

# Strategic Factors Influencing Successful Implementation of Strategic Plans: A case of Non-Governmental Organization in Migori County, Kenya.

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**Abstract:** *The aim of the study was to investigate the Strategic Factors that influence the Successful Implementation of Strategic plans: a case of Non-Governmental Organization in Migori County, Kenya. The study has three specific objectives, determine the impact of structure on successful implementation of strategic plans by selected NGOs in Migori County, determine the impact of strategic planners on the successful implementation of strategic plan by selected NGOs in Migori County, determine the impact of exchange rate on the successful implementation of strategic plans by selected NGOs in Migori County and explain the relationship that exist between such factors and strategy implementation. The research used simple random sampling techniques to sample NGOs within Migori County. Data was collected through the use of questionnaires, the questions was administered through drop and pick techniques. The data collected was analyzed through various statistical methods to test the relationships and impacts of various variables on strategy implementation. It was be clear that such factors as structure, exchange rates and planners are some of the factors that affect successful implementation of strategic plans in NGOs in Migori County, Kenya. It was also realized that factors such as high donor confidence, strong government support and cheap labor act as opportunities to NGOs. Such research should be conducted in other organizations such as Semi-Autonomous Government Agencies (SAGs).*

## 1.1 Background information

NGOs have been considered a development partner to the state due to a host of issues they address on under development, however there is wide acknowledgement of their inability to deliver what is expected of them this is because of the hallow saintliness around the NGOs. At the international level NGOs are perceived as a vehicle for providing democratization and economic growth in third world countries. In addition, they are considered good substitutes for weak states and markets in the promotion of economic development and provision of basic services to most people. According to (Makoba, 2002) Strategic planning is a process of defining strategy or direction and making decision on allocation of resources to

pursue this strategy, including capital and people. The term NGOs is used in a variety of ways all over the world and depending on the broadest sense, non-government organization is one which is directly part of the structure of government.

## 1.2 Statement of the Problem

For NGOs to deliver services effectively, the importance of good governance is key. According to centre for family, on situational analysis of NGOs governance and leadership in eastern, southern, central and western Africa (2001). According to this paper, leadership is the key to good governance which should seek to develop a clear rising and missions of NGOs. This they refer to as strategic management that would help these bodies lay strategies on directions of these NGOs. According to Jerry, (2003), leadership is the most essential ingredient in organizational sustainability and performance.

Weinberg and Ritchie (1999), in their paper of the non-profit sector, a strategic marketing framework asserts that, though traditional collaborative relationship remains strong the non –profit sector is today coming to grips with an environment in which competition is also important. NGOs being voluntary must effectively fulfill their role to improve the conditions of the socio-economically advantaged and marginalized sections of societies. NGOs are therefore required to formulate strategies to take advantage of external opportunities to avoid or reduce the impact of external threats. The NGOs need to position themselves strategically in order to meet additional expectations and attain self-sustainability.

## 1.3 Research Objectives

- (i) To determine the influence of organization structure on successful implementation of strategic plans by NGOs in Migori County
- (ii) To determine the effect of strategic planning on successful implementation of strategic plans by NGOS in Migori County.

(iii) To establish the impact of exchange rate on the successful implementation of strategic plans by NGOs in Migori County.

### 1.4 Research Questions

(i) How does organization structure influence the successful implementation of strategic plans by NGO's in Migori County?

(ii) What is the effect of strategic planners on the successful implementation of strategic plans by NGOs in Migori County?

(iii) What is the impact of exchange rate on the successful implementation of strategic plans by NGOs in Migori County?

### 2.1 Theoretical Framework

According to (David,2005), he considers strategic management as global consideration which impacts virtually all strategic decision. Therefore organizations both locally and globally must engage in strategic management to achieve and maintain competitive advantage. The study adopted two theories as illustrated below:

#### 2.1.1 Porter's Five Model Theory

The theory is used to identify key environmental factors during strategic implementation. The model

describes the competitive world of the organization and the forces that play upon it." This is demonstrated through five forces, namely:

- a) Rivalry in the Industry-refers to the number of competitors already in the industry and the extent to which they compete against one another.
- b) Threat of New Entrants-if the industry growth is high, it tends to attract new entrants
- c) Bargaining power of suppliers-if suppliers have high bargaining power, the industry is unattractive and the converse is true.
- d) Bargaining power of buyers-buyers are said to be powerful if they have a force that can negotiate with companies to act in a particular way.
- e) **Threat of Substitutes**-the more there are substitutes in the industry, the less attractive the industry becomes (David, 2005).

#### 2.1.2 Value Chain Model.

Competitive possibilities open to organization can be discerned from a resource audit. Porter's value chain is the commonest model and portrays an organization as a connected chain of activities each of which relates the organization's product customers.

### 2.2 Conceptual Framework

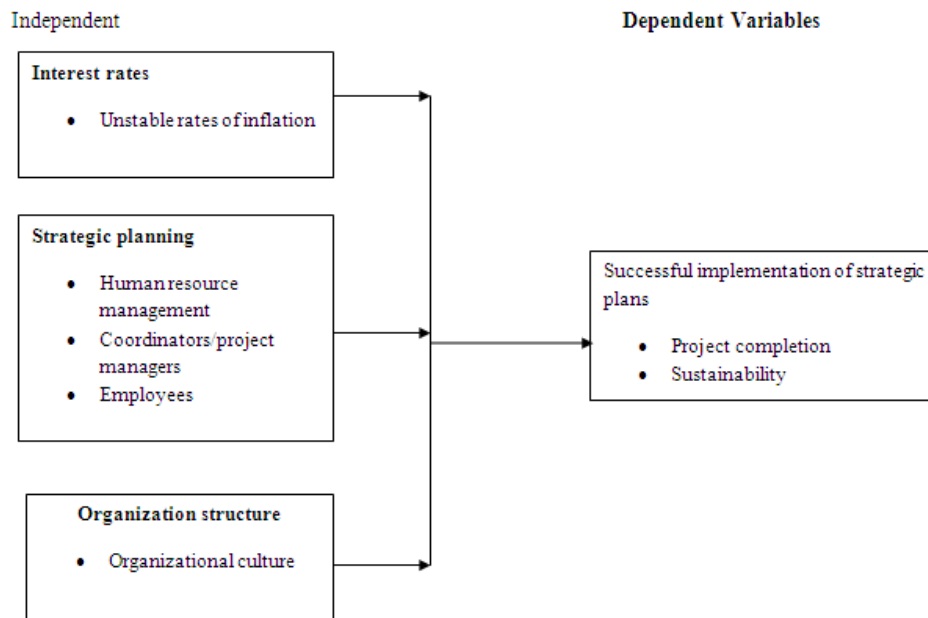


Figure 2.2: Conceptual frame work.

### 3.1 Research Design

The research was an exploratory survey to explore strategic planning in selected NGOs in Migori County, Kenya. Exploratory survey was used to seek insights into general nature of the problem and relevant variables that was needed to be considered. It investigated behaviors and opinions of people and organizations.

### 3.2 The target population and sample

This is a collection of elements about which the researcher wishes to make inference Borg and Gall (2006). The actual target was randomly selected from 50 NGOs in Migori County registered under NGO board. The population was subjected to simple random sampling so as to give each representative an opportunity to contribute in the research process.

### 3.3 Data Collection Instruments

The questionnaires was administered through a drop and pick method which ensured that no completed questionnaires was left out and that all questionnaires were picked at the same time so as to maximize the response rate.

#### 4.1 Data analysis and discussion

The study realized 90 percentage response rate. The high response rate was attributed to persistent follow up with the respondents. For the purposes of showing the relationship among various variables, quantitative analysis was done using descriptive

statistics to get percentages and frequencies. The data from the completed questionnaires was summarized and presented in the form of tables, pie charts and bar graphs.

#### 4.1.1 Structure factors.

##### 4.1.1 Mmission statement for the NGO

Table 1: Mission Statement Distribution of Respondents

Response	Frequency	Percentage (%)
Yes	15	83.3
No	3	16.7
<b>Total</b>	<b>18</b>	<b>100</b>

From the above table, 83.3% of the respondents indicated that they had a mission statement in their organization while the remaining 16.7% did not have.

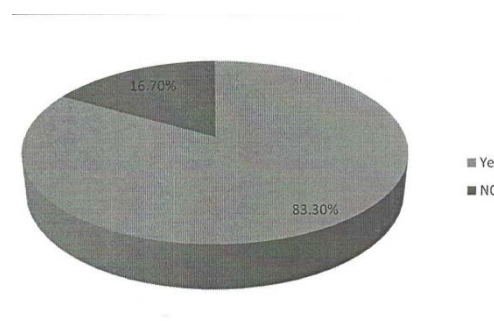


Figure 4.1: Organizations with mission statements

#### 4.1.2 The extent to which the factors in the table below are considered in developing the mission statement.

Table 2: Factors Considered in Developing the Mission Statement

	Highly considered	Considered percentage	Not considered percentage
1. Beneficiaries	84	16	0
2. Services offered	57	29	14
3. Public perception	50	33.3	16.7
4. Beliefs, values and ethical priorities	16.7	50	33.3
5. Concern for employees	66.7	16.5	16.5
6. Technical compliance	83.3	16.7	0
7. Sustainability	50	50	0
Total	407.7	211.5	80.5

According to the research, it was discovered that most NGOs (84%) actually define who their beneficiaries in the mission statements. This was attributed to the fact that without the support of these people their mission would not be

accomplished and neither would donor support be forthcoming.

Only 16.7% of the respondents strongly stood for what they believed in and upheld their values in

their mission statements. Concerns for employees are highly considered in most mission statements. With regards to technology, 83.3% of the 18 respondents disclosed that they do embrace current technology, while 16.7% considered it and 0% were not able to.

An overwhelming 50% of the 18 respondents indicated that they have serious concerns for sustainability. This indicated that most NGOs are committed to growth, perception, sustainability and financial soundness.

**4.1.3 Do you set objectives for your NGO?**

Table 4.2.3: Set Objectives Distribution of Respondents

Response	Frequency	Percentage
Yes	15	83.3
No	3	16.7
<b>Total</b>	<b>18</b>	<b>100</b>

According to 18 respondents, 83.3% do set objectives, while 16.7% do not

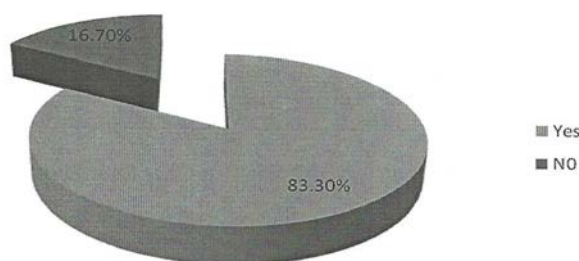


Figure 4.2: Set Objectives Distribution

**4.1.4 How you consider the following components in setting objectives:**

Table 4.2. 4: Factors Considered in the Setting of Objectives

	Highly considered	Considered percentage	Not considered percentage
1. Quality concerns for products and services	83.3	16.7	0
2. Growth in target groups	50	33.3	16.7
3. Management expertise	100	0	0
4. Development of new products and services	33.3	50	16.7
5. Fund raising techniques	83.3	16.7	0
<b>6. Technological compliance</b>	<b>50</b>	<b>50</b>	<b>0</b>

83.3% of the 18 respondents indicated that they have high concerns on quality of their products and services, while 16.7% considered not those factors. This meant among others that they issues such as compliance to government regulations were adhered to.

50% of the 18 respondents were very keen to set objectives of reaching as many beneficiaries as possible, while 33.3% moderately considered the same.

All respondents (100%) highly consider the caliber of management that they hire. This ensures that

there is no mismanagement of the organizations resources.

33.3% of the respondents highly considered development of new products and services, while 50% moderately considered the same.

Most respondents (83.3%) highly consider fund raising techniques. This meant they are still highly dependant on donor funds for their survival.

According to 50% of the respondents highly considered technological compliance, 50% moderately considered it, while 0% did not consider at all.

**4.1.5 The extent to which the following people are involved in setting objectives**

Table 4.2.5: Involvement Distribution of Individuals

Response	Involved percentage	Not involved percentage
Managers	83.3	16.7
Staff	66.7	33.3
Third parties	16.7	83.3

The researcher wanted to know the extents to which managers, staff and the third parties are involved in setting objectives. 83.3% of the respondents said that managers are involved in Setting objectives, while 16.7% said they did not or were not sure.

66.7% of the respondents said that staffs are involved in setting objectives, while 33.3% said they did not.

On involvement of third parties, 83.3% of the respondents said they did not consider them that is for example external consultants. This confirmed that most objectives are set within the NGOs.

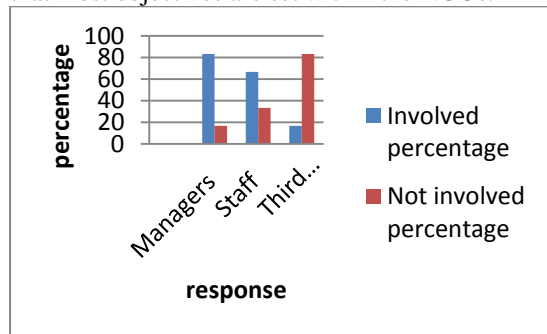


Figure 4.3: Involvement in setting Objectives

**4.1.7 Is everybody in the organization aware of the mission and the objectives?**

Table 4.2. 6: Awareness of Mission and Objectives Distribution

Response	Frequency	Percentage
Yes	15	83.3
No	3	16.7
<b>Total</b>	<b>18</b>	<b>100</b>

83.3% of the 18 respondents indicated that at least most staff in the organization were aware of their mission statements.

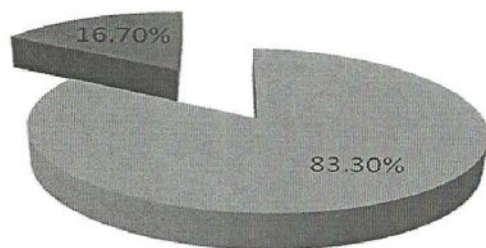


Figure 4.5: Awareness of mission and Objectives Distribution

**4.1.6 Duration that the objectives are time bound**

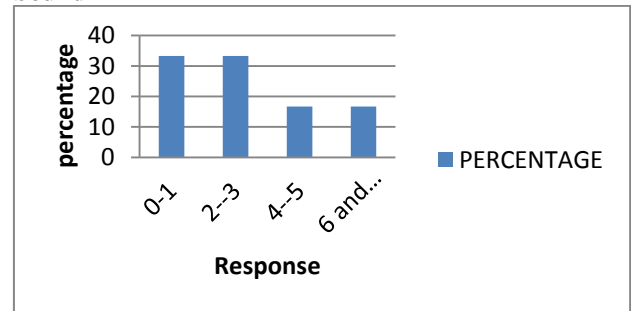


Figure 4.4: Duration

According to the above figure, the majority of respondents as shown by 33.3% said that the objectives are bound for 0-1 years, 33.3% said that they are bound for 2-3 years, 16.7% said that they are bound for 4 -5 years, while only 16.7% said that the objectives are bound for 6 years and above. This indicated that objectives were more short term based than long term.

**4.1.8 The mode of communication to the employees**

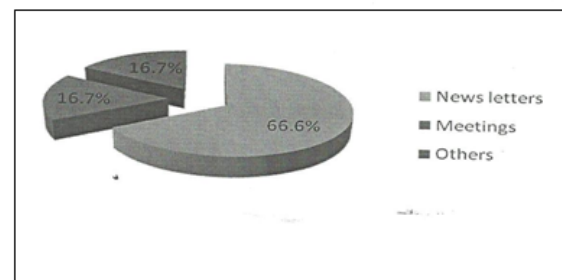


Figure 4.6 Modes of Communication

The majority of respondents as shown by 66.6% said that everybody in the organization is made aware of the mission and the objectives through the

meetings, 16.7% said newsletter, while 16.7% said that they are made aware through other modes e.g. memos.

#### 4.1.9: How often are those plans reviewed?

Table4.2.8: Frequency of Reviewing

Response	Frequency	Percentage
Half yearly	3	16.7
Yearly	3	16.7
At the end of each planning period	9	50
Not reviewed at all	3	16.7
<b>Total</b>	<b>18</b>	<b>100</b>

16.7% of the respondents said their plans were reviewed half yearly, 16.7% said yearly, 50% said at the end of planning period, while 16.7% did no reviews at all.

#### 4.1.10: Does your organization perform an internal assessment of its activities?

Table4.2.11: Internal Assessment of Activities

Response	Frequency	Percentage	Cumulative percent
Yes	18	100.0	100.0

According to the above table, all the respondents said that their organization perform an internal assessment of its activities 67.7% were using bench marking and the remaining 33.3% opted for Keizen approach.

## 4.2 Strategic Planners

### 4.2.1 The necessity of high interpersonal and human skills.

The research sought to know whether managers should have high interpersonal and human skills. 66.7% of the respondents strongly agreed, 16.7% agreed while 16.6% were neutral.

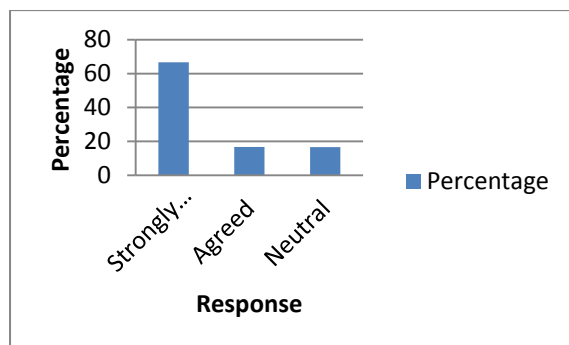


Table 4.3.3: Organizational culture contribution to objectives

Figure 4.7: Interpersonal and Human Skills

### 4.2.2 Good leadership as key factor to successful management of strategic process, relationships and managers training.

The findings indicate that 83.3% of the respondents were strongly convinced that good leadership was key factor to successful management of strategic process, relationships and managers training, while 17.7% disagreed.

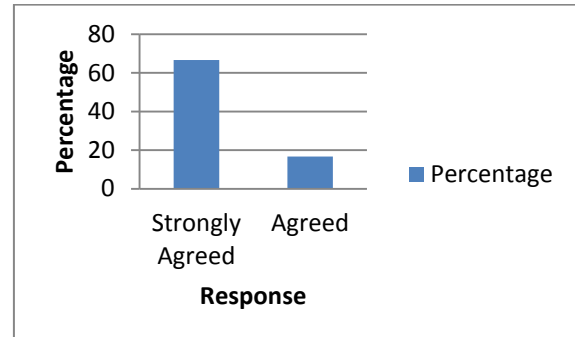


Figure 4.8: Good leadership

### 4.2.3 Ways in which the organizational culture has contributed to promoting the objectives in the strategic plan.

Response	Frequency	Percentage
Training	9	50%
Seminars and workshops	6	33.3%
	both3	17.7
<b>Total</b>	<b>18</b>	<b>100</b>

#### 4.3 If the organization practices an approach that focuses on outcomes and outputs (Results Based Management)

When asked whether the organization practices an approach that focuses on outcomes and outputs, the 18 respondents said that it does.

##### 4.3.1 Transparency

The findings indicate that 16.7% of the respondents was strongly convinced that the transparency of the organization has increased, it further shows that transparency has increased to a particular extend as expressed by 50%. On the other hand, 33.3% were neutral on this.

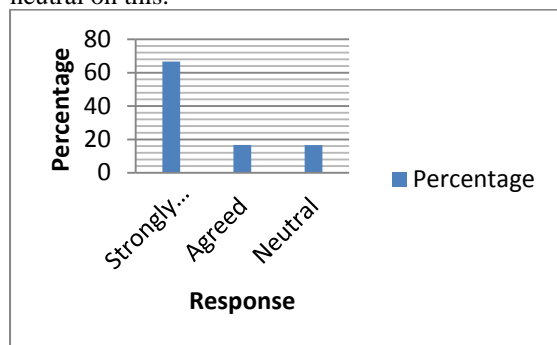


Figure 4. 9: Transparency

##### 4.3.2 Accountability

Measuring whether accountability has increased, the following was reported.

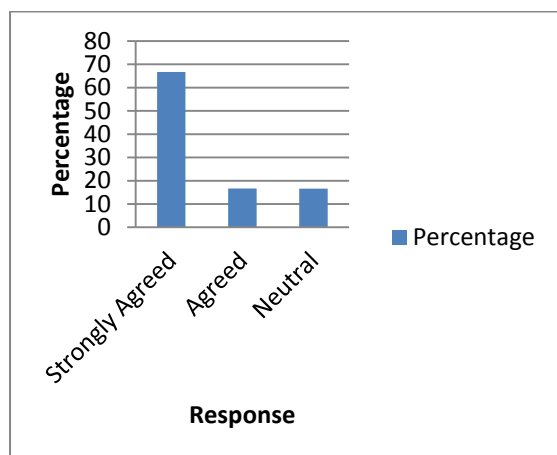


Figure 4.10: Accountability

Accountability has increased; this view is strongly observed 50% of the respondents, although 16.7% of them also agree to this view 33.3% of them were not sure.

##### 4.3.3 Focus is on achieving outcomes

From the findings, 33.3% of the respondents strongly agreed that the focus is on achieving outcomes while 66.7% agreed.

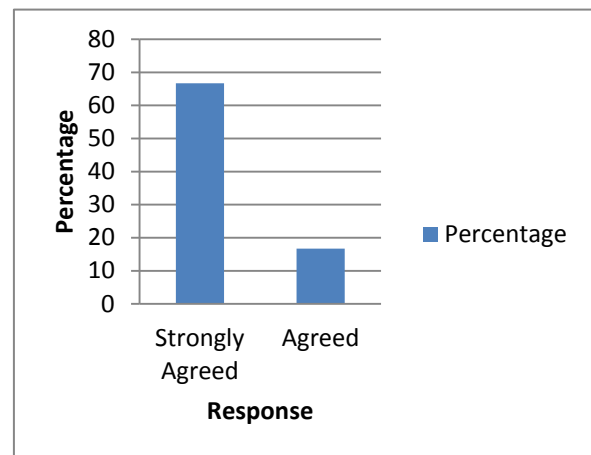


Figure 4. 11: Focus on Outcome

##### 4.3.4 Performance measurement

33.3% of the respondents are quite convinced that there is implementation of performance measurement; this view is strongly supported by 33.3% and a substantial 33.4% remaining non committal.

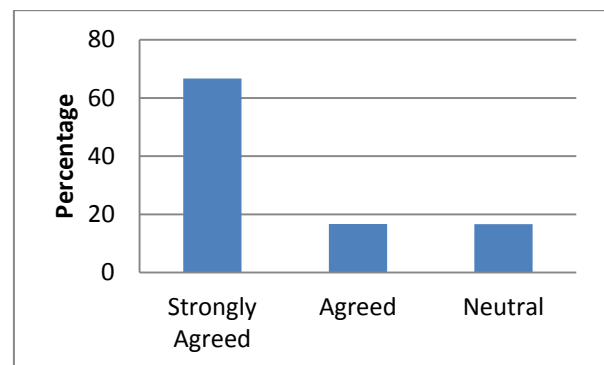


Figure 4.12: Performance Measurement

4.3.5 How you consider the following factors as the main strength in your NGO

Table 11: Factors Considered as main strengths by NGO's

	Most important Percentage	Important percentage	Less important percentage
Management expertise	83.3	16.7	
Wide range of products for beneficiaries	33.3	33.3	33.4
Strong internal controls	50	50	
Good technology	33.3	66.7	
Smart objectives	50	50	
<b>Low cost of operations</b>	<b>100</b>	<b>0</b>	

According to the above table the majority of respondents as shown by 83.3% said that management is a very important factor in their NGO as a main strength while 16.7% said it is an Important factor, asked on wide range of products as the main strength in their NGO, 33.3% said that it is most important, 33.3% said it is important, while 33.4% said that it is less important. 50% said that strong internal controls are very important as the main strengths in their NGO, and 50% said that they are important.

Asked about technology, the majority as shown by 66.7% said that they are important, while 33.3% said that they are most important as the main strength in their NGO. The researcher also wanted to know how the respondents consider smart objectives as the main strength in the organization, 50% said that they are very important, while 50% said that they are important. 100% also said that low cost of operation is a very important factor as a main strength in their NGOs.

4.4 Exchange rates effects on the implementation of strategic plan

33.3% of the respondents are quite convinced that exchange rates has an impact on the implementation of strategic plan; this view is strongly supported by 33.3% and substantial 33.4% remaining non-committal.

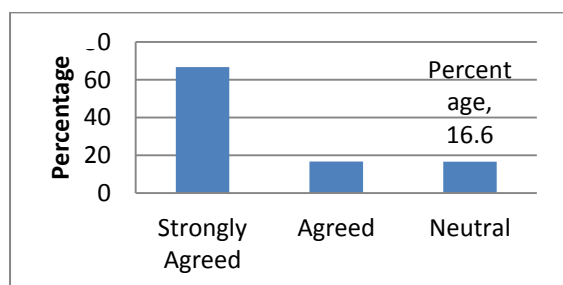


Figure 4.11: Exchange Rate

4.4.1 Relationship between inflation and performance of strategic plan

The research sought to know whether inflation has an inverse relationship with the performance of

strategic plan, 66.7% of the respondents strongly agreed, 16.7% agreed while 16.6% were neutral.

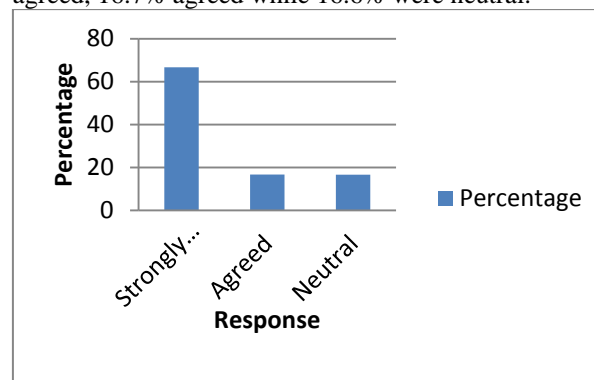


Figure 4. 12: Inflation and Performance Relationship

5.1 Summary

It was clear that in the majority of NGOs managers are the ones involved in setting objectives. From the research, the researcher also found out that everybody in the organization was aware of the mission and objectives in the organization and they are communicated to mostly through the meetings. It was also clear that in the majority of the organizations, the plans were reviewed at the end of each planning period. The researcher also found out that in the majority of the organizations, features like formal planning meetings timetables for preparation of plans, clear cut responsibilities for planning and existence of a planning department were present to characterize their planning process. It was also clear that the NGOs engage in assessing the external environment surrounding it and factors such as political issues, economic factors, socio-cultural factors, technological changes and legal legislations regarding monopolies, employment, health and product safety were a serious threat to the organization according to the majority of the respondents.

5.2 Conclusion

From the findings above it was evident that NGOs embrace strategic planning for effective governance and sustainability. Their role in



development especially to the third world countries is immeasurable and hence the need for strategic planning. This study therefore helped to explain that indeed NGOs do prepare strategic plans, how they develop them, what strategic factors influence them to do so and the extent to which they adhere to these strategies.

### 5.3 Recommendations

The study arrived at the following recommendations:

First, results-based management is easier said than done, particularly for nongovernmental organizations. Organizations should be ready to work extra hard to ensure that the implementation is successful.

Secondly, planning for the sake of planning will not result in better Non Governmental policies and more efficient and effective programs. Institution should be ready to follow up and ensure that the employees are performing in tune with the objectives in the strategic plan.

Finally, more emphasis should be based on ways to assist private sector employees to do the right things better. This can only happen when the private sector has relevant capacity and will make sure that the employees are motivated to increase performance. When a manager has accomplished the objects in the strategic plan then his effort should be appreciated.

A similar research should be conducted in other organizations e.g. in Semi Autonomous Government Agencies (SAGAs).

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