collected (primary data) that is utilized by a person other than the one who collected the data. Secondary data used in social and economic analysis, especially when access to primary data is unavailable.

Lowe, D.M. (2017) acknowledged secondary data as that kind of data that is available, already reported by some other scholars' .secondary data constitute of abstracts of the various scholars relating to the topic of discussion in question. Secondary data for this study is got from sources like libraries, archived records from the Mt.elgon millers, records of selected business, government publication, online information, text books, newspaper and unpublished research reports this is because it was readily available and easier to complement, as it comprises of extensively researched work.

3.5 Data collection Methods.

Data collection is a tool that is used to collect data (Dilworth 2018). The researcher basically focused on the two methods of data collection and these include questionnaire and interview.

3.5.1 Questionnaires.

According to Lowe, D.M. (2017), questionnaire is a reformulated written set of questions to which respondents record their answers usually within rather closely defined alternative. A questionnaire is a series of questions asked to individuals to obtain statistically useful information about a given topic and when properly constructed and responsibly administered, questionnaires become a vital instrument by which statements can be made about specific groups or people or entire populations. An open and close ended questionnaire was used to collect information from the general manager, accountants, auditors, and cashier from Mt.elgon millers where the researcher allowed the study respondents to fill the questionnaire in the study population. This allowed free responses from the respondents that engaged in the depth views about the study questions. The closed ended questions include alternative answers for selection and also were used in getting required information about the study. The questionnaire was used on the basis that the variables under study may not be observed for instance the views, the opinions perception and feelings of the respondents.

3.5.2 Interview guide

According to Coase, R.H. (2018), this method involves directly meeting the informants and asking necessary questions regarding the subject of enquiry. Usually a set of questions or a questionnaire is carried by him and questions are also asked according to that. The interviewer efficiently collects the data from the informants by cross examining them.

3.6 Quality Control Methods.

According to Ndifon Ejoh and Patrick Ejom.(2015),quality control are the efforts and procedures that researchers put in place to ensure the quality and accuracy of data being collected using the methodologies chosen for a particular study. Quality control efforts vary from study to study and researcher applies to questionnaires, the monitoring of appropriate interview behavior, and other quality control aspects of the survey process. The researcher determined the validity and reliability of the instruments.

3.6.1 Validity

Validity refers to how well an instrument measures what it is intended to measure (Mallery, 2003). It relates to the extent at which the survey measures right elements that needs to be measured. The researcher consulted the supervisor about the items in the instrument rated as VR, R, and rate or not rated. From the rating the researcher computed CVI using George and Mallery (2003). The value of CVI was interpreted as stated by George and Mallery (2003).

3.6.2 Reliability.

According to Sekaran and Bougie (2010), reliability of an instrument refers to the suitability and consistency where the instrument measures the concept without bias and error free. Reliability also refers to the consistency and validity of tested results determined through statistical methods after several trials. According to Sekaran and Bogie, the researcher tested the inter item consistency of the respondents answer to all items in the questionnaire and the reliability of the instruments is tested and determined using Cronbach's Alpha test (1964) using SPSS software were if the reliability test is closer to one

3.7 Data Analysis.

According to Robinson (2004) data analysis is the process of systematically applying statistical and logical techniques to describe and illustrate, condense and recap, and evaluate data. Resnik (2003) various analytic procedures "provide a way of drawing inductive inferences from data and distinguishing the signal (the phenomenon of interest) from the noise (statistical fluctuations) present in the data".

While data analysis in qualitative research can include statistical procedures, many times analysis becomes an ongoing iterative process where data is continuously collected and analyzed almost simultaneously. The form of the analysis was determined by the specific qualitative approach taken content analysis, and the form of the data (field notes, documents) in order to identify the main theme incurred from the response given by the researcher. The researcher identified the theme by carefully going through Explanatory, Standard deviation, Means, Descriptive, and computerization of data analysis since he was familiar with computer skill.

3.8 Ethical Consideration.

Participants were fully informed about the purpose, procedures and significance of the study before the data collection begins. Their consent was sought voluntarily ensuring they understand their right to participate or withdraw at any stage without facing any negative consequences. No individual was coerced into taking part and their willingness to contribute was respected.

Confidentiality was maintained by ensuring that personal information and responses are kept private and secure. Identifiable details was anonymized and access to collected data was restricted to authorized researchers. Findings were presented in a way that does not reveal individual identities, protecting participants' privacy and ensuring their safety.

Respect for all individuals was upheld through the study regardless of their background, social; status or level of education. Participants were treated with dignity and their opinions was valued. No form of discrimination, bias or undue influence was exercised during interactions ensuring a fair and inclusive research process.

Measures were taken to prevent any harm whether physical, emotional, or psychological to those involved in the study. Questions were framed carefully to avoid distress and sensitive topics was handled with professionalism. If participants express discomfort, they had an option to skip questions or end their participation at any time without explanation.

Honesty and transparency was maintained in all aspects of data collection, analysis and reporting. The research process was conducted with integrity ensuring that findings are presented accurately without frustration or manipulation. Any limitations or challenges encountered during the study was acknowledged maintaining credibility and ethical standards.

Acknowledgement of contributions were ensured by properly citing sources, recognizing the support of institutions and crediting individuals who contributed to the study. This uphold academic integrity and prevented plagiarism.

CHAPTER FOUR

DATA PRESENTATION, INTERPRETATION AND DISCUSSION OF THE FINDINGS

4.0 Introduction

This chapter presents the findings on strategic planning and organizational performance in processing firms. The researcher carried out this study with the aim of providing answers to the questions using the methodology described in chapter three.

4.1 Findings on the general information about respondents.

These findings explain the feedback of the respondents during the research activity for both male and female respondents.

4.1.0 Response rate.

The sample size of the population was 45, 45 questionnaires were designed and were wholly answered. This implies that the response rate was superlative.

4.1.1 Gender

Table 2 showing the Gender distribution of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	30	66.7	66.7	66.7
Valid Females	15	33.3	33.3	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 2 above shows that out of the total sample for the study, 66.7% were male, while 33.3% were female. This implies that the views of males were more represented in the study findings than those of the females.

4.1.2 Age

Table 3 showing Age group of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
20-30 years	15	33.3	33.3	33.3
31-40 years	19	42.2	42.2	75.5
Valid 41-50 years	10	22.3	22.3	97.8
Above 50 years	1	2.2	2.2	100.0
Total	45	100.0	100.0	

Source: Primary data (2025)

With reference to table 3 above indicates that 33.3% lie between the age of 20-30 years ,42.2% make it to the age of 31-40 years ,22.3% lie between the age of 41-50 years ,and above the age of 50 years constituted 2.2%. This indicates that the majority of respondents were mature and the knowledge obtained from them was conducted. The employment of employees lie between the ages of 31-40 years at Mt.elgon millers is due to the fact that this is the most active group of persons that is required in the effective implementation of the operations of Mt.elgon millers thence guaranteeing the achievement of the district objectives.

4.1.3 Qualification.

Table 4 Showing academic qualification of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Secondary	6	13.3	13.3	13.3
Certificate	6	13.3	13.3	26.6
Diploma	23	51.1	51.1	77.7
Valid Degree	8	17.9	17.9	95.6
Masters	2	4.4	4.4	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 4 above shows that 13.3%, 13.3%, 51.1% ,17.9% and 4.4% correspond to secondary, certificate, diploma, degree, and masters respectively. This indicates that all people employed by Mt.elgon millers have attained certain level of education and knowledge. This is however, not surprising that the Mt.elgon millers is known for employing people who have attained such level of education and knowledge. Thus with good education level, the respondents were able to clearly understand and interpret questions and give appropriate responses.

4.1.5 Years of working

Table 6 showing years of working by respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 1 year	15	33.3	33.3	33.3
1-2 years	18	40.0	40.0	73.3
Above 3 years	12	26.7	26.7	100.0
Total	45	100.0	100.0	

Source: Primary data (2025)

Table 6 above shows that 33.3%, 40%, and 26.7%, correspond to less than 1 year, 1-2 years, and above 3 years respectively. This however implies that Mt.elgon millers employs experienced workers who have had reasonable numbers of years of experience with 40% such that the goals formulated by the entity can be achieved well besides this it also implies that majority of the respondents had served for a considerable period which indicates that most of the respondents had vast knowledge which could be relied upon by this study.

4.2.0 Research question one: Finding out the effect of risk management on organizational performance of Mt.elgon millers.

4.2.1 Effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction

Table 7 Showing whether effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	28	62.2	62.2	62.2
Agree	8	17.8	17.8	80.0
not sure	2	4.4	4.4	84.4
Disagree	4	8.9	8.9	93.3
strongly disagree	3	6.7	6.7	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 7 above indicates that 80% (62.2%, 17.8%) of the respondents were positive to the statement that effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction, 4.4% of the respondents were not sure to the statement while 15.6% (8.9%, 6.7%) of the respondents objected it however such findings were in accordance to Elsey.R.D. (2019) denoted that effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction hence implying that effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction.

4.2.2 Effective risk management practices help identify and mitigate potential risks before they occur

Table 8 Showing whether effective risk management practices help identify and mitigate potential risks before they occur

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	10	22.2	22.2	22.2
Agree	9	20.0	20.0	42.2
not sure	3	6.7	6.7	48.9
Disagree	12	26.7	26.7	75.6
strongly disagree	11	24.4	24.4	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 8 above it can be seen that 42.2% (22.2%, 20%) of the respondents were positive to the statement that effective risk management practices help identify and mitigate potential risks before they occur, 51.1% (26.7%, 24.4%) were negative to the same statement while 6.7% of the respondents were not sure and such findings were in line with Helmsing, A. (2015) stressed that effective risk management practices help identify and mitigate potential risks before they occur there by indicating that effective risk management practices help identify and mitigate potential risks before they occur.

4.2.3 Risk management focuses on identifying and managing risks that can lead to financial losses

Table 9 Showing whether risk management focuses on identifying and managing risks that can lead to financial losses

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	18	40.0	40.0	40.0
Agree	12	26.6	26.6	66.7
not sure	7	15.6	15.6	82.3
Disagree	3	6.6	6.6	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 9 above indicates that out of total sample of the study, 66.6% (40%, 26.6%) of the respondents were positive to the statement that risk management focuses on identifying and managing risks that can lead to financial losses, and 15.6% were not sure while 17.7% (6.6%, 11.1%) were negative to the same statement. This implies that risk management focuses on identifying and managing risks that can lead to financial losses.

4.2.4 Risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies

Table 10 Showing whether the risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	21	46.7	46.7	46.7
Agree	7	15.6	15.6	62.3
not sure	10	22.2	22.2	84.5
Disagree	2	4.4	4.4	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 10 above it can be seen that the majority 62.3% (46.7%, 15.6%) of the respondents were positive to the statement risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies and 22.2% were not sure while 15.5% (4.4%, 11.1%) of the respondents were opposed to the same statement. This is an indication that risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies.

4.2.5 Effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks

Table 11 Showing whether effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	9	20.0	20.0	20.0
Agree	1	2.2	2.2	22.2
not sure	11	24.4	24.4	46.6
Disagree	16	35.6	35.6	82.2
strongly disagree	8	17.8	17.8	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 11 above shows that out of total sample of the study, 22.2% (20%, 2.2%) of the respondents were positive to the statement that effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks, 24.4% were not sure, 53.4% (35.6%, 17.8%) were remonstrance to the same statement thereby implying that effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks.

4.3.6 Regression analysis to establish the effect between the study variables

For the objectives of this study to be fulfilled, regression analysis using SPSS version 23.0 was undertaken in order to investigate on strategic planning and organizational performance in processing firms. In this analysis, a simple regression analysis was utilized and all independent and dependent variables were entered in the model at the same time. But for the regression analysis to give valid results some key assumptions have to be satisfied. In this analysis, Variance strategic planning Factor (VSPF) was used to ensure that the assumption of reasonable differences of the independent variables was satisfied. These were all below the threshold of 10. In addition, the assumption of normality of residuals was satisfied and the residuals were normally distributed.

4.3.7 Regression analysis for the effect of risk management on organizational performance of Mt.elgon millers.

In order to address the first objective of the study, a regressive analysis was done to assess the effect of risk management on organizational performance of Mt.elgon millers. The results from analysis are presented in the model summary and coefficients tables below.

Table 4.11 Showing regression model summary and coefficients for the effect of risk management on organizational performance of Mt.elgon millers

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F-statistic
1	.332 ^a	.110	.096	.553	5.693

a. Predictors: (Constant), Risk management

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.
	B	Std. Error	Beta	
1 (Constant)	4.615	.301		.000
risk management	.153	.091	.132	.007

Dependent Variable: organizational performance

Source: Primary data (2025)

From the table 4.11 showing the model summary statistics above, a p-value = 0.007 that is less than 5% level of significance indicates that risk management positively (Beta=0.153) predicts the organizational performance of Mt.elgon millers and effect is significant at p-value < 0.05. An adjusted R² of 0.096 implies that risk management explains and predicts significantly 9.6% variations in organizational performance of Mt.elgon millers and the remaining 90.4% is explained by other factors. Basing on such findings, the researcher therefore concludes that risk management significantly and positively affects organizational performance of Mt.elgon millers.

4.3.0 Research question two: Finding out the effect of stakeholder engagement on organizational performance of Mt.elgon millers

4.3.1 Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders.

Table 12 Showing whether Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	22	48.9	48.9	48.9
Agree	8	17.8	17.8	66.7
not sure	2	4.4	4.4	71.1
Disagree	10	22.2	22.2	93.3
strongly disagree	3	6.7	6.7	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 12 above it can be observed that 66.7%, (48.9%, 17.8%) of the respondents were positive to the statement that Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders, 28.9% (22.2%, 6.7%) of the respondents were negative to the same statement while 4.4% were not sure. This was in line with Schrand, (2017) contends that Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders. This implies that Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders.

4.3.2 Engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices.

Table 13 showing whether engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	21	46.6	46.6	46.6
Agree	9	20.0	20.0	66.6
not sure	1	2.2	2.2	68.8
Disagree	7	15.6	15.6	84.4
strongly disagree	7	15.6	15.6	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 13 above ,it can be seen that that the majority 66.6%, (46.6%, 20%) of the respondents were positive to the statement that engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices , and 2.2% of the respondents were not sure while 31.2% (15.6%, 15.6%) of the respondents were negative to the same statement however such findings were in accordance to Eccles, (2018) affirmed that Engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices. There by indicating that Engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices..

4.3. Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement.

Table 14 showing whether Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	17	37.8	37.8	37.8
Agree	12	26.7	26.7	64.5
not sure	4	8.9	8.9	73.4
Disagree	7	15.5	15.5	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 14 above it can be observed that 64.5% (37.8%, 26.7%) of the respondents had a positive response to the statement that Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement., 26.6% (15.5%, 11.1%) were negative to the same statement while 8.9% were not sure. This implies that Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement.

4.3.4 Regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance.

Table 15 Showing whether Regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	2	4.4	4.4	4.4
Agree	8	17.8	17.8	22.2
not sure	6	13.3	13.3	35.5
Disagree	16	35.6	35.6	71.1
strongly disagree	13	28.9	28.9	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 15 above indicates that out of total sample of the study, 22.2% (4.4%, 17.8%) of the respondents were positive to the statement regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance, 13.3% of the respondents were not sure while majority of the respondents 64.5% (35.6%, 28.9%) objected the same statement hence implying that regular stakeholder engagement does not help identify and address potential risks and issues that may affect the organization's performance.

4.3.5 Stakeholder engagement fosters a sense of purpose and connection among employees.
Table 16 showing whether stakeholder engagement fosters a sense of purpose and connection among employees.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	22	48.9	48.9	48.9
Agree	10	22.2	22.2	71.1
not sure	3	6.7	6.7	77.8
Disagree	4	8.9	8.9	86.7
strongly disagree	6	13.3	13.3	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 16 above indicates that the majority of the 71.1% (48.9%, 22.2%) of the respondents were positive to the statement that stakeholder engagement fosters a sense of purpose and connection among employees, and 6.7% of the respondents were not sure while 22.2% (8.9%, 13.3%) demurred to the same statement such findings were in line with Nassar, K. (2019) asserted that Stakeholder engagement fosters a sense of purpose and connection among employees. This is an indication that Stakeholder engagement fosters a sense of purpose and connection among employees.

4.4.6 Regression Analysis for the effect of stakeholder engagement on organizational performance of Mt.elgon millers.

In order to analyze the effect of stakeholder engagement on organizational performance of Mt.elgon millers, the independent variable was conceptualized in terms of stakeholder engagement and for the study to achieve its objectives; regression analysis to assess its effect on engagement on organizational performance of Mt.elgon millers was performed using SPSS. The results from analysis were presented in the model summary and coefficients tables below.

Table 17 Showing regression model summary and Coefficients for the effect of stakeholder engagement on organizational performance of Mt.elgon millers

Model Summary

Model	R	R Square	Adjusted R Square	F-Statistic	Std. Error of the Estimate
1	.194 ^a	.037	.021	8.642	.588

a. Predictors: (Constant), stakeholder engagement

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	3.356	.374		.000
	stakeholder engagement	.091	.100	.114	.169

a. Dependent Variable: organizational performance

Source: primary data, (2025)

From the table 17 showing the model summary statistics above, a p-value = 0.169 that is more than 5% level of significance indicates that stakeholder engagement (Beta=0.091) predicts and affects their organizational performance of Mt.elgon millers. However, its effect is insignificant at p-value > 0.05. An adjusted R² of 0.021 implies that a stakeholder engagement explains 2.1% variations in organizational performance of Mt.elgon millers. However, these variations are not significant in affecting organizational performance of Mt.elgon millers.

4.4.0 Research question three: Finding out the effect of performance measurement on organizational performance of Mt.elgon millers.

4.4.1 Performance measurement helps align individual and team goals with the overall objectives of the organization.

Table 18 showing whether respondents performance measurement helps align individual and team goals with the overall objectives of the organization.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	20	44.5	44.5	44.5
Agree	13	28.9	28.9	73.4
not sure	4	8.9	8.9	82.3
Disagree	3	6.7	6.7	89.0
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 18 above it can be seen that performance measurement helps align individual and team goals with the overall objectives of the organization 73.4% (44.5%, 28.9) of the respondents were positive to the statement that performance measurement helps align individual and team goals with the overall objectives of the organization, 17.8% (6.7%, 11.1%) were dissatisfied with the same statement while 8.9% of the respondents were not sure. This implies that performance measurement helps align individual and team goals with the overall objectives of the organization.

4.4.2 Performance measurement creates a sense of accountability among employees.

The table 19 Showing whether respondents Performance measurement creates a sense of accountability among employees

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	8	17.8	17.8	17.8
Agree	15	33.3	33.3	51.1
not sure	5	11.1	11.1	62.2
Disagree	13	28.9	28.9	91.1
strongly disagree	4	8.9	8.9	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 19 above shows that 51.1% (17.8%, 33.3%) of the respondents were positive to the statement that performance measurement creates a sense of accountability among employees, 37.8% (28.9%, 8.9%) objected to the same statement while 11.1% of the respondents were not sure. These findings were carried out by to Beitler, M. (2016), opined that performance measurement creates a sense of accountability among employees. This is an indication that performance measurement creates a sense of accountability among employees.

4.4.3 Performance measurement allows organizations to identify areas that need improvement.

Table 20 Showing whether Performance measurement allows organizations to identify areas that need improvement.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	14	31.1	31.1	31.1
Agree	11	24.4	24.4	55.5
not sure	6	13.4	13.4	68.9
Disagree	9	20.0	20.0	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 20 above shows that majority 55.5% (31.1%, 24.4%) of the respondents had a positive response to the statement that Performance measurement allows organizations to identify areas that need improvement. , 13.4% of the respondents were not sure while 31.1% (20%, 11.1%) were negative to the same statement. This implies that Performance measurement allows organizations to identify areas that need improvement.

4.4.4 Performance measurement provides organizations with valuable data and insights that can inform decision-making processes.

Table 21 Showing whether performance measurement provides organizations with valuable data and insights that can inform decision-making processes.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	3	6.7	6.7	6.7
Agree	9	20.0	20.0	26.7
not sure	12	26.7	26.7	53.4
Disagree	16	35.5	35.5	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 21 above shows that out of total sample of the study 26.7% (6.7% ,20%) of the respondents had a positive response to the statement that Performance measurement provides organizations with valuable data and insights that can inform decision-making processes, 26.7% of the respondents were not sure while 46.6% (35.5%, 11.1%) protested to the same statement. This is an indication that Performance measurement provides organizations with valuable data and insights that can inform decision-making processes.

4.4.5 Performance measurement can contribute to employee development and growth.

Table 22 Showing whether Performance measurement can contribute to employee development and growth.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	19	42.2	42.2	42.2
Agree	12	26.7	26.7	68.9
not sure	1	2.2	2.2	71.1
Disagree	8	17.8	17.8	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 22 , it can be observed that the majority 68.9% (42.2%, 26.7%) of the respondents were positive to the statement that performance measurement can contribute to employee development and growth, 2.2% of the respondents were not sure while 28.9% (17.8%, 11.1) remonstrated to the same statement. This was in accordance to Alison and Dean (2017), assert that performance measurement can contribute to employee development and growth. This implies that performance measurement can contribute to employee development and growth.

4.5.6 Regression Analysis for the effect of performance measurement on organizational performance of Mt.elgon millers

For analysis of the effect of performance measurement on organizational performance of Mt.elgon millers, the independent variable was conceptualized in terms of performance measurement and for the study to achieve its one of the objectives; performance measurement was regressed to assess its effect on organizational performance of Mt.elgon millers. The results from analysis are presented in the model summary and coefficients tables below.

Table 23 Regression model summary and coefficients for the effect of performance measurement on organizational performance of Mt.elgon millers

Model summary

Model	R	R Square	Adjusted R Square	F-Statistic	Std. Error of the Estimate
1	.304 ^a	.092	.077	9.421	.464

a. Predictors: (Constant), performance measurement

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	2.892	.325		.000
	performance measurement	.224	.089	.304	.015

a. Dependent Variable: organizational performance

Source: primary data, (2025)

From the tables 23 showing the model summary statistics above, a p-value = 0.015 that is less than 5% level of significance indicates that performance measurement positively (Beta=0.224) predicts the organizational performance of Mt.elgon millers and effect is significant at p-value < 0.05.

4.5 Organizational performance

4.5.1 There is increased employee satisfaction and retention.

Table 24 showing whether there is increased employee satisfaction and retention.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	28	62.2	62.2	62.2
Agree	8	17.8	17.8	80.0
not sure	2	4.4	4.4	84.4
Disagree	4	8.9	8.9	93.3
strongly disagree	3	6.7	6.7	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 24 above, it can be seen that 80% (62.2%, 17.8%) were positive to the statement that there is increased employee satisfaction and retention. and 15.6% (8.9%, 6.7%) had a negative response to the same statement while 4.4% of the respondents were not sure. This implies that there is increased employee satisfaction and retention.

4.5.2 There is enhanced reputation and stakeholder confidence.

Table 25 Showing whether here is enhanced reputation and stakeholder confidence.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	10	22.2	22.2	22.2
Agree	9	20.0	20.0	42.2
not sure	3	6.7	6.7	48.9
Disagree	12	26.7	26.7	75.6
strongly disagree	11	24.4	24.4	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 25 above, it can be seen that the majority of the respondents 42.2% (22.2%, 20%) were positive to the statement there is enhanced reputation and stakeholder confidence while 51.1% (26.7%, 24.4%) were negative to the same statement however 6.7% of the respondents were not sure. These findings concur with the research carried out by Schein, (2011) opined that there is enhanced reputation and stakeholder confidence. This is an indication that there is enhanced reputation and stakeholder confidence.

4.5.3 High organizational performance often goes hand in hand with a culture of innovation and adaptability.

Table 26 Showing whether high organizational performance often goes hand in hand with a culture of innovation and adaptability.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	18	40.0	40.0	40.0
Agree	12	26.6	26.6	66.7
not sure	7	15.6	15.6	82.3
Disagree	3	6.6	6.6	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 26 above indicates that 66.6% (40%, 26.6%) were positive to the statement that high organizational performance often goes hand in hand with a culture of innovation and adaptability, 17.7% (6.6%, 11.1%) were negative to the same statement while 15.6% of the respondents were not sure. This is an indication that high organizational performance often goes hand in hand with a culture of innovation and adaptability.

4.5.4 Processing firms with strong performance have the potential to create a positive impact on society at large.

Table 27 Showing whether processing firms with strong performance have the potential to create a positive impact on society at large.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	21	46.7	46.7	46.7
Agree	7	15.6	15.6	62.3
not sure	10	22.2	22.2	84.5
Disagree	2	4.4	4.4	88.9
strongly disagree	5	11.1	11.1	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

With reference to table 27 above, it can be seen that 62.3% (46.7%, 15.6%) were positive to the statement processing firms with strong performance have the potential to create a positive impact on society at large, 15.5% (4.4%, 11.1%) were negative to the same statement while 22.2% of the respondents were not sure. This implies that processing firms with strong performance have the potential to create a positive impact on society at large.

4.5.5 Organizational performance plays a vital role in determining the competitiveness of processing firms.

Table 28 Showing whether organizational performance plays a vital role in determining the competitiveness of processing firms.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	9	20.0	20.0	20.0
Agree	1	2.2	2.2	22.2
not sure	11	24.4	24.4	46.6
Disagree	16	35.6	35.6	82.2
strongly disagree	8	17.8	17.8	100.0
Total	45	100.0	100.0	

Source: primary data (2025)

Table 28 above indicates that 22.2% (20%, 2.2%) of the respondents were positive to the statement that organizational performance plays a vital role in determining the competitiveness of processing firms, 53.4% (35.6%, 17.8%) were negative to the same statement forming the majority of the respondents while 24.4% of the respondents were not sure. This implies that organizational performance plays a vital role in determining the competitiveness of processing firms.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction.

In this chapter the researcher gives a summary of findings, conclusions and recommendation in line with the research questions and objectives.

5.1 Summary of findings

The researcher provided a summary of findings in line with the objectives as follows;

5.1.1 Research Question one: Findings on the effect of risk management on organizational performance of Mt.elgon millers.

The study investigated into the effect of risk management on organizational performance of Mt.elgon millers. Results showed that most respondents were positive to the statements that they were asked. For example; majority of respondents constituting 80% were positive to the statement that effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction; 66.6% who were also the majority were positive to the statement that risk management focuses on identifying and managing risks that can lead to financial losses; 62.3% who also constituted the majority were positive to the statement that risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies.

On the other hand, 51.1% constituting the majority were negative to statement that effective risk management practices help identify and mitigate potential risks before they occur, besides 53.4% were negative to the statement that risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks.

Basing on the above results, it can be concluded that risk management has a significant effect on organizational performance of Mt.elgon millers.

5.1.2 Research Question two: Findings on the effect of stakeholder engagement on organizational performance of Mt.elgon millers.

The study investigated into the effect of stakeholder engagement on organizational performance of Mt.elgon millers.

Majority of the respondents 66.7% of the respondents were positive to the statement that Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders, 66.6% forming the majority were positive to the statement that engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices, it can be observed that 64.5% were positive to the statement Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement, and 71.1% were positive to the statement that Stakeholder engagement fosters a sense of purpose and connection among employees while 64.5% forming the majority were negative to the statement that regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance, it can be concluded that stakeholder engagement has a significant effect on organizational performance of Mt.elgon millers.

5.1.3 Question three: effect of performance measurement on organizational performance of Mt.elgon millers.

The findings revealed that 73.4% forming the majority were positive to the statement that performance measurement helps align individual and team goals with the overall objectives of the organization, 51.1% were positive to the statement that Performance measurement creates a sense of accountability among employees, 55.5% had a positive response to the statement that Performance measurement allows organizations to identify areas that need improvement, and 68.9% had a positive response to the statement that performance measurement can contribute to employee development and growth. On the other hand, 46.6% forming the majority disagreed to the statement that performance measurement provides organizations with valuable data and insights that can inform decision-making processes.

Most responses were positive indicating that performance measurement has a significant effect on organizational performance of Mt.elgon millers.

5.2 Conclusion

Basing on the results of the first objective, it can be concluded that risk management has a significant effect on organizational performance of Mt.elgon millers. Therefore should be enhanced by; establishing a comprehensive risk management framework that outlines the process, roles, responsibilities, and methodologies for identifying, assessing, and mitigating risks. This framework should be integrated throughout the organization. Regularly identify and assess potential risks by conducting risk assessments, which involve identifying potential risks, evaluating their likelihood and impact, and prioritizing them based on their level of risk. Use technology tools, such as risk management software, to streamline the risk management process. These tools can help in identifying, prioritizing, monitoring, and reporting risks efficiently.

Basing on the results of the second objective, it can be concluded that stakeholder engagement has a significant effect on organizational performance of Mt.elgon millers. This can be enhanced by ensuring that communication channels are open and transparent between the organization and its stakeholders. This can be done through regular updates, newsletters, and meetings. Actively listen to the concerns, suggestions, and feedback of stakeholders. This can be done through surveys, focus groups, and one-on-one meetings. Involve stakeholders in the decision-making process by seeking their input and considering their perspectives. This can be done through advisory boards, committees, and workshops.

It can also be concluded basing on objective three that performance measurement has a significant effect on organizational performance of Mt.elgon millers. This can be enhanced by clearly defining what the organization wants to achieve and establish measurable goals. This will enable you to track progress and know exactly what to focus on. Identify the most relevant metrics that align with your objectives and track them regularly. KPIs provide a meaningful way to measure performance and understand where improvements are needed. Ensure that the data you collect is accurate, reliable, and up-to-date. Use reliable sources and implement effective data collection methods to minimize errors and biases.

5.3 Recommendations

There is need to establish a comprehensive risk management framework that outlines the process, roles, responsibilities, and methodologies for identifying, assessing, and mitigating risks. This framework should be integrated throughout the organization. Regularly identify and assess potential risks by conducting risk assessments, which involve identifying potential risks, evaluating their likelihood and impact, and prioritizing them based on their level of risk. Use technology tools, such as risk management software, to streamline the risk management process. These tools can help in identifying, prioritizing, monitoring, and reporting risks efficiently.

Management should ensure that communication channels are open and transparent between the organization and its stakeholders. This can be done through regular updates, newsletters, and meetings. Actively listen to the concerns, suggestions, and feedback of stakeholders. This can be done through surveys, focus groups, and one-on-one meetings. Involve stakeholders in the decision-making process by seeking their input and considering their perspectives. This can be done through advisory boards, committees, and workshops.

The organization should clearly define what it wants to achieve and establish measurable goals. This will enable you to track progress and know exactly what to focus on. Identify the most relevant metrics that align with your objectives and track them regularly. KPIs provide a meaningful way to measure performance and understand where improvements are needed. Ensure that the data you collect is accurate, reliable, and up-to-date. Use reliable sources and implement effective data collection methods to minimize errors and biases.

References

- Abdel-Maksoud, A., & Shams El Din, A. (2018). *Financial Risk Management and its Impact on Organizational Performance: A Study of the Insurance Sector in Egypt*. *Journal of Management Sciences*, 3(2), 30-53.
- Abrar, M., & Shahzad, N. (2017). *Risk identification and its impact on organizational performance: A case study of banking sector in Pakistan*. *South Asian Journal of Business Studies*, 6(2), 227-243.
- Altuntas, M. C. (2016). *Effects of risk analysis on the financial performance of manufacturing firms in Turkey*. *Journal of Business Economics and Finance*, 5(1), 36-47.
- Harrison, F., & Lock, D. (2017). *The integration of risk management and project management: Practices, benefits and barriers*. *International Journal of Project Management*, 35(1), 107-126.
- Hartmann, E. (2019). *Firm performance and risk culture in the insurance industry*. *Journal of Risk and Insurance*, 86(1), 75-103.
- Liu, Y., & Reklaitytė, I. (2019). *Does risk management lead to higher return? Evidence from Eastern European countries*. *Journal of Business Economics and Management*, 20(5), 856-875.
- Pannu, S., Arwed, C., & Schoenherr, T. (2018). *The effects of hospital quality management on patient safety and organizational performance*. *International Journal of Operations & Production Management*, 38(11), 2229-2252.
- Pike, R., & Pike, S. (2015). *Risk management and banking stability: Evidence from the United Kingdom*. *International Journal of Financial Services Management*, 7(2), 143-162.
- African Development Bank. (2018). *Corporate governance in Africa: Assessment and recommendations*. Retrieved from <https://www.afdb.org/sites/default/files/assessments-and-recommendations-en.pdf>
- Asiedu, A., & Ntim, C. G. (2018). *Corporate governance, risk and firm value in sub-Saharan Africa: Evidence from Ghana, Kenya, and Uganda*. *International Journal of Corporate Governance*, 9(1), 4-31.
- Cadbury, A. (1992). *Report of the Committee on the Financial Aspects of Corporate Governance*. London: Gee & Co. Ltd.
- Altunbas, Y., Gambacorta, L., & Marqués-Ibáñez, D. (2010). "Bank risk and profitability: Evidence from a sample of European banks." *Journal of Banking & Finance*, 34(12), 2929-2940.

- Altuntas, S., Citak, D., Yesil, S., & Sezgin, S. (2019). *The Impact of Strategic Planning on Organizational Performance: A Study in Turkish Family-Owned Firms. International Journal of Business Management, 14(3), 204-215.*
- Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework. John Wiley & Sons.*
- Chen, M. H., Wu, K. S., & Song, Y. C. (2016). *The influence of strategic planning on organizational performance and the role of innovation. Technological Forecasting and Social Change, 113, 355-367.*
- De Massis, A., Kotlar, J., Chua, J. H., & Chrisman, J. J. (2014). *Ability and willingness as sufficiency conditions for family-oriented particularistic behavior: Implications for theory and empirical studies. Journal of Small Business Management, 52(2), 344-364.*
- Dess, G. G., & Davis, P. S. (2016). *Entrepreneurial orientation and firm performance: Drawing attention to the senior team. Strategic Management Journal, 37(8), 1579-1590.*
- Elder, S. D. (2019). *Strategic planning and financial management for schools and communities. Routledge.*
- Mintzberg, H., Ahlstrand, B., & Lampel, J. (2009). *Strategy safari: A guided tour through the wilds of strategic management. Simon and Schuster.*
- Narver, J. C., & Slater, S. F. (1990). *The effect of a market orientation on business profitability. Journal of marketing, 54(4), 20-35.*
- Porter, M. E. (2008). *Competitive strategy: Techniques for analyzing industries and competitors. Simon and Schuster.*
- Simons, R. (2011). *Performance measurement & control systems for implementing strategy: Text and cases. Pearson Education.*
- Barney, J. B. (1991). *Firm resources and sustained competitive advantage. Journal of Management, 17(1), 99-120.*
- Cummins, J. D., & Giesbrecht, G. M. (2004). *Availability and affordability of insurance under terrorism risk. Journal of Insurance Regulation, 22(4), 133-180.*
- Eisenhardt, K. M. (1989). *Agency theory: An assessment and review. Academy of Management Review, 14(1), 57-74.*
- Grace, E., & Leverty, J. (2008). *The effect of enterprise risk management on firm performance. Journal of Risk and Insurance, 75(4), 833-849.*

- Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2019). *Strategic management: Concepts and cases: Competitiveness and globalization*. Boston, MA: Cengage Learning.
- Huefner, R. J., Hillison, W., & McAnally, M. (2014). *Enterprise risk management and firm performance: A contingency perspective*. *Journal of Accounting and Public Policy*, 33(4), 381-401.
- Jensen, M. C., & Meckling, W. H. (1976). *Theory of the firm: Managerial behavior, agency costs and ownership structure*. *Journal of Financial Economics*, 3(4), 305-360.
- Kallinger, P., & Mostert, M. (2020). *The impact of risk management on the operational performance of global project-based organizations*. *International Journal of Project Management*, 38(4), 303-318.
- Olson, D. L., & Wu, D. D. (2019). *A survey of risk management in operations management research*. *Journal of Operations Management*, 65(6), 507-522.
- Beasley, M. S., Chen, A., & Nunez, K. (2005). *Assessing the relationship between risk management and firm performance: Evidence from top U.S. banks*. *Journal of Banking & Finance*, 29(10), 2521-2540.
- Flammer, C. (2015). *Corporate social responsibility and shareholder wealth: The role of risk*. *Journal of Corporate Finance*, 32, 1-23.
- Jokipii, A., & Muhonen, R. (2012). *Integrated risk management and firm value*. *Journal of Productivity Analysis*, 38(3), 325-339.
- Berger, A. N., & Bouwman, C. H. (2013). *"Bank liquidity creation, systemic risk, and the market for large certificates of deposit"*. *Journal of Financial Intermediation*, 22(4), 568-592.
- Bradley, S., Wiklund, J., & Shepherd, D. (2012). *Swinging a double-edged sword: The effect of slack on entrepreneurial management and growth*. *Journal of Business Venturing*, 27(6), 652-666.
- Fragapane, G., Magni, M., & Zaccaro, A. (2018). *The impact of enterprise risk management on firm value: Evidence from the European insurance industry*. *The European Journal of Finance*, 24(4), 360-386.
- Capital Markets Authority Uganda. (2010). *Uganda Corporate Governance Code*. Retrieved from <https://cmauganda.co.ug/corporate/committees-governance>
- Beasley, M. S., Clune, R., & Hermanson, D. (2005). *Enterprise risk management: An empirical*

- analysis of factors associated with the extent of implementation. Journal of Accounting and Public Policy, 24(6), 521-531.*
- El-Masry, A. A. (2015). *The impact of integrated risk management on banking performance. Journal of Risk Finance, 16(4), 408-429.*
- Coccoresse, P., & Pellicchia, A. (2010). "Testing the 'quiet life' hypothesis in the Italian banking industry." *Journal of Banking & Finance, 34(6), 1340-1350.*
- Hoyt, R. E., & Liebenberg, A. P. (2011). *The value of enterprise risk management. The Journal of Risk and Insurance, 78(4), 795-822.*
- Jennifer, S. L., & Amran, A. (2011). *The influence of enterprise risk management practices on financial performance among Malaysian listed companies. African Journal of Business Management, 5(17), 7377-7386.*
- La Porta, R., Lopez-de-Silanes, F., Shleifer, A., & Vishny, R. (2000). *Investor protection and corporate governance. Journal of Financial Economics, 58(1-2), 3-27.*
- Claessens, S., Djankov, S., & Lang, L. H. P. (2002). *The separation of ownership and control in East Asian corporations. Journal of Financial Economics, 58(1-2), 81-112.*
- Namawa, A. I. (2018). *Corporate governance, ownership structure and financial performance of commercial banks in Uganda. International Journal of Management and Commerce Innovations, 6(2), 20-25.*
- Ssemwanga, A., Mola, S., & Mwaka, G. (2019). *Adoption of international corporate governance principles and firm performance of listed banks in East Africa. Journal of African Business, 20(1), 37-56.*
- March-Chorda, I., Segarra-Ciprés, M., & Bou-Llusar, J. (2016). *Does risk management affect innovation? An empirical survey in a sample of Spanish manufacturing firms. Journal of Innovation & Knowledge, 1(1), 49-54.*
- Pant, L. W., & Ramachandran, R. (2012). *Enterprise risk management and firm performance: Role of enterprise risk management in firm performance. International Journal of Disclosure and Governance, 9(2), 117-144.*
- Shafer, S. M., & Filzmoser, M. (2021). *Risk Management and Organizational Performance: A Review and Research Agenda. Journal of Risk and Insurance, 88(2), 231-260.*
- Ahmed, S. (2020). *The impact of risk management practices on organizational performance:*

- The case of small and medium enterprises in the UK. International Journal of Risk and Contingency Management, 9(3), 21-34.*
- Cengiz, E., & Coban, A. (2020). *The relationship between risk management and organizational performance: Evidence from the Turkish construction industry. Journal of Construction Engineering and Management, 146(11), 04020125.*
- Igel, B., & Fabel, O. (2019). *The influence of organizational culture on the relationship between risk management practices and organizational performance. Journal of Risk Research, 22(1), 94-108.*
- Suen, L., & Cheung, M. (2019). *Risk Culture and Its Impact on Organizational Performance in the Financial Services Industry. Journal of Business Ethics, 150(3), 745-759.*
- Mahmoud-Jack, S. A., & Moses, C. (2019). *The Role of Risk Management in Enhancing Organizational Performance: A Study of Manufacturing Firms in Nigeria. Journal of Risk and Financial Management, 12(1), 11.*
- Shim, E., & Lee, J. (2018). *The effects of enterprise risk management adoption on firm performance and risk-taking in the US financial industry. International Journal of Financial Studies, 6(4), 104.*
- Zeghal, D., & Maaloul, A. (2018). *The effect of governance mechanisms on the relation between risk management disclosure and organizational performance. Journal of Management & Governance, 22(2), 313-343.*
- Kallio, T.J., & Wright, K.B. (2017). *Using Content Analysis to Examine the Extent of Risk Management Disclosure in Finnish IPO Prospectuses and Its Relationship with Organizational Performance. Journal of Risk and Financial Management, 10(4), 21.*
- Faria, F., Ferreira, L., & Azevedo, S. (2017). *Risk Management and Organizational Performance in the Portuguese Banking Industry: A Panel Data Analysis. Systems Research and Behavioral Science, 34(5), 549-567.*
- Tarí, J. J., Molina-Azorín, J. F., & Heras, I. (2012). *Knowledge assets management in the innovation-driven and risk management. Journal of Business Research, 65(1), 1-10*

APPENDICES

APPENDIX I: QUESTIONNAIRE

Dear respondent,

I am Seera Betty carrying out research on the topic; “strategic planning and organizational performance in processing firms” as a partial fulfillment for the award of bachelors degree of business administration and management of Uganda Christian University .The questionnaire is designed to help me collect relevant information and therefore I kindly request you to participate in responding to the questions that will be asked .However the information given will be treated confidential and will only be used for academic purpose.

SECTION A: DEMOGRAPHIC DATA

(Tick in the box provided)

1. Gender distribution of the respondent

Male Female

2. Age of the respondent

21-30 years 31-40 years 41-50 years above 50 years

3. Academic qualification of respondents

Secondary Certificate Diploma Bachelors' Masters

4. Position held by the respondents

a) Chief procurement officer b) procurement officer c) Manager d) Auditor

5. Working years of respondents.

Less than 1 year b) 1-2 years c) 3 years and above

Section B: To assess the effect of risk management on organizational performance of Mt.elgon millers. This section aims at assess the effect of risk management on organizational performance of Mt.elgon millers. Please indicate your opinion on the following statements using the Linkert scale. Key: **1= Agree, 2= Strongly Agree; 3= Not Sure; 4= Disagree; 5= Strongly Disagree.**

No	Statements	1	2	3	4	5
1	effective risk management leads to cost reduction, improved operational control, and increased customer satisfaction					
2	Effective risk management practices help identify and mitigate potential risks before they occur					
3	Risk management focuses on identifying and managing risks that can lead to financial losses					
4	Risk management requires organizations to assess potential risks, evaluate their potential impacts, and develop effective risk response strategies.					
5	Effective risk management practices provide stakeholders, including shareholders, customers, and employees, with confidence in the organization's ability to navigate potential risks					

Section C: To determine the effect of stakeholder engagement on organizational performance of Mt.elgon millers. This section aims at determining the effect of stakeholder engagement on organizational performance of Mt.elgon millers. Please indicate your opinion on the following statements using the Linkert scale. Key: **1= Agree, 2= Strongly Agree; 3= Not Sure; 4= Disagree; 5= Strongly Disagree.**

No	Statement	1	2	3	4	5
1	Stakeholder engagement allows organizations to gather insights and diverse perspectives from different stakeholders.					
2	Engaging with stakeholders demonstrates that an organization is committed to transparency, accountability, and responsible practices.					
3	Stakeholders, such as customers, suppliers, or community members, can provide valuable ideas and suggestions for innovation or improvement.					
4	Regular stakeholder engagement helps identify and address potential risks and issues that may affect the organization's performance					
5	Stakeholder engagement fosters a sense of purpose and connection among employees					

Section D: To analyze the effect of performance measurement on organizational performance of Mt.elgon millers. This section aims at analyzing the effect of performance measurement on organizational performance of Mt.elgon millers. Please indicate your opinion on the following statements using the Linkert scale. Key: **1= Agree; 2= Strongly Agree; 3= Not Sure; 4= Disagree; 5= Strongly Disagree.**

No	Statements	1	2	3	4	5
1	Performance measurement helps align individual and team goals with the overall objectives of the organization					
2	Performance measurement creates a sense of accountability among employees.					
3	Performance measurement allows organizations to identify areas that need improvement.					
4	Performance measurement provides organizations with valuable data and insights that can inform decision-making processes					
5	Performance measurement can contribute to employee development and growth.					

Section E: Organizational performance

This section aims at establishing the indicators of organizational performance in Mt.elgon millers.

Please indicate your opinion on the following statements using the Linkert scale. Key: **1= Agree;**

2= strongly Agree; 3= not sure; 4= Disagree; 5= strongly disagree.

No	Statements	1	2	3	4	5
1	There is increased employee satisfaction and retention					
2	There is enhanced reputation and stakeholder confidence					
3	High organizational performance often goes hand in hand with a culture of innovation and adaptability					
4	Processing firms with strong performance have the potential to create a positive impact on society at large					
5	Organizational performance plays a vital role in determining the competitiveness of processing firms					

APPENDIX II: INTERVIEW GUIDE

1. How does the implementation of risk management practices contribute to improving organizational performance?
2. What are the potential risks that can affect the performance of your organization?
3. How does risk management help in identifying and mitigating these risks?
4. Can you provide an example where risk management has positively impacted your organization's performance?
5. What are the key elements of an effective risk management framework, and how do they affect organizational performance?
6. How does stakeholder engagement contribute to enhancing organizational performance?
7. How do you identify and prioritize your key stakeholders?
8. What strategies do you employ to engage and build relationships with your stakeholders?
9. Can you share an instance where stakeholder engagement has led to improved organizational performance?
10. How do you measure the impact of stakeholder engagement on your organization's performance?
11. How does performance measurement enable organizations to achieve their strategic objectives?
12. What key performance indicators (KPIs) do you use to measure organizational performance?
13. How does performance measurement assist in identifying areas of improvement and driving performance enhancements?
14. Can you provide a specific example where performance measurement has positively impacted your organization's overall performance?

APPENDIX III: DATA COLLECTION LETTER FROM MT.ELGON MILLERS LTD



**UGANDA CHRISTIAN
UNIVERSITY**
A Centre of Excellence in the Heart of Africa
 MBALE UNIVERSITY COLLEGE.

Office of Academic Registrar

To MT Elgon
MILLERS

Dear Sir/Madam,

Re: Academic Research

Christian greetings!

We are honored to introduce to you Mr. Mrs./Miss SEERA BEITY
Of Registration Number; S231MUC1BBA1070 pursuing a Masters'
Degree/Postgraduate Diploma / Bachelor's Degree
DEGREE

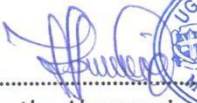
He/ she is required to carry out an academic research on the topic
STRATEGIC PLANNING AND ORGANISATIONAL
PERFORMANCE

and thereafter produce a well bound hard cover research report (MAROON) in color for undergraduate and three (BLACK) copies for Postgraduate students as a University requirement for the award of a degree/diploma in the academic discipline that he / she is pursuing.

We shall be grateful for the help you may offer to him or her accordingly.

Thank you.

Yours faithfully,


.....
Timothy Akampurira
Academic Registrar

