



INFLUENCE OF RESOURCE ALLOCATION ON ORGANIZATIONAL GROWTH IN KENYA'S ENERGY SECTOR

Katra Hussein Omar¹, Wilson Muema², Jane Munga³

¹PhD Candidate, Kenya Methodist University, Kenya

²Kenya Methodist University, Kenya

³Kenya Methodist University, Kenya

Corresponding Author: Katra Hussein Omar

Article DOI: <https://doi.org/10.36713/epra28843>

DOI No: 10.36713/epra28843

ABSTRACT

Organizational growth remains a strategic priority for Kenya's energy sector as organizations strive to enhance operational efficiency, financial sustainability, service reliability, and long term competitiveness amidst rapid technological transformation, increasing energy demand, and evolving regulatory requirements. Despite sustained public and private investment in energy infrastructure, many organizations continue to experience delayed project implementation, budget overruns, inefficient utilization of financial and human resources, and inconsistent organizational growth. Evidence increasingly suggests that these challenges arise not from deficiencies in strategic planning but from ineffective resource allocation during strategy implementation. Although previous studies have acknowledged the importance of resource allocation in organizational performance, existing evidence remains fragmented, with most studies examining resource allocation alongside other strategic management practices rather than establishing its independent influence on organizational growth within Kenya's energy sector. This study examined the influence of resource allocation on organizational growth in Kenya's energy sector. The study was anchored on the Resource Based View Theory and adopted a cross sectional explanatory research design. Primary data were collected using structured questionnaires administered to managerial, technical, and operational employees drawn from selected public and private energy sector organizations in Kenya. Data were analyzed using descriptive statistics and multiple linear regression analysis. The findings established that resource allocation exerted a positive and statistically significant influence on organizational growth. Organizations characterized by timely, strategic, and adequate allocation of financial, human, and technological resources reported superior growth in operational efficiency, service reliability, organizational capability, and overall institutional performance. The findings affirm that effective resource allocation constitutes a critical strategy implementation practice through which organizations translate strategic intent into sustainable growth outcomes. The study contributes to strategic management literature by providing context specific empirical evidence on the role of resource allocation in promoting organizational growth within Kenya's energy sector. The findings further provide practical insights for managers and policy makers seeking to strengthen strategy implementation through improved resource planning, prioritization, and deployment to enhance sustainable organizational growth.

KEYWORDS: Resource allocation, Strategy Implementation, Organizational Growth, Energy Sector, Strategic Management, Kenya

1. INTRODUCTION

Organizational growth has become an important strategic objective for organizations operating in increasingly dynamic, competitive, and resource constrained environments. Organizations are under mounting pressure to improve operational efficiency, enhance innovation, strengthen financial sustainability, and create long term value while simultaneously responding to rapid technological advancement, evolving stakeholder expectations, and changing regulatory requirements. Achieving these outcomes depends not only on the formulation of sound organizational strategies but also on the effective implementation of those strategies through the optimal deployment of organizational resources. Consequently, resource allocation has emerged as one of the most important strategic management practices because it determines how financial, human, technological, and physical resources are prioritized and deployed to achieve organizational objectives. Organizations that align resource allocation with strategic priorities are generally better positioned to improve organizational performance, sustain competitive advantage, and achieve long term growth (Hitt, Ireland, & Hoskisson, 2023; Wheelen, Hunger, Hoffman, & Bamford, 2024; Teece, 2023).

The strategic importance of resource allocation is particularly evident within the global energy sector, which is characterized by capital intensive investments, technological complexity, regulatory oversight, and increasing demand for sustainable energy systems. Across both developed and developing economies, energy organizations are investing heavily in electricity generation, renewable energy technologies, digital infrastructure, transmission networks, and smart energy systems to meet growing energy demand while supporting global decarbonization objectives. These investments require organizations to make complex resource allocation decisions involving competing strategic priorities, limited financial resources, technological uncertainties, and long



investment horizons. Recent studies demonstrate that organizations adopting strategic and flexible resource allocation mechanisms achieve superior project implementation, greater operational efficiency, enhanced innovation capability, and stronger organizational growth than organizations characterized by fragmented or reactive allocation practices (International Energy Agency, 2024; International Renewable Energy Agency, 2024; World Energy Council, 2024).

Despite these strategic investments, many organizations continue to experience considerable implementation challenges that constrain organizational growth. Cost overruns, delayed project completion, inefficient utilization of financial resources, shortages of critical technical expertise, and poor coordination of organizational capabilities remain common across many energy organizations worldwide. Increasing evidence suggests that these challenges frequently arise not from deficiencies in strategic planning but from weaknesses in strategy implementation, particularly the allocation and deployment of organizational resources. Effective resource allocation enables organizations to direct scarce resources toward strategically important activities, strengthen organizational capabilities, reduce implementation delays, and improve institutional resilience. Conversely, ineffective allocation of financial, human, and technological resources undermines strategic execution, limits organizational adaptability, and weakens long term organizational growth (World Bank, 2024; OECD, 2024; Deloitte, 2024).

Within Africa, resource allocation has become an increasingly important strategic concern as governments and energy organizations seek to expand electricity access, accelerate renewable energy adoption, and strengthen institutional performance amidst persistent financial and infrastructural constraints. Although substantial investments have been made in energy infrastructure across the continent, many organizations continue to experience procurement inefficiencies, inadequate financing, delayed implementation of strategic projects, and uneven deployment of organizational resources. These challenges have limited the ability of energy organizations to achieve sustainable organizational growth despite growing demand for reliable and affordable energy services. Recent empirical evidence indicates that organizations characterized by effective allocation of financial, technological, and human resources demonstrate superior operational efficiency, stronger organizational resilience, and greater success in implementing strategic initiatives than organizations where resource allocation remains fragmented or politically influenced (African Development Bank, 2024; African Union, 2024; Ezeh, Amah, & Chukwu, 2024).

Kenya's energy sector provides an appropriate context for examining the relationship between resource allocation and organizational growth because it occupies a central position in the country's economic transformation agenda. The sector has experienced substantial expansion in electricity generation capacity, renewable energy investment, transmission infrastructure, and rural electrification over the past decade. Nevertheless, many energy organizations continue to experience delayed implementation of strategic projects, escalating operational costs, inefficient utilization of organizational resources, and inconsistent organizational growth. These persistent challenges have raised concerns regarding the effectiveness of strategy implementation within the sector, with increasing attention being directed toward how organizations allocate financial resources, deploy technical expertise, prioritize strategic investments, and coordinate organizational capabilities. Consequently, understanding how resource allocation influences organizational growth has become an important strategic and policy issue for managers, regulators, and other stakeholders responsible for improving the performance and sustainability of Kenya's energy sector (Ministry of Energy and Petroleum, 2024; Energy and Petroleum Regulatory Authority, 2024; International Energy Agency, 2024).

Despite sustained investments and policy reforms, organizational growth within Kenya's energy sector remains uneven across many public and private energy organizations. Although the sector has recorded significant progress in electricity access, renewable energy development, and infrastructure expansion, several organizations continue to experience delayed project implementation, inefficient utilization of financial and human resources, escalating operational costs, and inconsistent service delivery. These implementation challenges have constrained the ability of many organizations to translate strategic investments into sustained organizational growth, thereby undermining operational efficiency, institutional competitiveness, and long-term sustainability. Sector reports increasingly indicate that weaknesses in resource planning, prioritization, and deployment remain among the principal barriers to successful implementation of strategic initiatives, suggesting that organizational growth depends not only on the availability of resources but also on how effectively those resources are allocated and managed (Energy and Petroleum Regulatory Authority, 2024; Ministry of Energy and Petroleum, 2024; International Energy Agency, 2024).

Existing empirical literature generally acknowledges resource allocation as an important determinant of organizational performance, yet the reported findings remain inconsistent across different organizational contexts. Several studies have established that effective allocation of financial, technological, and human resources enhances organizational efficiency, innovation, project implementation, and overall performance by ensuring that strategic priorities receive adequate support (Hitt, Ireland, & Hoskisson, 2023; Wang, 2022; Zhang, 2022). Conversely, other studies argue that the effectiveness of resource allocation depends on organizational capabilities, governance structures, leadership effectiveness, and institutional environments. Under such conditions, organizations may continue to experience implementation failures despite adequate resource availability because resources are poorly coordinated, misaligned with strategic priorities, or deployed inefficiently. These divergent findings suggest that the relationship between resource allocation and organizational growth is more complex than previously assumed and remains worthy of further investigation. Within Africa, empirical evidence has similarly produced mixed conclusions regarding the contribution of resource allocation to organizational growth. While studies conducted in Ghana, South Africa, and Nigeria generally report positive relationships between



effective resource allocation and organizational performance, many also emphasize that institutional weaknesses, political interference, procurement inefficiencies, and inadequate managerial capacity frequently constrain the realization of expected growth outcomes (Adjei & Mensah, 2022; Moyo, Asiedu, & Banda, 2023; Ezech, Amah, & Chukwu, 2024). In Kenya, available studies have predominantly focused on strategy implementation within state corporations, manufacturing firms, and public sector organizations, with comparatively limited empirical attention devoted to the energy sector. Furthermore, many previous investigations have examined resource allocation as one component of broader strategic management practices rather than evaluating its independent contribution to organizational growth. Consequently, evidence specific to Kenya's energy sector remains limited despite the sector's strategic importance to national development.

The existing literature also reveals important methodological and contextual limitations. Methodologically, many previous studies have relied on descriptive survey designs that primarily establish associations among variables without providing sufficient evidence regarding the magnitude of the influence of resource allocation on organizational growth. Contextually, relatively few studies have been undertaken within Kenya's energy sector, whose unique regulatory environment, capital intensive operations, technological complexity, and strategic significance distinguish it from many other industries. Theoretically, previous studies have largely emphasized organizational performance while paying comparatively limited attention to organizational growth as a broader strategic outcome encompassing operational capability, institutional development, service improvement, and long-term sustainability. These empirical, methodological, theoretical, and contextual gaps justify further investigation into the influence of resource allocation on organizational growth within Kenya's energy sector.

Against this background, the present study examined the influence of resource allocation on organizational growth in Kenya's energy sector. The study extends the application of the Resource Based View Theory by demonstrating how strategic allocation of financial, human, and technological resources contributes to sustainable organizational growth within a capital intensive and highly regulated industry. The findings provide contemporary empirical evidence that enriches strategic management literature while offering practical guidance to managers, policy makers, and regulators seeking to strengthen strategy implementation through more effective resource allocation practices. By focusing specifically on Kenya's energy sector, the study contributes context specific insights capable of informing managerial decision making and supporting sustainable organizational growth within one of the country's most strategically important sectors.

2. LITERATURE REVIEW

2.1 Theoretical Foundation

This study is anchored on the Resource Based View (RBV) Theory, which provides a robust theoretical explanation for the relationship between resource allocation and organizational growth. Originally advanced by Barney (1991), the theory posits that organizations achieve sustained competitive advantage and superior organizational outcomes through the effective acquisition, deployment, and utilization of valuable, rare, inimitable, and non substitutable resources. Rather than emphasizing external market conditions alone, the theory argues that differences in organizational performance arise primarily from variations in how organizations mobilize and strategically manage their internal resources. Recent developments of the theory further emphasize that organizations must not only possess strategic resources but also develop the managerial capability to allocate and reconfigure those resources in response to changing environmental conditions, technological advancement, and competitive pressures (Barney, 2021; Teece, 2023; Helfat & Martin, 2024).

The Resource Based View Theory is particularly relevant to the energy sector because organizational growth depends heavily on the effective allocation of substantial financial investments, specialized human capital, technological infrastructure, and operational capabilities. Energy organizations operate within highly capital intensive environments characterized by long investment horizons, complex regulatory requirements, and rapidly evolving technologies. Under such conditions, organizational growth depends not merely on the availability of resources but on the ability of managers to strategically prioritize, coordinate, and deploy those resources toward activities that generate long term value. Organizations that allocate resources in accordance with strategic priorities are more likely to improve project implementation, operational efficiency, innovation capability, and institutional resilience than organizations characterized by fragmented or inefficient allocation practices (Hitt, Ireland, & Hoskisson, 2023; Wheelen et al., 2024; International Energy Agency, 2024).

Despite its extensive application in strategic management research, the Resource Based View Theory has attracted several criticisms. Scholars argue that the theory places greater emphasis on the possession of strategic resources than on the external institutional and environmental factors that may influence organizational outcomes. Others contend that the theory provides limited guidance regarding the processes through which managers should allocate resources under conditions of uncertainty and rapid environmental change. Furthermore, the theory assumes that organizations possess sufficient managerial capability to identify and deploy strategic resources effectively, an assumption that may not always hold in highly regulated or resource constrained sectors such as energy (Kraaijenbrink, Spender, & Groen, 2023; Teece, 2023). Nevertheless, the Resource Based View Theory remains one of the most influential theoretical perspectives for explaining how strategic resource allocation contributes to organizational growth because it emphasizes the central role of internal organizational capabilities in translating strategic intentions into sustainable organizational outcomes.



The theory provides an appropriate foundation for the present study because it explains how effective allocation of financial, human, and technological resources enhances organizational growth within Kenya's energy sector. It supports the proposition that organizations capable of strategically deploying scarce resources are better positioned to strengthen operational capability, improve service delivery, enhance organizational efficiency, and achieve sustainable growth. Accordingly, the theory provides a logical basis for examining the influence of resource allocation on organizational growth and underpins the study's conceptualization of resource allocation as a critical strategy implementation practice that determines long term organizational success.

2.2 Resource Allocation and Organizational Growth

Resource allocation has received considerable attention within strategic management literature because it represents the mechanism through which organizational strategies are translated into operational outcomes. Contemporary strategic management scholars argue that organizations create sustainable value not merely by possessing strategic resources but by allocating financial, human, technological, and physical resources in ways that align with organizational priorities and environmental demands. Effective resource allocation enables organizations to optimize resource utilization, improve operational efficiency, accelerate innovation, strengthen strategic implementation, and enhance organizational growth. Conversely, ineffective allocation often results in inefficient resource utilization, delayed project implementation, escalating operational costs, and weakened organizational competitiveness. Consequently, resource allocation is increasingly regarded as a dynamic managerial capability that enables organizations to adapt to changing business environments while sustaining long term growth (Hitt, Ireland, & Hoskisson, 2023; Wheelen et al., 2024; Teece, 2023).

Evidence from developed economies generally demonstrates a positive relationship between strategic resource allocation and organizational growth. Organizations that systematically prioritize investments according to strategic objectives consistently report higher levels of operational efficiency, innovation capability, organizational resilience, and financial performance than organizations characterized by fragmented allocation systems. Within the energy sector, recent studies indicate that strategic allocation of financial resources, technological investments, and specialized human capital significantly improves project implementation, renewable energy integration, operational reliability, and long term organizational sustainability. These findings suggest that organizations capable of continuously reallocating resources in response to technological advancement, market dynamics, and environmental uncertainty are more likely to achieve sustained organizational growth than organizations relying on rigid resource allocation mechanisms (International Energy Agency, 2024; International Renewable Energy Agency, 2024; World Energy Council, 2024).

Empirical evidence from Africa similarly recognizes resource allocation as an important determinant of organizational performance, although the reported outcomes remain influenced by institutional and contextual factors. Several studies have established that effective allocation of financial, technological, and human resources improves project implementation, operational efficiency, and institutional performance across public sector organizations and energy utilities. However, the literature also demonstrates that the effectiveness of resource allocation is frequently constrained by inadequate financing, procurement inefficiencies, political interference, regulatory uncertainty, and limited managerial capacity. Consequently, organizations operating within resource constrained environments often experience implementation challenges despite increased investment in strategic projects. These findings imply that the contribution of resource allocation to organizational growth depends not only on the availability of organizational resources but also on the governance systems and managerial capabilities responsible for deploying those resources effectively (African Development Bank, 2024; Adjei & Mensah, 2022; Ezech, Amah, & Chukwu, 2024).

Within Kenya, empirical studies examining resource allocation have largely concentrated on public sector organizations, manufacturing firms, county governments, and state corporations, with comparatively limited attention devoted to the energy sector. Existing studies generally report that strategic allocation of financial and human resources enhances organizational performance by improving operational efficiency, project implementation, and service delivery. Nevertheless, many of these investigations have examined resource allocation alongside other strategy implementation practices, making it difficult to isolate its independent contribution to organizational growth. Furthermore, the majority of previous studies have employed cross sectional survey designs and focused primarily on organizational performance rather than organizational growth as a multidimensional strategic outcome. Consequently, empirical evidence explaining how resource allocation independently influences organizational growth within Kenya's energy sector remains limited despite the sector's strategic importance to national development (Murugi & Kariuki, 2023; Rotich, Wanjiku, & Kibet, 2024; Gichuki & Njoroge, 2022).

The reviewed literature reveals several important research gaps. Empirically, previous studies provide inconsistent findings regarding the magnitude and nature of the relationship between resource allocation and organizational growth. Methodologically, many investigations have relied on descriptive survey approaches that provide limited evidence regarding the independent influence of resource allocation on organizational growth. Contextually, relatively few studies have focused specifically on Kenya's energy sector despite its unique institutional, regulatory, and operational characteristics. The present study addresses these empirical, methodological, and contextual gaps by examining the influence of resource allocation on organizational growth within Kenya's energy sector. Accordingly, the study tested the following hypothesis:

H₁: Resource allocation has a statistically significant influence on organizational growth in Kenya's energy sector.

3. METHODOLOGY

3.1 Research Philosophy and Design

The study adopted a positivist research philosophy, which assumes that organizational phenomena can be objectively measured and explained through empirical observation and statistical analysis. Positivism was considered appropriate because the study sought to establish the influence of resource allocation on organizational growth using quantitative data obtained from employees working within Kenya's energy sector. Consistent with this philosophical orientation, the study employed a cross-sectional explanatory research design. The design was appropriate because it enabled the researcher to examine the magnitude and direction of the relationship between resource allocation and organizational growth at a single point in time without manipulating the study variables. The design further facilitated hypothesis testing and provided an appropriate basis for establishing empirical relationships among the study variables.

3.2 Target Population and Sampling Procedure

The target population comprised employees drawn from selected public and private organizations operating within Kenya's energy sector. The respondents included managerial, technical, and operational employees because they possessed adequate knowledge regarding organizational resource allocation practices and their influence on organizational growth. A scientifically determined sample was selected using appropriate probability sampling procedures to ensure that every eligible respondent had an equal chance of participating in the study. Structured questionnaires were administered to the selected respondents, and only fully completed questionnaires were included in the final analysis, thereby providing sufficient observations for subsequent statistical analysis.

3.3 Data Collection Instrument and Measurement of Variables

Primary data were collected using a structured questionnaire comprising closed ended statements measured on a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The questionnaire was developed from validated measurement scales reported in previous strategic management studies and adapted to reflect the operational context of Kenya's energy sector. Resource allocation was operationalized using indicators reflecting the adequacy, timeliness, prioritization, and strategic deployment of financial, human, and technological resources. Organizational growth was measured using indicators relating to operational efficiency, institutional capability, service reliability, innovation, and organizational sustainability. Prior to the main survey, the instrument was subjected to pilot testing to establish its reliability and construct validity, and the results confirmed that the instrument possessed satisfactory psychometric properties for the main study.

3.4 Data Analysis

The collected data were coded and analysed using the Statistical Package for the Social Sciences (SPSS) version 30. Descriptive statistics comprising frequencies, percentages, means, and standard deviations were computed to summarize respondents' perceptions regarding resource allocation and organizational growth. Inferential analysis was conducted using multiple linear regression to determine the influence of resource allocation on organizational growth. Prior to hypothesis testing, the assumptions underlying multiple linear regression were evaluated, including normality of residuals, linearity, homoscedasticity, independence of errors, and multicollinearity. Model adequacy was assessed using the coefficient of determination (Adjusted R²), the F statistic, and regression coefficients. Statistical significance was evaluated at the 95 percent confidence level.

3.5 Analytical Model

The relationship between resource allocation and organizational growth was estimated using the following multiple linear regression model:

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Where:

Y = Organizational Growth

β_0 = Regression constant

β_1 = Regression coefficient for Resource Allocation

X_1 = Resource Allocation

ε = Random error term

The null hypothesis was tested by examining the statistical significance of the regression coefficient associated with resource allocation. The hypothesis was rejected where the probability value was less than 0.05, indicating that resource allocation exerted a statistically significant influence on organizational growth.

4. RESULTS AND DISCUSSION

This section presents the findings of the study on the influence of resource allocation on organizational growth in Kenya's energy sector. The findings are presented in four stages. The section begins with the preliminary analysis, followed by the descriptive statistics for resource allocation. It then presents the results of the multiple linear regression analysis examining the influence of resource allocation on organizational growth. The findings are discussed in relation to the Resource Based View Theory and recent empirical literature.



4.1 Preliminary Analysis

A total of 277 questionnaires were administered to employees drawn from selected public and private organizations operating within Kenya's energy sector. Of these, 222 questionnaires were fully completed and found suitable for analysis, representing a response rate of 80.1 percent. This response rate was considered adequate for statistical analysis because it exceeded the minimum response rate generally recommended for organizational research.

Before testing the study hypothesis, the quality of the measurement instrument and the suitability of the data for multiple linear regression analysis were evaluated. Specifically, reliability was assessed using Cronbach's alpha coefficient, while construct validity was examined using the Kaiser Meyer Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity. The assumptions underlying multiple linear regression, including normality of residuals, multicollinearity, linearity, homoscedasticity, and independence of errors, were also examined. The results are presented in Table 1.

Table 1: Summary of Preliminary Analysis

Diagnostic Test	Criterion	Result	Decision
Response Rate	$\geq 70\%$	80.10%	Adequate
Reliability (Cronbach's Alpha)	$\alpha \geq 0.70$	All constructs exceeded 0.70	Accepted
Construct Validity (KMO)	$KMO \geq 0.50$	All constructs exceeded 0.50	Accepted
Bartlett's Test of Sphericity	$p < 0.05$	$p < 0.001$ for all constructs	Accepted
Normality of Residuals	$p > 0.05$	Assumption satisfied	Accepted
Multicollinearity	Tolerance > 0.10 ; VIF < 10	Assumption satisfied	Accepted
Linearity	Linear relationship	Assumption satisfied	Accepted
Homoscedasticity	Constant variance	Assumption satisfied	Accepted
Independence of Errors	Durbin Watson ≈ 2	Assumption satisfied	Accepted

The results presented in Table 1 indicate that the data satisfied all the assumptions required for multiple linear regression analysis. The measurement instrument demonstrated satisfactory reliability and construct validity, while the diagnostic tests confirmed that the residuals were normally distributed, the predictor variables were free from multicollinearity, the relationships among the variables were linear, the residuals exhibited constant variance, and the errors were independent. Consequently, the dataset was considered suitable for hypothesis testing through multiple linear regression analysis.

4.2 Descriptive Statistics for Resource Allocation

This section presents the descriptive statistics for resource allocation as perceived by employees in Kenya's energy sector. The analysis sought to establish the extent to which organizations allocate financial, human, and technological resources in a manner that supports effective strategy implementation and organizational growth. The findings are presented in Table 2.

Table 2: Descriptive Statistics for Resource Allocation

Statement	Mean	Standard Deviation
Financial resources (budgets) are allocated in a timely manner to support strategic projects.	3.86	0.686
Budget allocations are aligned with the organisation's stated strategic priorities.	3.82	0.666
Resource allocation decisions (financial and non-financial) are transparent across relevant departments.	3.84	0.684
Resource disbursements are conditional on project milestones or demonstrated progress.	3.81	0.706
The organisation allocates adequate resources for staff training and capacity building linked to strategic initiatives.	3.85	0.669
Non-financial resources (spare parts, maintenance kits, technical assistance) accompany capital allocations when needed.	3.81	0.731
Resource allocation processes allow for reallocation when priorities change during implementation.	3.83	0.671
Procurement is timely and supports on schedule project implementation.	3.83	0.678
The organisation uses project timelines to guide the sequencing of resource releases.	3.87	0.709
There are clear criteria used to prioritise competing resource requests.	3.86	0.716
Composite Mean	3.84	0.692

The findings in Table 2 indicate that respondents generally agreed that resource allocation practices effectively support strategy implementation in Kenya's energy sector, as reflected by a composite mean of 3.84 (SD = 0.692). The highest-rated practice was the use of project timelines to guide resource releases (M = 3.87, SD = 0.709), followed by timely budget allocation and clear prioritization criteria (M = 3.86 each), suggesting that resource allocation is strategically aligned with organizational priorities.



Respondents also agreed that organizations adequately support staff training, maintain transparent allocation processes, facilitate timely procurement, and allow resource reallocation when implementation priorities change. Although milestone-based resource disbursement and the provision of non-financial resources recorded the lowest mean scores ($M = 3.81$ each), they remained above the neutral point, indicating satisfactory implementation. These findings support the Resource Based View Theory, which posits that organizational growth depends on the strategic deployment of valuable resources rather than their mere availability (Barney, 2021; Teece, 2023). The results are also consistent with empirical studies by Hitt et al. (2023) and Wheelen et al. (2024), who found that organizations aligning resource allocation with strategic priorities achieve superior implementation outcomes, operational efficiency, and sustainable organizational growth. Similarly, International Energy Agency (2024) reports that effective planning and timely deployment of financial, human, and technological resources are critical drivers of successful strategy implementation and organizational performance within the energy sector.

4.3 Simple Linear Regression Results

A simple linear regression analysis was conducted to determine the influence of resource allocation on organizational growth in Kenya's energy sector. Resource allocation was entered into the model as the predictor variable, while organizational growth was specified as the outcome variable. The model summary, analysis of variance, and regression coefficients are presented in Tables 3, 4, and 5, respectively.

Table 3: Model Summary for the Influence of Resource Allocation on Organizational Growth

Model	R	R ²	Standard Error of the Estimate
1	0.345	0.119	0.4434

Predictor: Resource Allocation.

Dependent Variable: Organizational Growth.

The model summary presented in Table 3 indicates that resource allocation explained 11.9% ($R^2 = 0.119$) of the variation in organizational growth. Although the proportion of explained variance is modest, it demonstrates that resource allocation is a statistically meaningful determinant of organizational growth. The remaining 88.1% of the variation is attributable to other organizational and environmental factors not included in the present model, suggesting that organizational growth is influenced by multiple strategic and contextual variables.

Table 4: Analysis of Variance for the Influence of Resource Allocation on Organizational Growth

Model	Sum of Squares	df	Mean Square	F	p value
Regression	5.854	1	5.854	29.78	<0.001
Residual	43.253	220	0.197		
Total	49.107	221			

Dependent Variable: Organizational Growth.

The ANOVA results presented in Table 4 indicate that the regression model was statistically significant ($F(1,220) = 29.778$, $p < 0.001$). This finding demonstrates that resource allocation significantly predicts organizational growth in Kenya's energy sector, confirming that the regression model provides a better fit than a model without the predictor variable. The results therefore suggest that improvements in resource allocation are associated with significant improvements in organizational growth. These findings are consistent with the Resource Based View Theory, which emphasizes that organizations derive superior outcomes through the effective deployment of strategic resources (Barney, 2021; Teece, 2023). The findings also corroborate recent empirical evidence by Hitt et al. (2023) and Wheelen et al. (2024), who reported that organizations with strategically aligned resource allocation systems achieve more effective strategy implementation and superior organizational performance.

Table 5: Regression Coefficients for the Influence of Resource Allocation on Organizational Growth

Variable	β	Standard Error	Standardized β	t	p value
Constant	2.444	0.220	—	11.107	<0.001
Resource Allocation	0.31	0.057	0.345	5.457	<0.001

Dependent Variable: Organizational Growth.

The regression coefficients presented in Table 5 indicate that resource allocation exerted a positive and statistically significant influence on organizational growth ($\beta = 0.310$, $t = 5.457$, $p < 0.001$). The positive regression coefficient implies that improvements in resource allocation are associated with corresponding increases in organizational growth. Specifically, a one unit improvement in resource allocation is associated with a 0.310 unit increase in organizational growth. The standardized coefficient ($\beta = 0.345$) further indicates that resource allocation has a moderate positive effect on organizational growth, underscoring its importance as a strategy implementation practice within Kenya's energy sector.

The findings support the Resource Based View Theory, which argues that organizations achieve sustainable competitive advantage by strategically deploying valuable financial, human, and technological resources to enhance organizational capabilities and performance (Barney, 2021; Teece, 2023). The results are also consistent with the findings of Hitt et al. (2023), who observed that strategic resource allocation enhances organizational effectiveness by improving the execution of strategic initiatives, and Wheelen et al. (2024), who reported that organizations aligning resource deployment with strategic priorities achieve superior organizational



performance and long-term growth. Similarly, the International Energy Agency (2024) emphasizes that timely and well coordinated allocation of organizational resources is fundamental to improving operational efficiency, strengthening institutional resilience, and achieving sustainable growth within the energy sector.

The study therefore rejects the null hypothesis that resource allocation has no statistically significant influence on organizational growth. The findings demonstrate that effective resource allocation is a significant predictor of organizational growth and highlight its strategic importance in enhancing the successful implementation of organizational strategies within Kenya's energy sector.

5. CONCLUSION

This study examined the influence of resource allocation on organizational growth in Kenya's energy sector. The findings established that resource allocation practices were generally well implemented, with respondents reporting timely budget allocation, strategic prioritization of resources, transparent allocation processes, and adequate support for staff capacity building. These practices provide a conducive environment for effective strategy implementation and organizational growth.

The simple linear regression analysis further established that resource allocation exerts a positive and statistically significant influence on organizational growth. The findings demonstrate that organizations characterized by effective allocation of financial, human, and technological resources achieve higher levels of organizational growth than those with less effective resource allocation practices. The study therefore provides empirical evidence that strategic resource allocation constitutes an important driver of organizational growth within Kenya's energy sector.

The findings reinforce the Resource Based View Theory by demonstrating that sustainable organizational growth depends not merely on the availability of organizational resources but on their strategic allocation and deployment. Effective resource allocation enables organizations to align resources with strategic priorities, improve operational efficiency, strengthen implementation capacity, and respond more effectively to changing organizational needs. Consequently, managers should institutionalize strategic resource planning, timely budget execution, transparent allocation procedures, and flexible resource reallocation mechanisms to enhance the successful implementation of organizational strategies and promote sustainable organizational growth.

REFERENCES

1. African Development Bank. (2024). *African Economic Outlook 2024*. African Development Bank Group.
2. African Union. (2024). *Agenda 2063: Annual progress report 2024*. African Union Commission.
3. Barney, J. B. (2021). The emergence of resource-based theory: A personal journey. *Journal of Management*, 47(7), 1663–1676. <https://doi.org/10.1177/01492063211015272>
4. Barney, J. B., Ketchen, D. J., Jr., & Wright, M. (2021). Resource-based theory and the value creation framework. *Journal of Management*, 47(7), 1936–1955. <https://doi.org/10.1177/01492063211021655>
5. Deloitte. (2024). *2024 Global Energy and Industrials Outlook*. Deloitte Insights.
6. Energy and Petroleum Regulatory Authority. (2024). *Energy and Petroleum Statistics Report 2024*. EPRA.
7. Helfat, C. E., & Martin, J. A. (2024). *Dynamic managerial capabilities and strategic management*. Cambridge University Press.
8. Hitt, M. A., Ireland, R. D., & Hoskisson, R. E. (2023). *Strategic management: Competitiveness and globalization (15th ed.)*. Cengage Learning.
9. International Energy Agency. (2024). *World Energy Outlook 2024*. International Energy Agency.
10. International Renewable Energy Agency. (2024). *Renewable Capacity Statistics 2024*. IRENA.
11. Ministry of Energy and Petroleum. (2024). *Kenya Energy Sector Report 2024*. Government of Kenya.
12. Organisation for Economic Co-operation and Development. (2024). *OECD Economic Outlook 2024*. OECD Publishing.
13. Teece, D. J. (2023). *Dynamic capabilities and strategic management: Organizing for innovation and growth*. Oxford University Press.
14. Wheelen, T. L., Hunger, J. D., Hoffman, A. N., & Bamford, C. E. (2024). *Strategic management and business policy: Globalization, innovation, and sustainability (16th ed.)*. Pearson.
15. World Bank. (2024). *World Development Report 2024: The Middle-Income Trap*. World Bank.
16. World Energy Council. (2024). *World Energy Trilemma Report 2024*. World Energy Council.