

Influence of Strategic Planning on Performance of Non-Governmental Organizations in Kenya: A Case of One-Acre Fund Agriculture Project In Bungoma County, Kenya

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Abstract- The study focused on influence of strategic planning on performance. The objectives were; to examine the existence of strategic plans and how they influence the performance of Non-Governmental Organizations, to establish the influence of setting objectives on organization growth and to assess the influence of budgetary allocations on organization growth. The target population was 350 who involved senior, middle and supervisory level management. A sample size of 186 respondents was selected from the categories. Data was collected and analyzed using descriptive and inferential statistics with the aid of Statistical Package for Social Sciences (SPSS) version 23. The analyzed data was presented in form of frequency distribution tables. The findings indicated that decisions, direction and setting of objectives at One Acre Fund had a strong positive significance influence on strategic planning on performance of non-governmental organizations.

Index Terms- on-Governmental Organizations, NGO's Performance, Organization Performance, Strategic Planning

I. INTRODUCTION

B 1.1 Background to the Study

GOs include many groups and institutions that are entirely or largely independent of government and that have primarily humanitarian or cooperative rather than commercial objectives (DeMars, 2005). In other words, any institution, organization or agency that is established voluntarily to pursue altruistic goals, without a profit motive and is based largely outside the control or operation of the government structure roughly describes an NGO (Stoddard, 2006). They are private agencies; indigenous groups organized regionally or nationally; and member-groups in villages that support development. NGOs include charitable associations, trusts and foundations, independent cooperatives, community associations, societies, trade associations, professional societies, consumer groups, and faith associations that mobilize private funds for development, distribution of food and family planning services and the promotion of community organization (O'Dwyer & Unerman, 2008).

The NGO sector in Kenya has made enormous contributions to the development process. NGOs are in all development sectors of the economy providing basic services that include education, economic employment, environment and natural resource conservation, agriculture, health, training and credit facilities, technical co-operation, training and awareness. Kameri-Mbote (2002) reported that NGOs agenda and existence has been multifaceted and the following specific societal changes have spurred the formation, growth and development of NGOs; worldwide economic recessions, emergence of new diseases, recurrence of armed conflict, environmental degradation and climate change and dwindling job opportunities due to population explosion.

Jillo and Kisinga (2008) agreed that NGOs have experienced increased economic importance in Kenya as providers of health, educational, social and environmental services. In addition Fowler (1997) agrees that NGOs have a lot of potential that had been exploited and unexploited. Over the years, the concept and practice of strategic planning has been embraced wide reaching and across sectors because of its perceived influence on organizational performance (Latif & Gohar, 2013). Organizations from both the public and private sectors have taken the practice of strategic planning critically as a tool that can be adopted to improve their performances (Aldehyyat, AlKhattab & Anchor, 2011). According to Aremu (2010), strategy is needed to focus effort and promote coordination of activities. Without strategy, an organization becomes bunch of individuals, hence strategy is required to ensure collective actions and concentration of efforts towards achieving organizational plans and objective. Strategic process is important to any organizational work performance because it determines the organization's success or failure (Bryson, 2014). A strategy is a plan that is planned to achieve a particular purpose. Wernham (2014) observes that in a strategic planning process, resources such as people, skills, facilities, and money to implement the strategy must be adequate.

According to Pearce and Robinson (2008), the strategic planning process can be showed as a series of steps; strategy formulation (Company Vision and Mission, Company Objectives and Internal analysis), situation analysis and environmental scanning (Competitor, industry, Market analysis and strategy

selection), strategy implementation and strategy evaluation and control. Strategic planning is a critical part of the strategic management process, which aids non-governmental organizations formulate and appreciate strategies aimed at greater performance effectiveness, improved accountability measures, and sustainable competitive advantage (Awino, Muturia, & Oeba, 2012).

1.1.1 Strategic planning on Global perspective

Global strategic planning is a process adopted by organizations that operate internationally in order to formulate an effective global strategy. Global Strategic Planning is a process of evaluating the internal and external environment by multinational organizations, and make decisions about how they will achieve their long-term and short-term objectives (Tafez, 2014).

The recent growth of events industry around the world means that the planning of events can no longer be ad hoc. Events and festivals have a large impact on their communities and, in some cases, the whole country. The industry now includes events of all sizes from the Olympics down to a breakfast meeting for ten business people. Many industries, charitable organizations, and interest groups will hold events of some size to market them, build business relationships, raise money or celebrate. Event planning is the application of project management to the creation and development of festivals, events, and conferences (Ramirez & Nembhard, 2014).

The business environment has become more indeterminate, complex and very turbulent (Hasse and Franco, 2011) The survival of an organization depends on its capability to anticipate the rapid changes around it and incorporate them in its strategy. Environmental scanning comprises gathering relevant information and synthesizing it into knowledge that can be used to manage a business. Environmental scanning is a management tool that uses external information to improve strategic decision-making Managers that use environmental scanning are able to identify new trends and opportunities (Bischoff, 2012).

1.1.2 Strategic planning on local perspective

Most small businesses in Kenya lack a formal mode of planning. This clearly suggests that the key reason for failure for small-scale business is not only lack of access to finance, but also lack of planning (Hassanali, 2012). This is not necessarily due to lack of know-how, but rather lack of acknowledgement or importance of the same in ordinary course of business. This trend leads to difficulty in exploiting opportunities in form of market identification and penetration, and widening distribution channels that could positively impact the business. Today most business and especially small-scale ones are suffering from lack of a clear Business Mission and Vision. This restricts the business owners from tapping market potential.

First, strategic planning ensures that community leaders and those who are involved in development processes have genuinely thought through the decisions made on public service delivery. People's situation, needs, perceptions and experiences are articulated, thus helping different thoughts to be collated and organized into more coherent strategies. It permits them to own programmes and projects. Ultimately, this motivates them to

committedly offer leadership and work towards the implementation of these projects and programmes. It is paramount that the citizenry is aware of the leadership's development intentions. Since not everybody can be involved in the actual development of the plan, strategic plans act as that bridge between the leadership and the community.

They enable the leadership or the implementers to communicate the development strategy, goals and objectives to their constituents with justification. That understanding supports an increased level of commitment to the development work. Because of the kind of factual analysis that goes into the strategic planning process, a constituency is able to focus on the right priorities. The development process is therefore not marred with wrong perceptions, personal or factional interests. Energies are also not dissipated working out the wrong interventions. This leads to a more effective use of community resources. Whereas a strategic plan cannot cure all of a community's ills, it acts as both a leadership tool and a management tool. As a leadership tool the process asks: "are we doing the right thing" and as a management tool, the planning process allows people to make sure that the community is "doing things right" (Dubilihla & Sandada 2014).

Constituency strategic plans improve the connection between national policy priorities and those at district, constituency, location and sub-location levels. This harmonization is paramount for development to have any meaningful impact. It is envisaged that this manual will be used to standardize constituency strategic planning processes in Kenya. We hope the planning will encourage effective participation, better leadership, the implementation of projects and programmes that have an impact enhance transparency and accountability hence a more empowered community (Awino, Mutua & Oeba, 2012).

1.1.3 One Acre Fund Agriculture Project Bungoma County, Kenya

One Acre Fund Agriculture project Bungoma County is a [non-profit organization](#) that supplies smallholder farmers in East Africa with asset-based financing and agriculture training services to reduce hunger and poverty Douglas, Kate. [What One Acre Fund Agriculture Project Bungoma County can teach us about supporting African small-scale farmers](#) (Retrieved 23 May 2014). Headquartered in Bungoma, [Kenya](#), the organization works with farmers in rural villages throughout [Kenya, Rwanda, Burundi, Tanzania, Uganda](#), and [Malawi](#), (NGO, 2014).

The organization serves smallholder farmers. In everything, they do, they place Farmers First. It's a bitter irony that the majority of the world's hungriest people are farmers (FAO, 2014). The challenges presented by hunger are huge, but not insurmountable. Modern techniques have allowed farmers around the world to unlock giant gains in crop yields. One Acre Fund is delivering proven tools to smallholders in remote areas of Sub-Saharan Africa where yields and access to financing have lagged behind (FAO, 2014).

1.1.4 Bungoma County

Bungoma County is a [county](#) in the former [Western Province](#) of [Kenya](#). Its capital is [Bungoma](#) or Bungoma Town. It has a population of 1,375,063 and an area of 2,069 km².In 2010,

the neighboring Mount Elgon District was eliminated and its lands merged with Bungoma District to form Bungoma County (CoG, 2014). The economy of Bungoma County is mainly agricultural, centering on the sugarcane and maize industries. The area experiences high rainfall throughout the year, and is home to several large rivers, which are used for small-scale irrigation (CoG, 2014).

Agriculture is the backbone of Bungoma County and most families rely on crop production and animal rearing. The main crops include maize, beans, finger millet, sweet potatoes, bananas, Irish potatoes and assorted vegetables. These are grown primary for subsistence with the excess sold to meet other family needs. On the other hand, the main cash crops include sugar cane, cotton, palm oil, coffee, sunflower and tobacco. Most families integrate livestock production with farming. The main livestock kept include cattle, sheep, goats, donkeys, pigs, poultry and bees. Most of this is on a small scale but some farmers also produce milk and poultry products for commercial use. Milk farmers sell their milk through cooperative societies including Sang'alo, Kikai and Nai (MoA 2014).

1.2 Statement of the Problem

The importance of strategic planning cannot be overemphasized. Arguably, the major cause of a business failure is not having a strategic plan that is well followed. If a business has little idea where it is headed, it will wonder aimlessly with priorities changing constantly and employees confused about the purpose of their jobs (online business advisor, 2003). Most researches in this area have been on the relationship between strategic planning and organizational performance Armstrong's (2002) reviewed twelve studies on strategic planning and performance and concluded that formal planning benefitted firms. Shrader, Taylor, and Dalton (2004), however, came to a different conclusion from Armstrong; that there is no apparent systematic relationship between formal planning and performance and that there is great disparity in the measurement of formal planning across studies.

Armstrong (2006) identified several strategic management factors that have been adopted by various organizations to enhance their performance. These management practices include strong visionary leadership from the top, powerful management team and effective teamwork, well-motivated, committed, skilled and flexible workforce; optimal organizational structure; clearly defined mission, vision and objectives, and a sound financial base (Armstrong, 2006). Sababu (2007) argues that, these organizations have in place well-functioning governance structures with properly functioning boards independent of management with ability to provide oversight to the management of the organization.

Pearce and Robinson (1999) add that to ensure continued performance, the organizations also have strategic directions guided by clearly defined mission, vision and objectives. Good sustainable fundraising strategies are important to ensure organizations have sound financial base, coupled with good financial management systems have also ensured the long term existence of the organizations. A highly qualified and motivated staff force have also contributed to the day-to-day achieving the organizations objectives. Organizations have been able to adapt to technological changes and make use of the opportunities

provided by such changes to their advantage (Armstrong, 2006). However, the above analysis by Armstrong (2006) is not specific to NGOs but rather pointed towards profit making organizations and does not relate to the Kenya context. Lekorwe and Mpabanga (2007) identified several lessons and made various suggestions for successful management to ensure good performance of NGOs in Botswana but this study is not based on Kenyan context and there are no two states, which can be same in their governance or political climate.

Within the Kenyan context, some NGOs have demonstrated sound management practices characterized by good governance practices, quality staff, having clear visions and missions, financial stability among other factors (Kenya NGOs Management Policy, 2004). However, a good number of NGOs have not been able demonstrate similar characteristics and are facing management related problems or have closed down (Kenya NGOs Coordination Board, 2008). Further, most of them are faced with the possibility of collapse from the effects of changing economic environment in the donor countries, which calls for effective management and governance practices to ensure survival if not stability or growth (Anan, et al, 2008). While these studies are of importance to the area of current study, none of them has been done on the influence of strategic planning on performance of Non-Government Organizations in Kenya. It is therefore this gap which the current study seeks to fill by providing answer to the question, what influence of strategic planning on performance of Non-Government Organizations in Kenya?

1.3 Objective of the Study

The study was guided by both general and specific objectives:

1.3.1 General Objective

The general objective of the study assessed the influence of strategic planning on the performance of Non-Government Organizations in Kenya, using a case of One Acre Fund Agriculture project Bungoma County.

1.3.2 Specific Objectives

The specific objectives of the study were:

1. To examine the existence of strategic plans and how they influence the performance of Non-Governmental Organizations.
2. To establish the influence of setting objectives on organization growth.
3. To assess the influence of budgetary allocations on organization growth.

1.4 Research Questions

1. How does the existence of a strategic plan influence the performance of Non-Government Organizations?
2. How does setting objectives influence organization growth?
3. How is budget allocation influencing organization growth?

1.5 Significant of the Study

1.5.1 Non-Governmental Organizations

The findings from the study shall particularly be useful in providing additional knowledge to existing and future organizations on strategic planning processes adopted to enable them remain competitive.

1.5.2 Agricultural Strategies Planners'

This study shall also be beneficial to all agricultural industry both large and small since they would enhance the realization on strategic planning measures that are majorly employed. The findings shall also provide a useful reference document to stakeholders in the agricultural industry and academic institutions in their endeavours to formulate work plan to meet the performance.

1.5.3 Academicians

Scholars, students and other researchers will also find the study helpful to identify further areas of research built on the findings of this research. The study shall be a source of reference material for future researchers on other related topics, it will also help other academicians who undertake the same topic in their studies. The study will also highlight other important relationships that require further research; this shall be in the areas of strategic planning at agricultural industry.

1.5.4 Agricultural Policy Makers

Most importantly, it shall help the policy makers in both public and private sector to identify crucial areas in their organizations and make appropriate decisions to ensure that strategic planning is critically emphasized on. In addition, through this study leaders and managers in agricultural industry shall learn and make responsible strategic plans and policy decisions that are meant to facilitate and sustain high organizational performance, and manage organizational and national resources so that organisations and societies can benefit from them in the future.

1.6 Scope of the Study

The study was limited to Influence of Strategic Planning on Performance of Non-Governmental Organizations in Kenya with particular reference to One Acre Fund Agriculture Project in Bungoma County. The population of this study was the top management, middle management and supervisory employees of One Acre Fund and who have been working for a minimum period of one year. This was to ensure that they understand the operations and have gone through a one year cycle of performance contract. This study adopted descriptive research design.

1.7 Limitation of the Study

The difficulty in getting information from the management of One-Acre Fund Agriculture Project Bungoma County placed a restriction on the researcher's work. Secondly, the lack of database on Strategic planning in the One Acre Fund Agriculture Project hindered the dependability on this work. There were constraints of financial resources and unavailability of data as well as materials, which made it impossible to undertake such a nationwide study. The researcher had to combine academic work with his regular profession. Costs in

terms of printing, photocopying, binding as well as opportunity cost were incurred.

II. LITERATURE REVIEW

2.1 Introduction

This chapter contains theoretical review, existing theories, conceptual framework and empirical review. The chapter also captures critique of the existing literature, research gap and summary of literature reviewed.

2.2 Theoretical Foundations

The modern theories of strategic planning are credited to some thinkers of management such as Alfred Chandler, Henry Mintberg, Peter Drucker and Igor Ansoff. Various theories have developed based industry, institutional and resource based views. This study will be based on four theories namely, Open System Planning, Organizational based theory and Resource Based View theory.

2.2.1 Open System Theory

The concept of strategic planning has found robust application in business arena due to the complex and dynamic nature of the business environment. This is because from open systems theory, organizations are open systems. They receive various inputs from environment; transform them in some way and export outputs. Haines (1972), states that a deeper understanding of the interrelatedness of the influencing factors in the environment when applying open systems theory to the strategic planning model produces a richer and better appreciation of the sub-systems that compose the larger synergistic general system. Open Systems theory provides a deeper understanding of the trends and the critical nature of the interplay between these various components with the bottom-line being able to manage organizational changes, achieve an internal fit and adjust to external environmental changes.

Burnes (2000) referring to contingency theory, reiterates that there is no one best way of managing organizations. This is because organizational factors such as organizational structure and culture, size, type and complexity of the organization vis-a-vis the situational factors shaping the industry landscape, renders the best practice or strategy in one organization in given industry at a given time irrelevant or obsolete in another set of situation. This theory affirms the complexity, dynamism and unpredictable nature of the environment as postulated by the complexity and chaos theory that questions the practicability and essence of formal planning under such environmental conditions and thus argues that the traditional approaches to strategic management may not be appropriate.

The concept of strategy dates back to the early 20th century. With the onset of industrial revolution, the military lexicon, strategy, was borrowed into business to mean configuration of resources to achieve advantage against competitors (Yabs, 2007). Later on, the concept of strategic planning emerged focusing on identifying competitive moves and business approaches to grow the business, compete successfully attract and please customers and conduct operations to achieve the targeted level of performance (Thompson, Strickland and Gamble, 2007). Strategic planning

metamorphosed from the widely known financial planning of the 1950s and long-range planning of the 1960s into strategic management of today. Strategic management is a relatively new field of study that is still at a pre-paradigmatic stage; it's multidimensional and unifies the concepts of strategy and strategic planning in the broad endeavour of an organization to achieve its purpose (Johnson et al., 2008).

Similarly, firms are also viewed to be different based on the resources they are endowed with. Birger Wernerfelt (1984) is a proponent of the resource based theory which stipulates that firms perform better when they assemble resources that are valuable, durable, rare, difficult to imitate, non-substitutable and superior to competitor's resources and successfully bundle them into unique capabilities which they could use to generate competitive advantage and superior performance, (Penrose, 1959). Its notable that resource based theory was popular in the 1960s when adoption of strategic planning practices was on increase both in the U.S.A. and overseas. However, in the mid-1970s – mid 1980s companies exhibited dissatisfaction with strategic planning majorly due to increased environmental turbulence, reduced business opportunities and increased competition although Michael Porter (1987), argued that strategic planning should be "re-discovered", "re-thought" and "recast" even as Mintzberg (1987) argued that formal strategic planning gave rise to deliberate strategy but realized strategy is an outcome of both deliberate and emergent strategy (Johnson et al., 2008; Thompson et al., 2007).

2.2.2 Industrial Organization Theory

This theory builds on the theory of the firm, asset of economic theories that describe, explain and attempt to predict the nature of a firm in terms of its existence, behaviour, structure and its relationship to the market. It is about organizational structures, designs, relationship with their outside environment, and the conduct of executives and technocrats within organizations.

This theory views the organizations external market positioning as an important factor for attaining competitive advantage. The traditional industrial organization viewpoint offers strategic management a methodical approach for evaluating external competition within an industry. The structure and functioning of a market is the concept behind the industrial organization theory (Tirole, 1988), rather than the conversion process.

Bain (1959) provided the structure, behavior and performance pattern which is used as a framework for analysis of relations between market structure, market conduct and market performance. The market structure determines its behaviour and thus its performance. The focus of industrial organization theory is the market where a company operates in, rather than the company itself (Ramsey, 2001).The theory is replicated in the structure conduct performance model, which claims that there is "causal link between the structure of a market in which a company operates, the organizations conduct and in turn the organizations performance in terms of profitability" (Ramsey, 2001). The industrial organization theory therefore focuses on the entire industry and market conditions of a company (Ramsey, 2001) while the central analytical aspect identifies strategic

choices that firms have in their respectively industry (Porter, 2008).

2.2.3 Resource Based View Theory

This theory posits that the competitive advantage of a firm is determined by resource uniqueness (Carpela& Gordon, 2011).Hence, the starting point is to review the resources at the disposal of an organization. Wang (2009) defines resources to mean both tangible and intangible assets that an organization uses to choose and implement its strategies. Tangible resources include financial, technological, physical and organizational resources while intangible resources include human, reputations and innovation (Carpela & Gordon, 2011). The theory focuses on the Value (V), rarity (R), imitability (I) and organizational (O) aspects of resources and capabilities leading to the VRIO framework.

According to the framework, value adding processes give a firm competitive edge whereas processes that do not add value negatively impact on the firm's competitiveness as they lead to unnecessary distractions (Carpela & Gordon, 2011). Where resources are not adding value, they should be purposefully abandoned (Swaim, 2011). Rarity is a competitive advantage that arises where the firm is able to provide services or a product in the market that no other or few firms have. If resource is valuable and rare, then it can be a source of competitive advantage. The inability of competitors to copy or replicate the services or product is referred to as imitability. Importantly, the firm should be able to organize value adding, rare and imitable resources in order to achieve a competitive edge (Porter, 1990). Consequently, the theory is concerned with the resources the company has and how it can utilize them to get competitive advantage.

The theory makes two assumptions in analysing competitive advantage (Barney, 1991). The first assumption is that firms within a certain industry are unique with respect to the resources that they control. The second assumption is that resources giving competitive edge are not easily mobile across the industry and cannot be traded. A unique resource is considered an essential condition for bundle of resources to attain competitive advantage. Hence, Cool, Costa and Dierickx (2002) argue that if there was the same stock of resources in all firms in an industry, then there would be no strategy available to one firm that cannot be available to the other firms. This theory has its critics. Foss (1998) argues that it does not provide any unit for analysis. Since the individual resources form a cog of this theory, it can only provide unit for analysis only if individual resources are identifiable and well defined. Secondly, the value ignores the exogenous nature of value as well as the environment (Barney, 2001).

2.3 Empirical Review

Thune and House (2010) studied 36 manufacturing companies in the United States across six sectors namely the food, oil, drugs chemicals, steel and machinery industries. Covering both formal and informal planners, their method involved analysing the performance of each organization prior and then afterward formal strategic planning was started. The factors which were utilized to gauge performance were deals; stock costs; profit per share; return on value and profit for capital

utilized. The findings from the study showed that those who employed formal planning outperformed their informal counterparts on all performance measures used. Efendioglu and Karabulut (2010) in their study concentrated on the nature and routine with regards to strategic planning in Turkish organizations by inspecting the appropriation and use of different technique analysis devices like the PESTEL analysis, the Value Chain analysis, the Growth Share Matrix (BCG) and their impact on the relative performance. The performance measures utilized were normal benefit every year, normal deals development every year and normal fare development every year.

The findings of the study uncovered that an extensive number (over 86%) of the organizations in the specimen had a strategic procedure set up. Be that as it may, the fundamental inquiry on the effect of the utilization of strategic apparatuses on performance stayed unanswered in light of the nine normal devices of procedure analysis explored just three were considerably emphatically associated to the performance of the firm.

Kathama (2012) researched the connection between strategic planning practices and performance of state companies in Kenya. The examination found that the enterprises started various strategic planning practices that positively affected performance of organizations yet the effect was not noteworthy at 5% level of certainty. The study in this way neglected to build up a huge impact of strategic planning on firm performance however the model was fit at a similar level of certainty. This may suggest that some of the practices could have shown significant impact had the researcher modelled the strategic planning practices individually rather than lump all the practices together into one variable while running the regression model.

Arasa, et al. (2012) inspected the effect of representative association on the apparent connection between strategic planning and strategic planning results. The study was done inside the protection part. An organized poll was utilized to assemble the required data from 31 firms. The exploration findings demonstrated that representative cooperation demonstrated a positive connection between strategic planning and strategic planning results and this impact was factually huge. This study is essential as it demonstrates the directing impact that support of workers had on the connection between strategic planning and firm performance. Ong'ayo (2012) sought to establish the employee's perception on the effect of strategic planning on organizational performance in the Ministry of Foreign Affairs (MFA). The research found that the employees perceived strategic planning to have led to achievement of various performance measures such as customer satisfaction, customer loyalty, among others.

2.4 Critique of the Existing Literature

From the literature reviewed, many scholars who have taken research studies on strategic planning are in agreement that SMEs need to implement strategic planning as one of the core subset of their management tools. However, previous research on adoption and diffusion of strategic planning has lacked theoretical grounding, produced a wide array of contradicting findings, drew heavy criticism for use of inadequate methodologies and had little or no discernible net impact on strategic management research or practice (Shrader *et al.*, 2003).

As a result, the research findings on the effects of adoption of strategic planning and performance have presented very mixed results. Most of the studies that have been carried out found a positive correlation between organizational performance and adoption of strategic planning. A study that was carried out by Andersen (2000) found that adoption of strategic planning increases performances in SMEs.

In their studies of adoption of strategic planning tool, Shrader *et al.* (2003) found that there is no systematic relationship between long range planning and organizational performance. Boyd (2001) in his studies on the influence of strategic planning on Performance found that whereas the earlier researches suggested a positive relationship between planning and performance, later researches were less reassuring and that the overall effect was at best extremely weak. Yet still others (Berry, 2008; O'Regan & Ghobadian, 2007; Pushpakumari & Wijewickrama, 2008; Aldehayyat & Twaissi, 2011) in their research studies indicate that little attention has been given to the study of adoption of strategic planning in SMEs in the developing countries and that these firms do not have the means to ensure continuous successful implementation of the strategic planning tool. Other studies have been carried out and found that only a few benefits are realized from adoption of strategic planning in organizations. A study that was carried out by McKiernan and Morris, (2004) in SMEs found that strategic planning provides only a few benefits to the enterprises. O'Gorman & Doran (2009) demonstrated that the presence of a formal mission statement and a strategic planning document does not seem to have any influence on the success of small and medium enterprises.

These previous studies have suffered mainly from poor theoretical grounding, blinding them to critical intervening variables, particularly the nature of the strategic planning literature as well as the use of different methods of measurements of the results (Hansen & Wernefelt, 2009). The question that arises then is: is there any concrete documental evidence based on past studies that can necessitate organizational managers to adopt strategic planning in their enterprises? These planning-performance researches has been reviewed by past researchers such as (Ansoff *et al.*, 2001; Herold, 2001; Norman & Thomas, 2006; Gibson & Cassar, 2005; Pearce & Robinson, 2008) and from the different reviews emerged the unanimous conclusion that the various studies were confusing, contradicting and impossible to reconcile. In regard to the uptake of strategic planning practice, several past research studies have found that there has been lack of its adoption in most of the SME's in the developing countries (Wang *et al.*, 2007). It is also evident that in the developing countries, little research has been carried out in agricultural projects and as a result there is little knowledge on the strategic planning practices that can be applied to ensure success (Aldehayyat & Twaissi, 2011).

2.5 Research Gap

Various studies have been conducted on strategic planning and organizational performance both locally and internationally. Internationally, A study on the impact of Strategic Planning on the Performance of Insurance Companies in Nigeria and established that strategic planning enhances customer patronage and reduces unethical practices in the

Nigeria insurance industry. On the other hand, a study to analyse strategic planning, management and leadership in praxis of public and private sector thus identifying opportunities to improve other's sectors performance established that in public sector there is great emphasis on strategic planning part of management process, but implementing plan to clear activities and getting right result sometimes delays or is even missed.

Locally, a study on the challenges in implementation of strategic plans in public secondary schools was conducted in Webuye constituency and another study on influence of strategic planning on Performance of public universities in Kenya was conducted in the University of Nairobi. All the above research studies none researched on the influence of strategic planning on performance of One Acre Fund Agriculture Project in Bungoma , Kenya and agriculture projects in general. In addition none of these studies focused on how strategy planning direction, setting objectives and decisions on the influence of organizational. This is the knowledge gap this study filling.

III. RESEACH METHODOLOGY

3.1 Introduction

The chapter presents the research methodology that was used in the study. It covered the research design, population, sampling techniques, data collection, reliability, validity, data analysis techniques and presentation.

3.2 Research Design

The research design was a case study of One Acre Fund Agriculture Project, Bungoma County. It involved in-depth strategic planning practices at One Acre Fund Agriculture Project, Bungoma. A case study is a powerful form of qualitative analysis that involves a careful and complete observation of a social unit (Denscombe, 2007). A case study was the most appropriate in meeting the research objectives by providing detailed explanation of strategic management practices at One Acre Fund Agriculture Project Bungoma County. A case study also places more emphasis on full contextual analysis of fewer elements and their inter-relationships which relies on qualitative data (Cooper & Schindler, 2005).

3.3 Target Population

Burns and Grove (2003) and Mugenda and Mugenda (2003) describe population as all the elements that meet the criteria for inclusion in a study. Population is therefore the entire group of individuals, events or objects having a common observable characteristic. One Acre Fund Project Agriculture Project, Bungoma County has 350 employees. The population of this study was the top management, middle management and supervisory employees of One Acre Fund and who have been working for a minimum period of one year. This was to ensure that they understand the operations and have gone through a one year cycle of performance contract.

Table 3.1 Table Population

Category	Population	Percentage
Top Management	50	14.29
Middle Management	125	35.71
Supervisory Employees	175	50
Total	350	100

3.4 Sampling Frame and Sample Techniques

Sampling techniques provide a range of methods that facilitate to reduce the amount of data need to collect by considering only data from a sub-group rather than all possible cases or elements. At the time of conducting research, it is often impossible, impractical, or too expensive to collect data from all the potential units of analysis included in the research problem. A smaller number of units, a sample, are often chosen in order to represent the relevant attributes of the whole set of units, the population. Stratified random sampling technique was used to select the sample. The technique produce estimates of overall population parameters with greater precision and ensures a more representative sample is derived from a relatively homogeneous population. Stratification aims to reduce standard error by providing some control over variance. The study grouped the population into three strata i.e. low level, middle level and top level management.

According to Cooper and Schindler (2014), random sampling frequently minimizes the sampling error in the population. This in turn increases the precision of any estimation methods used. Cooper and Schindler (2016) argue that if well chosen, samples of about 10% of a population can often give good reliability. Stratified random sampling technique was used since population of interest is not homogeneous and could be subdivided into groups or strata to obtain a representative sample. To select the sample size one of the commonly used formula, the Israel (2011) formula was used. From the above population of 350, a sample of 186 was selected from within each group in proportions that each group bears to the study population. This sample is appropriate because the population is not homogeneous and the units are not uniformly distributed. Furthermore, owing to the big number of target population and given the time and resource constraints, the sampling at least 30 elements (Mugenda &

Mugenda, 2014). This made it easier to get adequate and accurate information necessary for the research. The selection is as follows. The sampled respondents are deemed knowledgeable on

subject matter and therefore, they were in a better position to provide credible information as sought by the study.

Table 3.2 Sample Distribution table

Category	Population	Sample
Top Management	50	18
Middle Management	125	63
Supervisory Employees	150	105
Total	350	186

3.5 Data Collection Instruments

This study used primary data which was collected through use of a questionnaire. A questionnaire is a pre-formulated written set of questions to which the respondents record the answers usually within rather closely delineated alternatives. A likert scale questionnaire was used. Likert scale is an interval scale that specifically uses five anchors of strongly disagrees, disagree, neutral, agree and strongly agree. The likert measures the level of agreement or disagreement. Likert scales are good in measuring perception, attitude, values and behaviour. The likert scale has scales that assist in converting the qualitative responses into quantitative values (Mugenda & Mugenda, 2003, Upagade & Shende, 2012, Zikmund, Babin, Carr & Griffin, 2010). Primary data is described by Louis et al. (2007) as those items that are original to the problem under study.

3.6 Data Collection Procedures

Burns and Grove (2003) define data collection as the precise, systematic gathering of information relevant to the research sub-problems, using methods such as interviews, participant observations, focus group discussion, narratives and case histories. Initially the researcher will use self-introductions and also use internal informants. The questionnaires were hand delivered to the respondents under a questionnaire forwarding letter accompanied by an introduction letter from the University. The researcher followed up the fully completed questionnaires will be picked from the respondents for analysis.

3.7 Pilot Testing

A pilot study also known as a feasibility study is done to assess the feasibility of the study, its validity and reliability. Procedures used in pre-testing the questionnaire are identical to those that were used during the actual study or data collection. 1% of the entire sample size was used. Pre-testing helps detect deficiencies like unclear directions, insufficient space to write response, wrong phrasing of questions, vague questions etc.

3.7.1 Validity of the instruments

Validity is the accuracy and meaningfulness of inferences, which are based on the research results (Mugenda & Mugenda, 2003). It is the degree to which results obtained from the analysis of the data actually represents the phenomena under study or the degree to which a test measures what it purports to measure. According to Borg and Gall (1989) content validity of an instrument is improved through expert judgment. As such, the researcher seeks the assistance of his supervisors, who, as experts in research, helped him to improve content validity of the instruments.

3.7.2 Reliability of the instruments

Mugenda and Mugenda (2003) defined reliability as a measure of the degree to which a research instrument yields consistent results. Reliability is the degree to which an instrument measures accurately what it claims to measure. According to Powell, (2004) reliability is always contingent on the degree of uniformity of the given characteristics in the population. This implies that the more heterogeneous the population is in regard to the variable in question, the more reliable the instrument is likely to be. In assessing reliability of the data, internal consistency method using Cronbach's alpha was used whose alpha values obtained indicated a coefficient of approximately 0.7 and which is considered acceptable.

3.8 Data Analysis and Presentation

3.8.1 Data Analysis

According to Bryman and Bell (2003) data analysis refers to a technique used to make inferences from data collected by means of a systematic and objective identification of specific characteristics. Both descriptive and inferential statistics was adopted for the study. The quantitative data was analysed by using descriptive statistics which includes frequency distribution tables and measures of central tendency (the mean), measures of variability (standard deviation) and measures of relative frequencies. The inferential statistics included a regression model which established the relationship between variables. Data was analysed by the use of a statistical software SPSS version 20.

To measure the influence of strategic planning on performance of one acre fund agriculture project in Bungoma County, Kenya, the study adopted the linear regression model and Pearson correlation. The Pearson correlation will test the strength of the relationship while the regression analysis will establish the form of relationship between the independent and dependent variable. The regression took the following form:

$$Y = \beta_0 + \beta_1 \chi_1 + \beta_2 \chi_2 + \beta_3 \chi_3 + \beta_4 \chi_4 + \epsilon$$

Where: Y = Performance of One Acre fund Project

χ_1 = Direction

χ_2 = Objectives

χ_3 = Decisions

β_0 = the constant

β_{1-4} = the regression coefficient or change included in Y by each χ

ϵ = error term

3.8.2 Data Presentation

According to Miller (1991), descriptive statistics is used to describe data collected from a sample. The mean, median, percentage, mode and standard deviation are the most commonly used descriptive statistics. Measures of central tendency were used in this study to give a description of the data. Graphs bar and pie charts will be used for further representation.

IV. RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This part introduces data analysis of the discoveries got from the field. It introduces the background information of the respondents, discoveries of the analysis in light of the objectives of the research. Descriptive statistics have been utilized to examine the discoveries of the study. The study's objective were to determine influence of strategic planning on performance of nongovernmental organizations in Kenya: a case of one acre fund agriculture project in Bungoma county, Kenya .Primary data was collected through questionnaire from senior staffs in Finance department, Human Resource division, strategy department or operations department. The data was afterwards analysed in light of the objective of the study and the findings are as presented as per the different classes underlined below.

4.2 Response rate

The study focused on a sample size of 186 respondents from which all filled in and gave back the questionnaires making a response rate of 100%. This response rate was acceptable to make conclusions for the study, as it was representative. As indicated by Mugenda and Mugenda (2003), a response rate of half is sufficient for investigation and reporting; a rate of 60% is great and a response rate of 70% and over is astounding. In view of the declaration, the response rate was phenomenal.

Table 4.1: Response Rate

Questionnaires	Frequency	Percent (%)
Response	186	100%
Non-response	0	0%
Total	186	100%

4.3 Demographic Information

The study sought to establish the demographic information in order to determine whether it has the factors influencing strategic planning practices within NGOs in Kenya. The demographic information of the respondents' education levels, period of service in the firm, length of institution operating and size of your organization/institution workforce.

4.3.1 Level of Education

The study tried to discover the respondent's level of education. This question looked to build up the scholarly level of the respondents to decide how able the staffs were in comprehension matters of vita strategic planning. The discoveries of the study are organized as in the figure underneath:

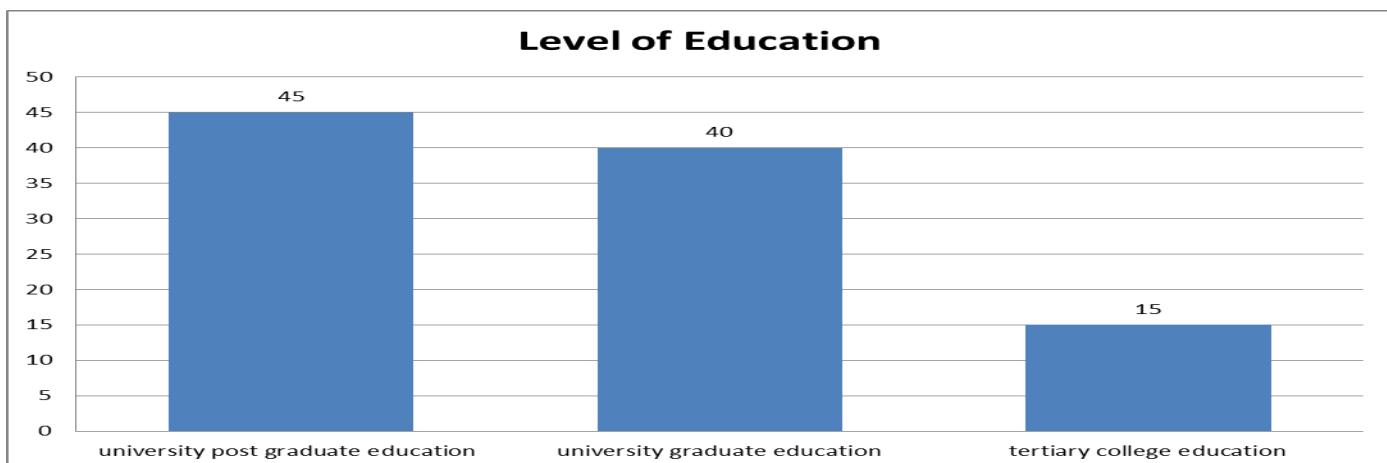


Figure 4.1: Level of Education

On respondents level of education, the study revealed that most of the respondents as shown by 45% university post graduate education whereas 40% of the respondents had attained university graduate education. Only 15% of the respondents had attained tertiary college education. Despite the fact that numerous researchers (Senior and Flemming, 2006; Letting, 2009; Mulube, 2009) have demonstrated that leadership is not in view of level of training, there is need to have workers with high capabilities in all levels of administration. Strategic planning is regularly an exceptionally complex assignment (Robinson and Pearce, 2004) and requires individuals with high state logistical abilities.

The discoveries are in support of these researchers since the total rate of respondents with no less than a post graduate training is 45% demonstrating a high level of education. It was along these findings that the study concluded that workers of

NGOs in Kenya had to a huge degree great quality education that incorporates both Bachelor's degree and postgraduate levels of education. This implies the respondents were in a genuinely decent position to react to the concentrate better. This infers respondents were accomplished and accordingly they were in position to react to the examination questions on factors influencing strategic planning practices within NGOs in Kenya.

4.3.2 Length of service in the NGO

The respondents at target NGOs were solicited to express the different number from years worked at their present workstations. The researcher sought to determine if the respondents were had stayed in the firm long enough to provide valuable responses that pertain to factors influencing strategic planning practices within One Acre Fund.

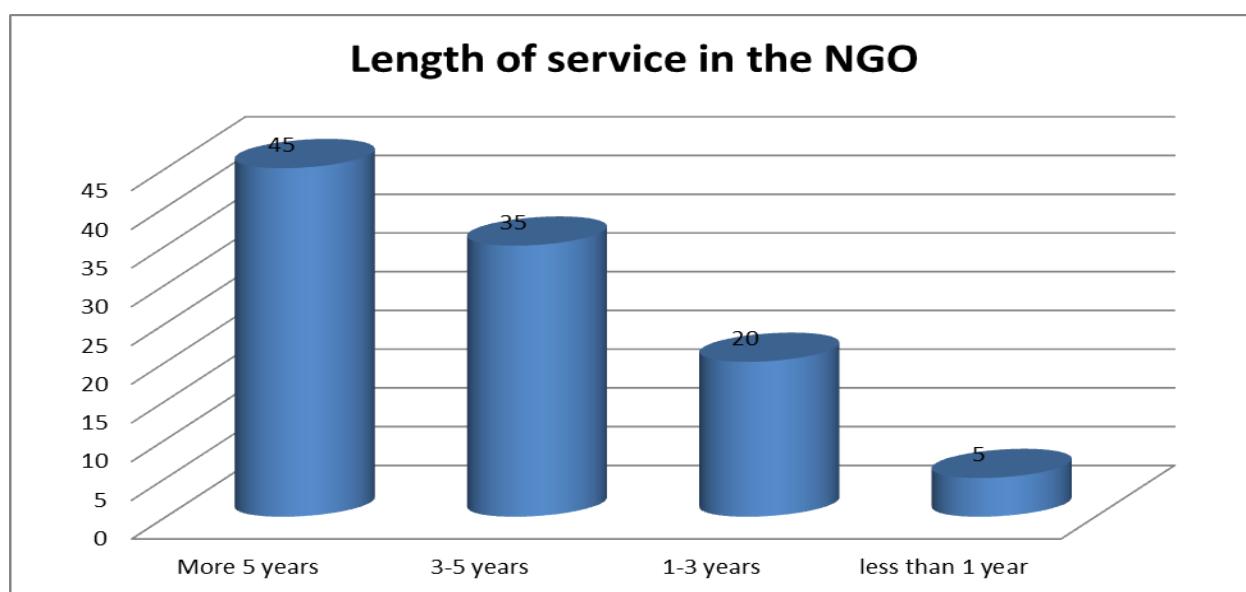


Figure 4.2: Length of service in the NGO

Based on the findings, the study revealed that majority of the respondents, as shown by 45%, had served the NGOs for more than over five years, whereas 35 % of the respondents had

served the NGOs for a period of 3 to 5 years. 20 % had severed in the NGOs for a period between 1 and 3 years and only 5% of the respondents had served the NGOs for less than one year.

As shown on figure 2 the discoveries authenticate the work of researchers like Thompson and Strickland (2007), Robinson and Pearce (2004) and Letting (2007) who underscored the need to hold representatives that will have enough experience for all phases of execution to be powerful. Other researchers including Aosa (1992), Korten (1990), Mulube (2009) and Arasa (2008) have additionally underscored the need to have staff for execution of strategic plans. This study found that majority of respondents have been in the NGOs for more than 5 years

demonstrating they are genuinely experienced to viably actualize vital arrangements.

4.3.3 Period of institutions operation

The researcher sought to determine the period to which the various institutions had been operating. This question looked to set up the age of the respondents working in NGO. The results are displayed on the figure below

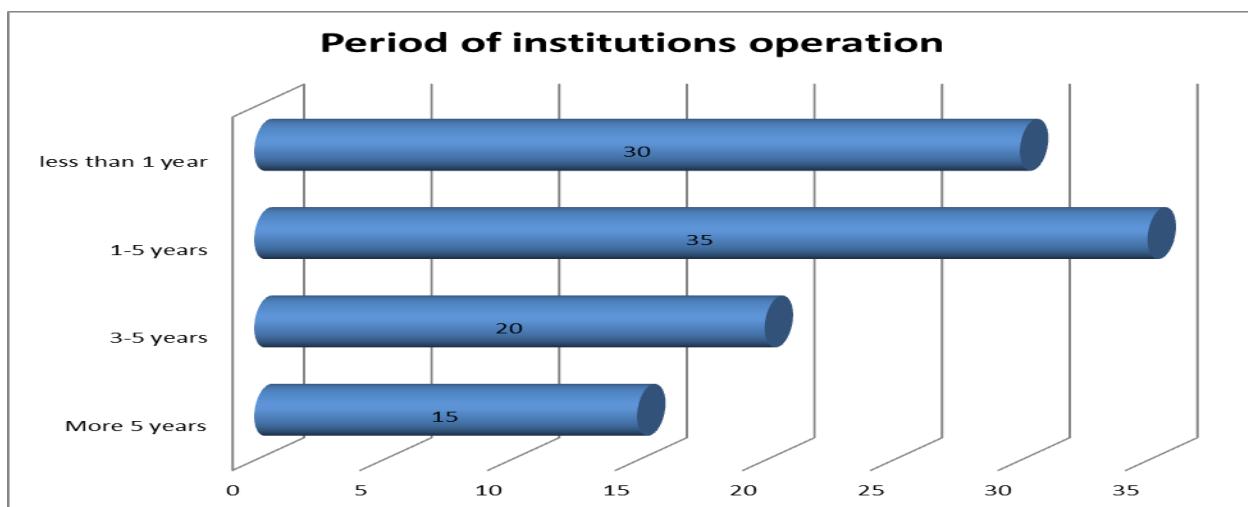


Figure 4.3: Period of institutions operation

Based on the study findings majority (35%) of the institutions had been operating for a period between 1 to 5 years. 30% of the institutions investigated were operational for less than 1 year. 20% of the institutions had operated for a period between 3 and 5 years where else only 15% had been operated for more than 5 years.

This means a majority of NGOs had not been in operation for a long time and their entrance into the NGO sector could have been necessitated by variables that are for the most part impermanent in nature or for the most part not dependable. The expansion in number of NGOs between 1 to 3 years back can be traced to the numerous progressions that have occurred amid that period incorporating increment in law based space, the worldwide battle against savage HIV/AIDS through mindfulness programs, world financial advancement (Awino, 2007; Letting,

2009) and accessibility of smaller scale fund offices to the vast majority.

As Korten (1990) and Amulyoto (2004) watched, the development of NGOs is principally in view of pressing needs of the general public and these influences the way strategic plans are executed. These discoveries bolster the researchers' line of feeling that time of operation for a NGO influences execution of Strategic planning.

4.3.4 Size of organization/institution workforce

The researcher further sought to investigate the size of the organizational workforce in various institutions. The findings are displayed on the pie chart below.



Figure 4.4: Size of organization/institution workforce

As shown on the pie chart above majority of the organizations 34% had 100 to 200 employees where else 26% had over 200 to 1000 employees. 25% of the organizations had over 1000 employees with only 15% having 50 to 100 employees. The discoveries support Korten (1990), Lufthans (1992) and Awino (2007) who explained that a perfect number of employees in an NGO ought to be more than 50 workers. The low numbers in Kenya NGOs could influence execution of strategic plans. Be that as it may, most NGOs as showed in the study were just ready to support under 50 workers. This could be credited to deficient assets, nature of exercises and time of operation and affects execution of key arrangements.

4.4 Strategic Planning Practices by NGOs within Governance Sector in Kenya

Table 4.2: Relevance of strategic planning in Non-Governmental Organizations

	Frequency	percentage
Yes	176	95%
No	10	5%
Total	186	100

Based on the findings majority 95% of the respondents agreed that strategic planning is relevant in Non-Governmental Organizations whereas 5% of the respondents indicated that strategic planning is not relevant in Non-Governmental Organizations.

This section covers strategic planning practices by NGOs within governance sector in Kenya which looks at Relevance of strategic planning in Non-Governmental Organizations, Strategic Planning Unit in the Organization, Planning process in the organization, Challenges faced by organizations in implementing its strategic plan, Strategic Planning and Effectiveness of Meeting the Organization's Goals and Objectives and Strategic planning and the future implications of the current decisions

4.4.1 Relevance of strategic planning in Non-Governmental Organizations

The researcher sought to investigate the view of the respondents on relevance of strategic planning in Non-Governmental Organizations. The results are displayed on the table below

Table 4.2: Relevance of strategic planning in Non-Governmental Organizations

4.4.2 Strategic Planning Unit in the Organization

The respondents were also requested to indicate whether their organizations had strategic planning unit. The results are as shown on the table below.

Table 4.3: strategic planning unit in the organization

	Frequency	percentage
Yes	149	80%
No	37	20%
Total	186	100

Based on the findings majority (80%) of the NGOs in Kenya had strategic planning units with only 20% who had no strategic planning units.

endeavours to deliberately position themselves in their errand surroundings can be compressed as doing with issues of maintainability, authenticity and pertinence. Key planning along these lines goes for helping the association to react proactively to the difficulties and publishing exhibited by the undertaking environment with the point of guaranteeing hierarchical manageability, authenticity and pertinence.

Strategy alignment and relevance process involves alignment to the global plans and priorities; national driven engagements through organized inputs by staff, stakeholders and making propositions. With technical support from experts, a review of the strategy for the period ended is undertaken to

assess impact, lessons learned, review of the national context and implications for the various thematic areas.

In External, Peer Reviewers and Consultants, the study findings specified that majority of the respondents were positive that taking Stock review and external review team composition has diverse expertise. The Team Leader has expertise and experience of international development and programme reviews. Members have expertise and experience in policy and campaigns, social development, working with movements and on issues of women rights, education, HIV/AIDS, Programme, finance, fundraising, communications, organizational and governance. From the study results, majority of the respondents cited that their organizations sees planning as means to support accountability and performance, to contribute to impact at national and global level goals, and most importantly as a fundamental process to realize „fit for purpose“.

These organizations use multiple systems and have adopted a number of strategies to enhance performance. Most of the respondents articulated that programme quality aims to improve approaches and quality of its programme work in order to achieve its mission. Programme quality is ensured through monitoring and evaluation. In addition it was also noted that Logical framework is used to cascade and integrate the strategy. Development of performance plans, contract management, monitoring and evaluation, peer reviews, annual planning, mid strategy reviews, field/ project visits, and impact assessment and shared learning, monitoring and evaluation framework are fundamental strategies used by the organizations to deepen performance.

Majority of the respondents further cited that monitoring and evaluation track change in given situations, systems and assess project progress and impact. Most NGOs used monitoring and evaluation to identify what is working well or otherwise; as management tool to inform decision-making, re-plan and to demonstrate accountability. Monitoring continuously trails execution against what was arranged by investigating information on the markers built up.

According to the respondents M&E provides information on whether advance is being made towards accomplishing results (yields, purpose, and objectives) through standard reporting frameworks. It additionally distinguishes achievement territories and crevices. Execution data created from checking upgrades gaining as a matter of fact and enhances basic leadership. Further, the respondents indicated that monitoring and evaluation determined whether the organization was using the methods it planned to use or not and why; the obstacles/gaps in the

implementation of programmes, learning from the achievements, challenges or missed opportunities.

4.4.4 Challenges faced by organizations in implementing its strategic plan

This question was pursued to establish why implementation time frames were hard to accomplish. Respondents were in this way asked some information about time span of implementing activities, and results demonstrated that larger part (81.7%) of the respondents said exercises were done inside the expected time, while 18.3% said that exercises were not done inside foreseen time allotment as appeared in table 4.9. Correspondingly, respondents had numerous reasons why convenient implementation did not happen in which 32.4% referred to political obstruction. Another 27.5% said work burden combined with poor disposition and irreconcilable situation was an obstruction, 26.1% referred to overlapping plans and tight or incomprehensible courses of events, 9.2% demonstrated resource constraints and 4.9 % showed that deficiency of sufficient funds was a portion of the impediments to opportune usage of key exercises.

Other major challenges experienced included: poor communication (45%), poor networking (38%), poor governance (44%), and limited capacity (8.9%), poor approach to development (36%) etc. In any case, Aosa (2002), Awino (2007) and Letting (2009) found in the field that most exercises were not completed on time, showing that surely a time span influences implementation of strategic plans in NGOs. These discoveries are in accordance with the studies did by Johnson, Scholes and Whittington (2008) and Kelleher (2007) both who observed that funds and assets assume a major part in the timely implementation of strategic plans. The study discoveries additionally support Aosa (1992) and Mullins (2005) who have called attention to that tight timetables and overlapping plans because of irreconcilable situation can bring about a postponement in the implementation of strategic plans. The discoveries in this way bolster time span as having an impact on usage of vital arrangements.

4.4.5 Strategic Planning and Effectiveness of Meeting the Organization's Goals and Objectives

The respondents were also requested to indicate whether strategic planning had increased effectiveness of meeting the institutions goals and objectives. The results are as shown on the table below.

Table 4.4: Strategic planning had increased effectiveness of meeting the organization's goals and objectives

	Frequency	percentage
Yes	158	85%
No	28	15%

Total	186	100
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Majority (85%) indicated that strategic planning had increased effectiveness of meeting the organizations goals and objectives whereas 15% were of the centrally opinion.

4.4.6 Strategic planning and the future implications of the current decisions

Table 4.5: Strategic Planning Had Assisted Managers to Consider the Future Implications of the Current Decisions

	Frequency	percentage
Yes	176	95%
No	10	5%
Total	186	100

Based on the finding 95% agreed that strategic planning had helped supervisors to consider the future ramifications of the present choices. Just 5% differ that Strategic planning had helped supervisors to consider the future ramifications of the present choices in their organization.

4.5 Factors Influencing Strategic Planning Practices within NGOs in Kenya

Table 4.6: Factors Influencing Strategic Planning Practices within NGOs in Kenya

Factors	1	2	3	4	5	Mean	SD
To what extent does rational forces influence strategic planning in your organization	1	2	6	55	36	4.22	0.14
To what extent does imposed forces influence strategic planning in your organization	4	1	12	61	22	4.12	0.21
To what extent does teleological forces influence strategic planning in your organization	3	1	12	61	23	4.09	0.29

The respondents were also requested to indicate strategic planning had assisted managers to consider the future implications of the current decisions. The results are as shown on the table below.

strategic planning in your organization	To what extent does Learning forces influence strategic planning in your organization	0 0 6 69 26	4.16	0.18
strategic planning in your organization	To what extent does political forces influence strategic planning in your organization	0 1 9 57 33	4.21	0.16
To what extent does social forces influence strategic planning in your organization		1 2 15 61 21	4.11	0.25

Based on the findings majority of the respondent agreed to a moderate extent that: rational forces influence strategic planning in your organization as shown by a mean of 4.22, imposed forces influence strategic planning in your organization as shown by a mean of 4.12, teleological forces, influence strategic planning in your organization as shown by a mean of 4.09, Learning forces influence strategic planning in your organization as shown by a mean of 4.16, political forces influence strategic planning in your organization as shown by a mean of 4.21 and social forces influence strategic planning in your organization as shown by a mean of 4.11.

This results support the findings by Thompson and Strickland (2007). Thompson & Strickland, (2007) state that the practice and concept of implementing strategic plans has been grasped worldwide and crosswise over different sectors in view of its apparent commitment to institutional effectiveness. Today, institutional both public and private have considered seriously the act of actualizing strategic plans to control the performance of those institutions. Thompson and Strickland (2007) also noticed that the structure for detailing and executing methodologies requires a solid spine in the definition procedure. Notwithstanding, they watched that because of the misconception of the components that affected the execution procedure, appropriation of key administration regularly prompted to inadequate usage. Musyimi (2013) listed some of the factors Influencing Strategic Planning Practice including: imposed forces, Learning forces, political forces teleological forces and social forces. Strategic Plans are therefore a means to the end of achievement of organization objectives. Non-implementation therefore renders strategic plans valueless.

4.6 Recommendations on the factors influencing strategic planning

The respondents gave various recommendations on the factors influencing strategic planning. Some indicated that through the use of a risk management matrix tool a better strategic planning could be achieved. Each strategy has a risk management matrix which projects potential risks and challenges and how to address them. The risk matrix should be reviewed

regularly to ensure challenges are addressed as it rises. The Board of Directors and Management Team should always hire a consultant who should be charged with the responsibility of helping the organization achieve its strategic objectives and steering it forward precisely turning the organization around. Other respondents suggested that effective organization restructuring should be done by declaring some positions redundant and coming up with a lean structure. Some of the positions should also be reclassified from regional to country thus saving the organization money in terms of staff emoluments.

Further respondents suggested that more volunteers should be hired as cost saving measure as they were cheaper and could help do some of the work under the supervision of experienced staff. NGOs should also embraced the idea of involving key stakeholders and increasing stakeholder consultations at initial stages and during piloting of any new project, sensitizing all staff and stakeholders on the importance and benefits of strategies being implemented, conduct change management training program. It was also suggested that in the extreme cases, the reluctant staff should either be sacked or transferred.

4.7 Inferential Analysis

This section presents the results of the correlation and regression analysis done in the study to evaluate the nature of the relationship between the dependent and independent variables. Pearson Product Moment Correlation was used. An ANOVA test was also done to establish whether there were indeed significant differences between sample means.

4.7.1 Correlation Analysis

In this section, the Pearson Correlation analysis was done to examine how the various variables are related and the strength and directions of their relationships. According to Mugenda and Mugenda (2008), correlation technique is used to analyze the degree of relationship between two variables. Variables for further statistical analysis such as regression analysis are selected based on the value of their correlation coefficient. The computation of a correlation coefficient yields a statistic that

ranges from -1 to +1. This statistic is called a correlation coefficient (r) which indicates the relationship between the two variables and the bigger the correlation the stronger the coefficient between the two variables being compared (Carver *et al.*, 2009).

In testing statistical significance between variables, the level of significance (α) is often set at 0.05 or 0.01 and the probability (p-value) should be less than the (α) value to conclude that a significant relationship exist between the variables (Mugenda, 2011).The direction of the relationship is also important in that if it is positive (+) it means that there is a positive relationship between the two variables and this means that when one variable increases, the other variable increases or when one variable decreases the other variable also decreases. A negative relationship (-) means that as one variable decreases, the other variable increase and vice versa and hence an inverse relationship. The score 1 indicates perfect correlation, which is found only when a variable is correlated with itself while 0 indicates no correlation at all hence no need for further analysis on such variables with no relationship. The Pearson's correlation coefficient(r) can vary from -1 to +1.The larger the value, the

stronger the relationship. A coefficient of +1 indicates a perfect positive relationship and a coefficient of -1 indicates a perfect negative relationship. 0 indicates that there is no linear relationship between the variables (Field, 2009).

The values for interpretation according to statistics are as follows (Pallant, 2007):, Rho =.10 to .29 or -.10 to -.29 (small effect), Rho =.30 to .49 or -.30 to -.49 (medium effect), Rho =.50 to 1.0 or -.50 to -1.0 (large effect) To test the hypotheses the p-value was computed .The p-value measures the support (or lack thereof) given by the sample for the null hypothesis. Accepting or rejecting the null hypothesis is relies on the p-value, whether it is smaller than or equal to the significance level. In this case the level of significance is.05.In the following table the correlation values are presented. The researcher carried out correlation analysis between the variables of the study using Pearson correlation coefficient to test whether there existed interdependency between the independent variables and also whether the independent variables were related to the dependent variable (influence of strategic planning on performance) and the correlation results presented in Table 4.7

Table 4.7 Correlation Matrix

		1	2	3	4
1	Influence of Strategic Performance	1			
2	Direction	0.383**	1		
3	Setting Objective	0.247**	0.324**	1	
4	Decisions	0.294**	0.408**	0.516**	1

The correlation coefficient results in Table 4.7 above indicate that according to the study, there was a highly significant linear correlation between the independent variables and the dependent variable.

4.8 Regression Analysis

Most commonly, regression analysis estimates the conditional expectation of the dependent variable given the independent variables – that is, the average value of the dependent variable when the independent variables are fixed. Less commonly, the focus is on a quantile, or other location parameter of the conditional distribution of the dependent

variable given the independent variables. In all cases, a function of the independent variables called the regression function is to be estimated. In regression analysis, it is also of interest to characterize the variation of the dependent variable around the prediction of the regression function using a probability distribution. A related but distinct approach is Necessary Condition Analysis (NCA), which estimates the maximum (rather than average) value of the dependent variable for a given value of the independent variable (ceiling line rather than central line) in order to identify what value of the independent variable is necessary but not sufficient for a given value of the dependent variable.

Regression analysis is widely used for [prediction](#) and [forecasting](#), where its use has substantial overlap with the field of [machine learning](#). Regression analysis is also used to understand which among the independent variables are related to the dependent variable, and to explore the forms of these relationships. In restricted circumstances, regression analysis can be used to infer [causal relationships](#) between the independent and dependent variables. However this can lead to illusions or false relationships, so caution is advisable

4.8.1 Summary of the Regression Coefficients

The study sought to determine whether there existed a significant variation between the influences of strategic planning on performance of nongovernmental organizations in Kenya: a case of one-acre fund agriculture project in Bungoma County, Kenya and decisions, direction and setting of objectives at One Acre Fund

Table 4. 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
1	.854 ^a	.825	.815	.564	.001

Result in Table 4.8 indicated that a variation of $R^2 = 0.825$ dependent variable can be attributed to changes in independent variable as a 82.5% change in the decisions, direction and setting of objectives at One Acre Fund.

Result in Table 4.9 indicated that the Total variance (80.224) was the difference into the variance which can be explained by the independent variables (Model) and the variance, which was not explained by the independent variables (Error).

4.8.2 ANOVA

Table 4. 9: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	18.826	4	4.707	12.675	.000 ^a
	Residual	62.112	96	0.647		
	Total	80.224	100			

- a. Predictors: (Constant), decisions, direction and setting of objectives at One Acre Fund
- b. influences of strategic planning on performance of nongovernmental organizations

The study established that there existed a significant goodness of fit of the model $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$. Based on the findings, in Table 4.10 the results indicate the F Cal = 12.675 > F Cri = 3.444 at confidence level 95 % and sig is 0.000 < 0.05. This implies that there was a goodness of fit of the model fitted for this study.

From regression results in Table 4.10, the 3.002 represented the constant, which predicted value of influences of strategic planning on performance of nongovernmental organizations when all Decision variables were constant at zero (0). This implied that influences of strategic planning on performance of nongovernmental organizations would be at 3.002 holding Decision levels variables at zero (0).

4.8.3 Coefficient Analysis

Table 4. 10: Coefficient Analysis

Coefficients Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	3.002	0.972	0.572	8.509	0.001

Decisions,	0.279	0.205	0.112	3.304	0.000
Direction	0.393	0.111	0.264	7.882	0.002
Setting of objectives	0.465	0.136	0.365	5.117	0.001

Regression results revealed that hierarchical levels has significance influences of strategic planning on performance of non-governmental organizations as indicated by $\beta_1= 0.279$, $p=0.002<0.05$, $t= 3.304$. The implication is that an increase in decision levels would lead to an increase in influences of strategic planning on performance of nongovernmental organizations by $\beta_1= 0.279$. Regression results revealed that direction involvement in influences of strategic planning on performance of nongovernmental organizations has a positive and significance influence in strategic planning on performance of nongovernmental organizations as indicated by $\beta_2= 0.393$, $p=0.002<0.05$, $t= 7.882$. The implication is that an increase in direction in NGOs would lead to an increase in influences of strategic planning on performance of nongovernmental organizations by $\beta_1= 0.279$. Regression results revealed setting objectives has a positive and significance influence in strategic planning on performance of nongovernmental organizations as indicated by $\beta_3= 0.465$, $p=0.001<0.05$, $t= 5.117$. The implication is that an increase in setting objectives would lead to an increase in strategic planning on performance of nongovernmental organizations by $\beta_3= 0.465$.

V. SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This part gives the synopsis of the discoveries from section four, furthermore gives the conclusions and suggestions of the study in light of the objectives of the study. The target of this study was to decide the strategic planning practices by NGOs within the governance sector in Kenya. This study was led by the subsequent specific research objectives: To examine the existence of strategic plans and how they influence the performance of Non-Governmental Organizations ,to establish the influence of setting objectives on organization growth and to assess the influence of budgetary allocations on organization growth.

5.2 Summary of the Major Findings

From the findings, respondents agreed that strategic planning is relevant in Non-Governmental Organizations and had strategic planning units. In addition, it was noted that different practices were applies in planning and had positive effects on the performance of various NGOs in Kenya. Different challenges faced by organizations in implementing its strategic plan were also noted including: work burden coupled with poor approach and conflict of interests, lack of funds, poor communication, poor networking, poor governance, limited capacity, poor approach to

development among others. In this, respondents explained that NGOs are communicating trouble in finding adequate, proper and consistent funding for their work. They find accessing donors as challenging as managing their financing conditions. They see there to be certain cartels of people and NGOs that control access to donor funds. They have constrained resource mobilization aptitudes and are frequently not searching for resources that are accessible locally, wanting to sit tight for universal donors to approach them. There is a high reliance of donors and inclination to move intercessions to match contributor needs. There is an absence of money related, extend and authoritative supportability.

Poor Governance was perceived within the sector as a whole, inside the NGO Council and inside individual NGOs. Other participants clarified that it is hard to accomplish great governance with organizers who wished to claim their NGOs for their own particular purposes. Members with better comprehension of good administration valued this is central to NGO responsibility and straightforwardness. Numerous NGOs fumble their assets, regularly with the association and support of their Boards that eat their NGOs assets.

Respondents additionally demonstrated that There absence of comprehension of the distinction between the Board and Council is only one case of the information crevices that exist. Frail limit was distinguished in raising support, administration, specialized regions of advancement, and authority and administration. The study noted that various factors influenced strategic planning within NGOs in Kenya. Based on the findings majority of the respondent agreed to a moderate extent that: imposed forces, political forces, teleological forces , rational forces, Learning forces and social forces influence strategic planning.

The respondents gave various recommendations on the factors influencing strategic planning. Some indicated that through the use of a risk management matrix tool a better strategic planning could be achieved. Further respondents suggested that more volunteers should be hired as cost saving measure as they were cheaper and could help do some of the work under the supervision of experienced staff. NGOs should also embraced the idea of involving key stakeholders and increasing stakeholder consultations at initial stages and during piloting of any new project, sensitizing all staff and stakeholders on the importance and benefits of strategies being implemented, conduct change management training program. It was also suggested that in the extreme cases, the reluctant staff should either be sacked or transferred.

5.3 Conclusions

The study concludes that actions need to be taken to overcome the many challenges facing NGOs in Kenya. For example the organizing gives chances to shared learning, distinguishing proper advancement activities, creating learning assets, enhancing coordination and participation with neighbourhood government, blending ways to deal with improvement, and seeking after powerful nearby promotion. Kenya has a tremendous supply of optimistic, youthful, vigorous and knowledgeable graduates who are unemployed or underemployed. A considerable lot of them are looking for chances to serve their nation and get work encounter. There are additionally numerous more established experienced experts willing to give their opportunity to NGOs. Numerous organizations will advance experienced faculty to NGOs. At last, there are chances to designate worldwide volunteers to fill publishing that would some way or another require inaccessible assets to fill. Understudy trade programs additionally offer NGOs minimal effort HR that can bolster research, documentation and staff limit building activities. All these opportunities if well utilized could help improve strategic planning in Kenyan NGOs.

5.4 Recommendations

The study recommends that excellent recruitment, staff training and continuous motivation is essential strategy to ensure that organizational skills and competencies are ensured. Community involvement ensures the buy in of the stakeholders since most of the NGOs have the community as their major beneficiary. Budgeting, planning and resource mobilization prevents pitfalls in operation. Continuous M&E ensures activities are done as per that the plan and the results are desirable. Engaging employees in decision making increases their responsibility since they develop ownership of the organizations decisions thus perform without close supervision.

This study recommends that Lessons learnt from the previous strategic plan should be analysed and guides the process of the next plan. Mid-term reviews should be set up so that adjustments can be made where necessary and progress of the plan communicated. Communication channels should be improved; there should be better coordination of activities between all departments in the organizations. A staff retreat should be held to engage members in critical thinking which should result in good decisions being made.

In addition all Kenyan NGOs should have a resource mobilization strategy to implement the strategic plan. Once the strategy has been agreed upon, the organization needs to change the structure so as to support the strategy implementation process. To avoid these problems from reoccurring again in future, NGOs needs to ensure that the strategy formulation should be made participatory by involving all staff as well other stakeholders. This will enrich ownership of the final strategy as well as facilitate smooth successful implementation. Strategy is clear and concise and therefore employees can read and understand what is expected of them and work towards achieving the organizational objectives. Although not all employees are involved in strategy planning in the organization they are part and parcel of it and therefore they would all want to see that the strategy is successful.

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