STRATEGIC PLANNING AND COMPETITIVE ADVANTAGE AT FAMILY BANK LIMITED

BY

PURITY MUTHONI GICHOVI

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

APRIL, 2019

DECLARATION

This research project is my original work and has not been submitted for examination in any other university.

Signature ………………………………… Date ……………………….

PURITY MUTHONI GICHOVI

D61/78853/2015

This project has been submitted for examination with my approval as the University Supervisor.

Signature ………………………………… Date ……………………….

PROF. EVANS AOSA

DEPARTMENT OF BUSINESS ADMINISTRATION

SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI

DEDICATION

This project is dedicated to my family members for their support and consolation amid the time of my study.

ACKNOWLEDGEMENTS

I recognize the power of God, the maker, and the supplier of knowledge for empowering me to finish my Masters in the right spirit. Most importantly, I earnestly wish to recognize the support from my supervisor Prof. Evans Aosa, without whom I could not have run this far with my project work. To the University of Nairobi for offering me the chance to study and every one of my teachers who contributed in somehow in extinguishing my hunger for learning, I owe you my appreciation.

I owe a lot of appreciation to my family for their unfailing good support all through my time of study and for comprehension and valuing the request of the course. I can't overlook the positive impact of my cohorts as a wellspring of motivation all through my study and for helping me in sourcing for data and materials for this project. To all of you, God's favour.

ABSTRACT

The strategic planning process involves the formulation of strategies that commit an organization to a specific strategic path into the future. The objective of the study was to determine the influence of strategic planning on competitive advantage at Family Bank Limited. This study was guided by four theories that include resource based view theory, stakeholder approach theory, porters five forces and dynamic theory. This study was a case study since the focus is in one organization, in particular Family Bank Limited. Data gathered from the research was qualitative in nature. Interview guide was utilized. The interview guide was made up of open-ended questions and was administered to the respondents by face to face interviews. Content analysis was used to synthesize the responses collected from the interviewees so as to bring out common themes from the various responses. The study found that the strategic planning practices adopted by Family Bank Kenya included objective setting, formulation of a strategic plan, participatory decision making, reward and recognition, training and development and employee participation. The findings further concluded that formality, management participation, employee participation and the adoption of strategic planning tools and techniques as adopted by Family Bank Kenya in its strategic planning process had a positive impact on organizational competitive advantage. It was concluded that the most commonly applied Strategic planning practices at Family Bank included setting strategic formulation (targets), core competencies, training and development programs, organisational culture and code of ethics. Strategic planning practices were found to contributed effectively towards building and strengthen the relationship between employees by sharing common goals and shared values in working towards the same goals. The study recommends that Family Bank Kenya should continue practicing formal strategic planning for enhanced effectiveness and efficiency as well as improved organizational competitive advantage. Family Bank should pool more funds and resources to invest in banking technologies and innovation so as to improve employees' efficiency and minimize operational costs. Family Bank should sponsor its staff to a continuing training and development program in order to expose the employees to specialized skills and knowledge. Top management should provide adequate support to their staff in form of resources and facilities.

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS

CBK: Central Bank of Kenya

EPMP: Employee Performance Management Plan

MBV: Market-Based View

NGOs: Non-Governmental Organizations

NYS: National Youth Service

P&L: Profit & Loss

RBV: Resource-Based View

SACCO: Savings and Credit Co-Operative

TMS: Transportation Management System

CHAPTER ONE: INTRODUCTION

1.1: Background of the Study

Strategic planning is defined as the management of a firm's resources with the goal of that firm achieving its goals and objectives. There are several components of strategic management that include objectives setting, analysis of the internal organization, analysis of the competitive environment, evaluation of strategies and making sure that the strategies and implemented across the entire organization. By use of strategic management, the firm will be able to identify the firm's current performance vis-à-vis the competition. The firm will also be in a position to identify the opportunities and threats, while also establishing whether those opportunities and threats come from inside the firm or from the external environment (Peters and Waterman, 2015).

This study was guided by four theories that include resource based view theory, stakeholder approach theory, porters five forces and dynamic theory. The Resource based view theory of the firm provides a distinctive method of analysing and identifying an organization's strategic advantages based on an examination of its distinct combination of assets, skills, capabilities and intangible assets such as knowledge (Peters and Waterman, 2015). Stakeholder approach theory proposes that the interests of key stakeholders in an organization should be analysed during the strategic planning process and incorporated into the strategic plan of the firm.

The banking industry is being reshaped by powerful forces. The Kenyan market is rapidly developing. Requirements by regulators, Research and Development, new product development, technology, expectations from customers, innovation, economics and demographics have all made it necessary for banks to change. ROEs have remained low, costs have proven hard to contain and growth has been subtle.

Economics and business models have been impacted upon by regulation. Technology has quickly changed from being a luxury into a necessity for effective operations and improving customer experience. Non-traditional players such as MPESA have challenged the norm and put into place a new order, thereby taking a lead in innovations that are customer centric. There is emergence of new financial service providers. Customers have been challenging banks to provide better value and service. At the same time trust has proven difficult to get. In spite of these numerous changes, banks need to realign their strategies so that they emerge on top of the competition. Not only should banks implement strategies based on today's requirements, but they must also radically transform themselves and innovate themselves for the future (PwC, n.d.).

Kenyan banks faced a turbulent year in 2016. Banks coped with caps in interest rate, the upcoming elections resulted in an economic slowdown and public confidence was at an all-time low. In addition, Chase Bank went down the path of collapse in 2016. In 2015, Dubai Bank and Imperial bank both also went down this same path of collapse. There was a spike in bank loans (Muigei, 2011). Disputable transactions were revealed and there was interrogation of financial statements. Public confidence in the banking industry was dented severely. Moreover, the National Youth Service scam almost destroyed the 33-year-old journey that Family Bank had had in the financial space. 28 Kenyan banks handled suspicious transactions from the NYS scam. The eroded confidence that the public had on tier 2 and tier 3 banks, as well as negative social media sentiments caused a run on Family Bank's deposits (Ng`etich & Wanjau, 2011).

One of the main challenges that bankers face is attracting new customers. A good product banker's first response is finding new customers. Banks have a hunger to grow, but banks still realize that there is need to develop customer relationships and focusing on precise customer results (Rindfleisch & Moorman, 2003). Therefore, investing in improving customer service is a global phenomenon. Another challenge for Kenyan banks specifically is complying with the ever changing and growing regulations. Therefore, Kenyan banks have invested in this. But the banks are still struggling to make progress in regards to the challenge of regulations. Developing a practical position with CBK (the regulator) has been challenging. Change is accelerating, and Kenyan banks have to position themselves well if they are to have success in the future (Ng`etich & Wanjau, 2011).

The aim of this study was to find out strategic management at Family Bank Limited. This study was anchored on the theory of strategic planning and its application at Family Bank.

1.1.1 The Concept of Strategic Planning

Strategic planning obtains its basis from the concept that the future of an organization can be potentially influenced by actions undertaken in the present. The process involving the definition of the ideal future state of the organization, the formulation of a roadmap outlining how to achieve it and moving from the current state towards the organization's vision defines strategic planning. Steiner (2010) observes strategic planning as comprising of the setting of organizational goals, developing policies and strategies towards achieving these goals and the establishment of an in depth plan aimed at detailing the implementation process. With emphasis on prioritization and a focus on long term objectives, resources are allocated to ensure an alignment with the organization's vision (Marksberry, 2012).

The organization's competitiveness as well as positioning in the industry within which it operates and the leveraging on strengths to attain a strategic advantage is the primary preoccupation of strategic planning. The overarching concept of strategic planning is in the firm's process of defining its strategy, consciously deciding on resource allocation to pursue the strategy and commitment to the chosen path (Kaplan and Norton, 2013). Key components of the Strategic Planning concept include; the mission, vision, goals and objectives of the organization. The mission is a statement defining the organization's purpose for existence, the business the organization is involved in, and how it executes its mandate to achieve its vision. An organization's vision on the other hand is futuristic in nature and concentrates on the long term view of the firm. Goals and objectives form the milestones within which short term as well as long term operations framework can be measured (Nelson, 2008).

In a nut shell, strategic planning provides the organization's management an opportunity to influence the future of the business thereby determining its destiny. The value of strategic planning is obtained from the processes, procedures, providing new insights and developments, and coming up with new ideas (Ryals and Rogers, 2014). Phillips and Moutinho (1999) opine that the only objective of strategic planning is to improve strategic performance.

1.1.2. Competitive Advantage

Competitive advantage is obtained when an organization develops or acquires a set of attributes (or executes actions) that allow it to outperform its competitors (Yin, 2014). "Essentially a competitive advantage answers the question, why should the customer purchase from this operation rather than the competition?" (Emmerling and Boyatzis, 2012). Porter (1991) says that "competitive advantage is at the heart of a firm's performance in competitive markets". He argued that a firm's ability to outperform its competitors lays in its ability to translate its competitive strategy into a competitive advantage" (Klikauer, 2008).

According to Barney (1991), a firm is said to have a competitive advantage when the activities it engages in increase its efficiency or effectiveness in ways that competing firms do not, withstanding the fact that those other firms are in the particular firm's industry. The second definition refers to firms that produce higher returns than were expected by stockholders. He said that his definition of competitive advantage is often called an "economic rent".

Many theories exist that discuss the various ways of gaining competitive advantage. The earlier two major theories of competitive advantage are the Market-Based View (MBV) and the Resource-Based View (RBV). Added to them are the two recent views: The Relational View and the Notion of Transient Advantage. The notion of core competencies, the knowledge-based view and capability-based view of strategy are derived from the resource based view (Marksberry, 2012).

1.1.2: Banking Sector in Kenya

Kenya is creating one of the biggest commercial banking bases in Africa. The financial sector contain the regulator of the banking business (CBK), twenty eight domestic and fourteen foreign commercial banks with a few branches, agencies and different outlets, a mortgage finance company, eight agent offices of foreign banks, eleven licensed deposit taking microfinance institutions, forty nine insurance organizations, seventy nine foreign exchange bureaus, three licensed credit reference bureaus, fourteen money remittance providers and around two hundred deposit taking licensed SACCOs with a participation of more than three million Kenyans (Ngigi, 2016).

Commercial banks have been able to offer banking services through third parties through the expanded use of the agency banking model that was introduced in May 2010. Increasing access to financial institutions has been reduced with the use of innovation such as agency banking. Agency banking makes it possible for commercial banks and deposit-taking microfinance institutions to connect with the administrations of outsider outlets in order to so as to deliver specified financial services for their benefit (Ngigi, 2016).

Kenya Bankers Association in collaboration with the banking industry in Kenya rolled out the Cheque Truncation System in August 2011. Check truncation is a procedure in which physical cheques presented for payment in a bank by corporate bodies or people are changed over into electronic shape and the picture is transmitted electronically to the clearing house for preparing and in this manner payment is done by the paying bank. This framework has accelerated clearing of such cheques as well as reducing fraud incidences and the costs of transporting these cheques starting with one bank then onto the next (Ngigi, 2016).

Today, more than half of the forty-two banks in Kenya offer several internet banking products to their customers. Internet banking services provided include opening accounts, online viewing of the accounts, transferring funds to different accounts, clearing cheques, online inquiries and requests, status query and online salaries payments. According to the Central Bank of Kenya, sixty-six per cent of the adult population in 2013 had formal access to financial services through commercial banks (Ngigi, 2016).

The introduction of mobile money and its most recent association to the formal banking system has seen the quantity of Kenyans with access to electronic money grow rapidly. Kenya is currently turned into a pioneer in financial inclusion and its illustration is being imitated by different nations around the globe. With more than thirty million mobile phone subscriptions, the most Kenyans now have mobile phone access, which they use for voice and SMS correspondence, internet access, banking, microloans, paying for parking, power, and water bills and insurance. The Central Bank of Kenya has affirmed that the expansion in mobile money transfers has been energized by a high number of purchasers moving cash in their bank accounts using mobile phones (Ngigi, 2016).

Expansion of Kenya's capital markets has been experienced. Bonds and treasury bills dominate the market for short-term securities. There is only light trading in commercial paper (Development of Banking in Kenya, n.d.). The sector has seen increased activity via establishment of collective investment plans such as unit trust, investment clubs, mutual funds and employer share ownership plans, issuances of corporate bonds, asset-backed securities and venture capital funds (Ngigi, 2016).

1.1.4: Family Bank Limited

Family Finance Building Society was started in 1984 with the vision to make the organization the choice for the unbanked populace. Their aim was serving the requirements of the mass market which had been overlooked by the standard banks. This market portion contains medium and small-scale businesses, jua kali craftsmen, tea, coffee, milk, feed, fish and sugar farmers, educators, junior government workers, parastatals NGOs and private firms (News., 2014).

Today Family Bank has more than 1,800,000 clients. This makes them one of the biggest banks serving the mass market in all parts of Kenya. As they have developed, so have the requirements of their clients. Today a significant number of their clients have graduated to larger amounts monetarily and are engaged with advanced and complex exercises including imports and exports and global cash transfer. Family Bank has augmented its ability to serve its clients' needs including cheque books, foreign exchange, electronic funds transfer and global banking (News., 2014).

Family Bank grew by 108% by making Kshs 1.7 billion in 2013. In 2015, Family Bank made Kshs 2.9 Billion up from Kshs 2.6 Billion over a similar period in 2014. This was made possible by growth in customer base, aggressive deposits growth and increased lending. The Bank has obtained prizes such as the First Runner-up in the Think Business Journal, Fastest Growing Bank and the Best Farmers Bank in Laikipia and Kiambu counties, Best Bank in Micro-Finance (News., 2014).

Family Bank had an 18.8 percent drop, or Kshs 12.4 billion drop in deposits between March 2016 and September 2016. CBK fined Family Bank Kshs 1 million and nine Family Bank employees were laid off following the NYS scam. Family Bank reported a Kshs 492 million net loss for the period between January and June 2017 compared to profit after tax of Kshs 711million in the same period of the year 2016 (Family Bank emerges, 2017). The declined profits were also caused by a Kshs 400 million expense that went into a staff restructuring process, branch expansion funding, a slowdown in lending, huge costs of deposits and provision for bad loans (Financials., 2017). Based on network coverage, Family Bank is the fifth largest bank in Kenya with 93 branches. The financial results released attributed the poor performance to the drop in interest rates on loans, which fell to Kshs 3.3. billion over the first half of 2017 compared to Kshs 6 billion is the first half of 2016. Family Bank has over the last year slowed down on lending, thereby decreasing its loan book form Kshs 55.7 billion to Kshs 43 billion. Net non-performing loans and advances went up to Kshs 4.7 billion from Kshs 2.6 billion in 2016 (Alushula, 2017).

1.2: Research Problem

Strategic planning is the heart and soul of managing an enterprise (Thompson, 2014). The strategic planning process involves the formulation of strategies that commit an organization to a specific strategic path into the future. Strategy formulation guides the management of an organization in defining the business their firm is in, the end it seeks, and the means to accomplish those needs (Ryals and Rogers, 2014). They further point out that strategy formulation process combines a future-oriented perspective with the concern for the firm's internal and external environment. Strategy formulation is the process by which an organization chooses the most appropriate courses of actions to achieve its objectives (Saylor, 2014).

The landscape is rapidly changing. Family Bank needs to have a clear sense of the position they wish to adopt. This could be shaping the banking industry, managing defensively, rapidly following the leaders, or putting off the change. The study will look at whether Family Bank has adopted changes in the essential concept of a trusted financial institution that acts as a source of finance, as a store of value and as a facilitator of transactions. The study will also look at the landscape and whether significant changes are expected in response to the evolving forces of regulatory requirements, customer expectations, demographics, shifting economics, new competitors and technology. The study will discuss if Family Bank has a clear strategy on how to confront challenges and on how key priorities are addressed. The study will reveal whether Family Bank has considered partnerships with third parties and whether the bank has applied lessons from other industries. Each one of the priorities is important, and a balanced execution across all the priorities is what will result in success. Long term programs and tactical initiatives, when balanced should come together as an integrated whole (Saylor, 2014).

Various studies have been done on strategic management. Avigoke (2013) considered difficulties of strategy usage at Kakamega Teachers SACCO. Chesiyna (2010) considered focused strategies connected by flower businesses in Nairobi. Muchelule (2010) contemplated strategic reactions embraced by the Kenya Ports Authority to changing external environment. Mwangi (2013) examined strategic planning and execution of the Kenyan companies. Ndung'u (2013) considered aggressive strategies embraced by KENATCO Taxis Limited to get an upper hand over the competition. From these studies none has focused on Family Bank and the strategic planning employed at the company.

From these studies, there is a gap in literature regarding a study on Family Bank's strategic planning. There is need to do an in-depth and on point research on a specific bank in a developing country. Family Bank was chosen for the purpose of this research as it is a Kenyan Bank, started in Kenya by Kenyans. The research problem is: How does strategic planning influence competitive advantage at Family Bank Limited?

1.3: Research Objective

The objective of the study was to establish the influence of strategic planning on competitive advantage at Family Bank Limited.

1.4: Value of the Study

It is expected that the findings of this research will be beneficial to researchers, local and international Banks, as well as Family Bank business drivers and functional leaders. This study will be expected to be of value to researchers and Family Bank by empowering innovation. Key innovations are happening outside traditional banks. Family Bank might create new ecosystems for innovation and foster partnerships. This can range from academic institutions, technology start-ups to non-bank players (Saylor, 2014).

Regulators can also benefit from the study. Before, control was only one of numerous contemplations in the financial industry. Conduct issues were thought to be few and rare. Investment money was abundant and was not a major constraint to business. However, these days, the rules are more complex and regulators are more suspicious. Regulators are less flexible in their demands to improve reporting, compliance and the underlying data and business processes. Family Bank will be able to take a different and more comprehensive approach to managing its regulatory obligations. This approach is proactive, pragmatic and gradually integrated into 'business as usual' (Saylor, 2014).

CHAPTER TWO: LITERATURE REVIEW

2.1: Introduction

This chapter is concerned with the review of literature related to the study. It covers the theoretical framework on strategic management and the empirical review. The literature touches on the strategic management practices adoption at Family Bank Limited.

2.2 Theoretical Foundation

The theories include: resource based view theory, stakeholder approach theory, porters five forces and dynamic theory

2.2.1 Resource Based View Theory

The Resource Based View theory proposes that competitive advantage of the firm lies in the application of the resources available at the firm's disposal (Ryals and Rogers, 2014). The resource based view is a theory of analysing and identifying a firm's strategic advantages based on examining its distinct combination of assets, skills and intangibles as an organization (Ryals and Rogers, 2014). Firms differ fundamentally in terms of resources and organizational capabilities to employ them during strategic planning to gain competitive advantage.

According to Serfontein and Hough (2011), executives charting the strategy for their organizations tend to focus on the "core competencies" of their firms'. The resource based view of the firm is used during situational analysis to identify key organizational capabilities. Serfontein and Hough (2011) point out that a firm must identify its core competencies for it to excel in pursuit of its mission. According to

Muchelule (2010), forming a vision and mission and the subsequent selection of an organization's strategy requires the application of the resource based view model.

Strategic planning begins with the analysis and identification of a firm's unique resources and capabilities. Matching key resources of the organization with strategy is key to strategic planning (Thompson, 2014). Identification of key organization's resources is a powerful tool around which to build competitive advantage and craft successful strategies (Phipps and Burbach, 2010). They further argue that the key value of a firm's resources is that they become the bases for managers to use in formulation of strategies and linking them to sustainable competitive advantage. Core competencies should be identified and employed to craft strategies that add value to the stakeholders.

2.2.2 Stakeholder Theory

In defining or redefining of the firm's vision and mission, strategic managers must recognize the rights of their stakeholders (Phipps and Burbach, 2010). The theory proposes that the management should incorporate the interests of stakeholders during crafting of an organization's vision and mission statements. The theory identifies key stakeholders in the organization to include the employees, government, customers, local communities and the general public. Stakeholder approach theory suggests that during strategic planning process the management ought to identify its stakeholders, understand the claims of stakeholders in relation to the firm, reconciliation and assignment of priorities to their claims and finally coordinate those claims with other elements of the company vision (Phipps and Burbach, 2010).

The aim of strategic planning in public institutions is better service delivery to the public. Strategic planning in public institutions demands an analysis of all stakeholders' needs and interests in the organization, and incorporating those needs in the strategic plan. Bryson (2011) points out that public institutions strategies should be based on identifying stakeholder expectations and determining what resources the organization should build and enhance in order to create the highest possible value for the stakeholder. The key to success of public organizations is their ability to identify and build their capacity, particularly their distinctive core competencies in orders to produce the greatest value to their stakeholders (Bryson, 2011).

According to Emmerling and Boyatzis (2012), strategic planning requires an understanding of stakeholder expectations on the organization's strategy. Bryson (2011) pointed out that stakeholders can affect an organization's vision and mission, and are affected by the strategic decisions made by an organization hence the importance of their participation in the strategic planning process cannot be ignored. Klikauer (2008) observes that strategic planning is important because it represents the organizational rationality to its multiple stakeholders.

2.2.3 Porter's Theory of Competitive Advantage

Porter's Five Forces are named after Michael E. Porter. These forces distinguish and investigate five focused forces that shape each industry. The five forces help decide an industry's strengths and weaknesses. These forces include: Competition among the industry players, Potential danger from new entrants into the industry, bargaining energy of suppliers, bargaining energy of customers and the Threat of substitute products. Porter's model can be reasonable to any segment of the economy to search for attractiveness and benefit. Porter's model can also be used to perceive the structure of and industry and to decide corporate strategy, (Porter, 2004).

Porter's Five Forces help to break down and clarify the reason why diverse levels of productivity are sustained in various industries. Porter's Five Forces is broadly used to definitely study the corporate strategy of an association as well as its industry structure. These forces that were distinguished by Porter assume a part in shaping each industry and market on the planet. Porter's Five forces are frequently used to measure gainfulness, attractiveness and rivalry intensity of an industry (Porter, 2004).

2.2.4 Dynamic Theory

Porter (1991) argues that environmental change is continuous and the number of variables contributing to this change is substantial. The starting point for the dynamic theory is that environmental change is persistent and organizations, through innovation, have considerable leeway in both having influence on their environment and also in responding to it. Porter (1991) argues that the problem is not choosing the best strategies but is creating a flexible and learning organization that is capable of redefining its strategy continually.

The capacity of organizations to continuously enhance, develop, and propel their competitive advantages over time enables organizations to create and sustain their competitive advantage. Advancing, also referred to as upgrading, is the process of moving advantages throughout the value chain to more refined types, and engaging higher levels of technology and skill. Successful organizations are those that innovate and improve in ways that are valued at home and away from home (Porter, 1991).

2.3: Strategic Planning in Organizations

Steiner (2010) defines strategic planning as a process whose aim is to outline strategy, set policies and develop detailed plans seeking to achieve organizational objectives. The deliberate effort by an organization's management to integrate its strategy with the allocation of roles, responsibilities and resources in the actualization of the desired ideal future forms the backbone of strategic planning. The three key components of strategic planning include strategic analysis, strategic choice and strategic implementation. The formalization of logistics, operations and financial domains by both management and industrial sciences has resulted in the complimenting of the quantitative arm with the qualitative human aspect of sociology, psychology, and human resource management. It is the combined quantitative and qualitative aspects that address different organization requirements including professional, financial, technical, and strategic needs.

Strategic planning models are proposed by various academic as well as business writers to support development of new strategies (Nelson, 2008; Steiner, 2010; Marksberry, 2012). Specifically, these strategic planning models provide defined instructions on the mechanism of approaching, executing and evaluating the formulation of strategic concepts. The increase in strategic planning methods observed with all the topics emphasizing on processes and procedures can be attributed to organizational focus on the achievement of set objectives. The environment within which a business operates in relation to external and internal forces requires that strategic planning focuses attention to strategic concept development with this respect.

The appreciation of strategic planning practice to focus on the organization's strengths in prioritizing and taking advantage of existing gaps and opportunities in the environment is the cornerstone of leadership. Organizations that embrace a strategic plan that recognizes their internal weaknesses deliberately allocating resources to improve will in the long run deliver superior performance. Ordinarily, a substantial investment is required to ensure the organization's strategic objectives are achieved. Organizations must therefore allocate their resources considering the priorities that the organization has set. Towards this end effective strategic planning is observed to enhance the performance of an entity. According to Kraus et al. (2012), strategic choice includes the generation evaluation and identification of the best strategy. Strategy implementation lays emphasis on developing appropriate policies and generating a framework that aids in translating selected strategies into action points. These include corporate direction, scanning of the business environment, identification and analysis of the firm's strategic issues, strategic choice and development of implementation, evaluation and control of systems (Ghobadian et al., 2014). The strategic planning practices that will be discussed in this study include: formality, use of strategic planning tools and techniques, employee participation and management participation.

2.4 Sustainable Competitive Advantage

A competitive advantage strategy comprises of the techniques a firm has implemented so as to allure buyers, endure competition and boost its market position (Thompson and Strickland, 1993). Barney (1991) describes sustainable competitive advantage as the enactment of a value generating strategy which is not concurrently being implemented by competitors. Porter (1998) holds that sustainable competitive advantage strategy is the capability of the organization to outdo competitors on the execution of goal over a long period of time. Kurtz and Clow (1999) accentuates four necessities for a competitive advantage to qualify to be sustainable: it must be valued by buyers as to lead to extra sales, it must be non-exchangeable, the organization must possess the resources and ability of delivering competitive advantages to customers and lastly it must not be imitable by customers.

The magnitude of the yield a firm can derive from a competitive advantage depends on the sustainability of the competitive advantage, which the resources and capabilities bestow upon the organization. Porter (1985) suggested that sustainability could be attained when advantage withstands abrasion by competitive reactions. This was by virtue of the presence of impediments that make imitation onerous. In addition, sustainability can only be achieved when the resources and capabilities are durable.

In the past two decades, quality has been argued to be a major source of competitive advantage. Porter (1980), classified quality as fundamental for the differentiation strategy. He argues that quality creates a distinctive point which eliminates a firm from competitive rivalry through creation of customer loyalty as well lessening price vulnerability. Again, Philips et al. (1983) observed that amidst the numerous sources of differentiation, quality was the tactic that most often than not indicates a differentiation strategy.

Technology and Operations is another strategy that Family Bank Limited focuses on and which has enabled the bank to survive in the competitive industry. In instigating the IT infrastructure, other ingredients play a role as well. These elements among others include: Feasibility where for instance adaptability is then imposed for each use at all places of work and even for operation tests. Porter (1980) recommends the open innovation strategy which amongst additional necessities renders that the difficulty of innovation should be unambiguous and crucial, have significant benefits, be competitive, and safeguard the principal system while administering opportunities for alliances and refurbishment of the innovation approach. He further observes that market acclimatization and technology domination can accord competitive advantage.

Family Bank Limited pays key attention on Human Resource and deems it to be the most important strategy that has enabled its sustainability. Brown (2001), attested that ample number of employees and beneficial training strategies that concentrate on a company's non-physical assets will have remarkable effect on the competitive advantage of any firm. There is need to discover any chance to assimilate distinctive ways of disseminating information where for example the particular teams hold internal training classes to the whole working force. This eventually allows them to assemble documentation, strop their presentation skills and knowledge is shared. This helps to inseminate knowledge silos and is in the long-run beneficial to the organization.

Lastly, leadership Quality is a key strategic factor that Family Bank Limited encompasses in their strategies to gain sustainable competitive advantage. Rosenbach & Taylor (1989) narrates leadership as an impactful process steered towards moulding the conduct of others which can thus be understood to mean that leadership is sculpture of other people's behaviour through influence. Schwartz (2012) elaborates leadership as the art of motivating subordinates to discharge their chores enthusiastically, competently and with commitment. Hence the term leadership could be expressed as making others to follow and to do things voluntarily. Subsequently, in management leadership could be viewed as the use of command in decision making. Leadership could be practiced from the view point of position or due of personal knowledge and wisdom, or by virtue of personality. Leadership could therefore be perceived from many aspects however what is explicit is that it is an interconnection through which one person impacts the conduct of others towards the accomplishment of a prevalent objective. Leadership indeed greatly influences whether an organization succeeds or fails.

2.5. Strategic Planning and Competitive advantage

Organizations adopting strategic planning practices are more profitable and successful than those that do not (Johnson & Scholes, 2012). This is attributable to the fact that focus is placed on the things that matter most with resources like time, talent, money allocated to those activities that result in the highest returns. Organizations embracing strategic planning practices exhibit considerable increase in sales, market share, profitability, and productivity in comparison with businesses lacking coordinated planning activities.

According to Thompson (2014), organizations achieving stellar performance are observed as having adopted strategic planning practices in anticipation of future unpredictable events within their environments. Operations embracing strategic planning processes ideally produce superior performance in the long term above industry peers. These organizations make prudent decisions coupled with a reasonable prediction of accompanying consequences. Poorly performing entities on the contrary, often engage in activities that are skewed towards insufficiency of foresight and reflect improper forecasting of future conditions. Planning managers of poorly performing organizations are more often than not preoccupied with routine and mundane activities like policing staff. Ordinarily, they understand their competitors' strengths, underestimate them and overestimate their strengths. In the meantime, they attribute mediocre performance to factors beyond their comprehension and control such as a weak economy, competition, poor financial standing and technological advancement (Kaufman & Herman, 2011).

In addition to aiding businesses escape financial obscurity, strategic planning provides a number of different significant benefits, including enhancement of the awareness of challenges emanating from external threats, thorough comprehending of internal strengths and weaknesses, an increased understanding of competition strategy, elevated employee engagement, acceptance of change as inevitable, as well as appreciating performance-reward relationships in the company (Bryson 2011). Strategic planning enhances the organization's preparedness to counter challenges as a result of promoting collective responsibility and ownership of processes among leaders at all levels. Strategic planning practices allow organizations to turn their workforce into high performing teams by cultivating in them a sense of ownership, shared commitment to the objectives, as well as empowerment which enhances delivery, over and above recognition of top performers (Kaplan & Norton, 2013).

Besides empowering the workforce, strategic planning often adds motivation, discipline and sense of purpose to an otherwise disoriented firm. It can mark the genesis of an effective and highly productive management system. Strategic planning can reignite the flair in the existing business strategy or inform the basis of review towards adopting to change. It is the strategic planning process that forms the starting point for realizing, understanding and embracing the need for change to the workforce aiding them view it as an opportunity and not punishment. Strategic planning discipline therefore facilitates effective decision making, better choices of tactical options and leading an increased probability of attaining the owners and other stakeholders' goals as well as objectives (Ryals & Rogers, 2014).

2.6 Empirical Review and Research Gaps

According to Aldehayyat and Twaissi (2011), each and every actor's role in the execution of the strategic plan is clearly defined from employees to senior management. Components include budget detailing the resources allocated for strategy implementation, time frame, duties and responsibilities of various actors and the roles stakeholders play. The inter relationships of the senior management and other employees in the execution of their duties is also outlined resulting in an increased commitment and dedication through the participation of individuals at all levels of strategic planning. The primary concern of formal planning is in future implications emanating from current decisions. This creates a link between short, intermediate, and long-term plans. A strategic plan affords the organization the ability to overcome biases and barriers concerned with planning challenges. According to Klikauer (2008), strategic planning provides direction and ensures focus is maintained on the mission and vision of the organization. This in turn enables the organization to identify problem areas in advance, anticipate challenges and provide for an approach to deal with any unforeseen eventualities.

The use of Strategic Planning Tools and Techniques is the second dimension of strategic planning. Emmerling and Boyatzis (2012) observe that the use of tools and techniques assist in increasing the effectiveness and efficiency of planning resulting in superior organizational performance. The organization's top management must allocate sufficient resources and invest in modern tools and equipment to assist in the implementation of the strategic plan. On the other hand, employees provided with the requisite tools and equipment remain highly motivated and work relentlessly enhancing productivity in their work Kaufman and Herman (2011).

According to Ghobadian et al. (2014), tools and equipment offer an enabling environment to operate in line with the organization's corporate goal. The top management should provide an enabling work environment to the employees by offering appropriate tools and equipment for the tasks to be executed. Each and every stage of planning demands its unique tools and equipment for the specific tasks. The efficient and effective utilization of the resources accorded for planning in the form of tools and equipment ensures employees meet the requirements of every planning stage with minimal limitations. Kohlbacher (n.d.) observed that well performing organizations provided their employees with high quality tools and equipment matching their duties and responsibilities in line with the expected performance. In addition, the findings supported the observation that provision of tools and equipment to a greater extent motivated the employees to work harder towards ensuring the achievement of set goals and objectives. Ghobadian et al. (2014) opines that by the organization investing in the provision of quality and sufficient training on the use of tools and equipment increases the employees' efficiency in addition to enabling them avoid accidents during the execution of their duties and carrying out of their responsibilities.

Management participation is the third dimension of strategic planning. Its main focus is on the involvement of management in the planning process. Managers and senior executives bear the overall responsibility of setting the organization's strategic formulation and positioning. Lower level managers carry out specific roles towards development and execution of strategic plans. According to Ghobadian et al. (2014), in measuring management participation in strategic planning, the roles played by managers in the formulation and communication of the strategic plans and the degree to which the managers believe their suggestions matter in making the organization's strategic choices form a significant part. The management's commitment to the implementation of the planning process outcomes determines its level of participation which in turn increases the effectiveness of the process.

According to Gica and Balint (2012), middle-level managers' participation in strategic planning is geared towards achieving improved performance through enhancement of the quality of strategic decisions and improving the level of consensus on strategy and planning. Yusuf and Saffu (2005) in a study concluded that enhanced effectiveness on strategic planning resulted in increased organizational performance. In order to attain improved efficacy in the strategic planning process, the participation of managers at various levels executing different roles is not an option. The participation of management lays emphasis on and indirectly encourages the involvement and commitment of employees within the lower level of the organization. This effectively dictates a common direction in working towards the organization's set goals and objectives; it also acts as a persuasion to the employees to work together as a team with the management to achieve successful implementation of agreed strategic goals for the organization.

The fourth dimension of strategic planning is employee participation. According to Marksberry (2012) management should constantly engage its employees' continuously and extensively on matters of the organization's decision making. In doing so, a healthy working relationship is achieved between all parties through an open discussion on matters of contention. Marksberry (2012) observes participative management, management by objectives and total quality management as some of the important tools used to involve employees in strategic planning and decisions making. These practices ensure that employees are involved and informed about key developments taking place in the organization as well as decisions arrived at. In this respect, there is minimum resistance to change due to the progressive nature of employee involvement in the process of strategic planning. Increased productivity, high quality engagements, cost reduction, overall efficiency and effectiveness are some of the benefits obtained from employee participation. To achieve strategic planning effectiveness, employee participation plays a major role. It increases employee motivation due to the fact that employees own and appreciate the roles they are required to play based on their participation in crafting the organization's objectives. According to Muchelule (2010), employees' skills and capabilities are strengthened ensuring productivity and accountability towards achieving the results intended by the planning process. Muchelule (2010) posit that the delegation of specific implementation responsibilities to designated individuals or groups forms an integral component of employee participation. The organization's top management should embrace the use of rewards and recognition for the employees who demonstrate exemplary performance. This acts as a motivation to other employees to actively participate in the execution of the organization's short and long-term plans.

This study underscores the correlation between strategic planning and competitive advantage as discussed in the empirical literature review. Aldehayyat and Twaissi (2011) conducted a study on thirty-eight firms in six different industries including manufacturing firms, the banking industry, multinational firms, the public sector, and insurance companies. During the study investigators established a positive link between strategic planning and financial performance of organizations. Aldehayyat and Twaissi (2011) in a comparative study on the effectiveness of strategic planning in the Republic of Macedonia confirmed that strategic planning practice and its effective execution was an area of significant interest to industry players as well as academicians in the Western Countries. During the study, a wide range of measures was used pertaining the various strategic planning dimensions in both emerging as well as developing countries. For data analysis, regression and factor analysis were the statistical tools employed. Data collection was through questionnaires that was administered both top and middle level management. The results obtained concluded upon analysis that strategic planning contributed positively to organizational performance.

In another study on the link between strategic planning and performance of insurance companies in Kenya by Ndung'u (2013) using a descriptive study research design, a strong positive relationship between strategic planning practices and organizational performance was established. The study utilized both Primary and secondary sources of data. A study by Ng`etich and Wanjau (2011) investigated the effects of strategic planning on corporate performance using Babcock University in Nigeria. Management efficiency and effectiveness were used to measure performance. Primary data was collected with the help of questionnaires that were administered to the employees in Babcock University. Data analysis was done using descriptive statistical tools and the hypothesis of the study was tested using Pearson Product Moment Correlation Statistics. The study found a significant and positive relationship between strategic planning and performance. It was suggested that strategic planning was an essential component in driving the organization towards achieving organizational goals and objectives especially in educational matters.

From the studies, it is concluded that strategic planning practices play a significant role in crafting the strategy and allocating responsibility for execution. These practices provide a blue print on the chosen direction the organization adopts towards achieving its specific goals and objectives. The most common strategic planning practices undertaken by organizations are; the use of strategic planning tools

&techniques, formality, management and employee participation. Although empirical findings and theories have led to the conclusion that strategic planning positively impacts on competitive advantage, there is limited emphasis in the banking Industry in Kenya. This study seeks to fill the knowledge gap of how strategic planning practices at Family Bank affect competitive advantage

CHAPTER THREE: RESEARCH METHODOLOGY

3.1: Introduction

This section describes the procedures and techniques that were used in the accumulation, processing and analysis of information with a specific end goal to discover answers to the research question. This section covers the research design, information gathering and information.

3.2: Research Design

This study was a case study since the focus is in one organization, in particular Family Bank Limited. A case study is a top to bottom investigation of a specific setting that involves the gathering of extensive subjective information usually by means of meeting, observation, and record analysis (Kohlbacher, n.d.).

Kothari (2000) suggests that a case study is an effective type of research design subjective analysis. The level of analysis was one unit. A case study is a type of qualitative research done on one institution and from the study, information and conclusions are drawn. Seeing as the study focused on just a single firm to typify strategic management in commercial banks, case study design was esteemed most proper (Yin, 2014).

The principle aspect was to decide the data that explains the attitudes, conduct or values. Given that the goal of the study is to determine the strategic planning at Family Bank, a case study design was the best to fulfil the objectives of the study.

3.3: Data Collection

Data gathered from the research was qualitative in nature. This is data that describes or approximates or characterizes, but this data fails to quantify the aspects and characteristics of a thing or marvel (Kothari, 2000). Respondents are required to give data that is used interview guide to collect data on strategic management at Family Bank Limited. Interview guide was utilized since it for the most part yields most noteworthy collaboration and least refusal rates, offers high reaction quality, exploits interviewer nearness and its multi-strategy information accumulation Scott (2013). The interview questions were based on the research objective.

The interview guide was made up of open-ended questions and was administered to the respondents by face to face interviews. The researcher will ask broad questions, therefore allowing the respondents to give a wide variety of answers. Depending on the answers given, the researcher will continue to ask the respondent to expound more on the answers.

The study looks at strategy formulation, implementation and challenges, hence managers of the bank were the main target to obtain the information. It was assumed that the selected financial institution is well established with a vision statement, mission statements, core values and a distinct structure. The firm also had upper, middle and lower management. Thirteen top management of Family Bank were interviewed for this study.

3.4: Data Analysis

Data is a collection of raw numbers identifying with a specific topic under study. Data analysis is the entire procedure that begins instantly after data collection and closes at interpretation and processing of outcomes. This incorporates sorting of data, editing, coding, entry, processing of the data and eventually interpreting the outcomes Steiner (2010).

The data collected was qualitative in nature. The interview guide was checked for completeness of entries and consistency. The data was analysed using content analysis. This assisted in ensuring the data is free from any selective perception that could dilute its validity and reliability. Content analysis was used to synthesize the responses collected from the interviewees so as to bring out common themes from the various responses. The data that was obtained was also compared with existing literature in order to establish validity of the findings (Simons, 2013).

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The chapter gives a discussion of findings that have been achieved through use of content analysis. These findings have been described in line with the objective for this research. The sub-topics discussed in this chapter include the background information, Strategic planning practices, the connection between Strategic planning practices and competitive advantage as well as the discussion of findings.

4.2 Demographic Information

The interviewees were requested to indicate their managerial positions, it was discovered that ten of the interviewees were assistant managers in corporate banking and marketing and corporate communication. Three of the interviewees were finance manager, human resource manager and operations manager. The decision to choose this category of interviewees was because they were presumed to be involved directly in decision making regarding issues of strategic planning practices.

Interviewees were asked to indicate the duration that they worked for Family Bank. One of the heads of department had worked in Family Bank for 15 years, some ten departmental heads were in their 12^{th} year and the rest were clocking their 10^{h} and 11^{th} years. Hence, we can conclude that most of the employees had worked in Family Bank for more than 10 years. This was an indication that they had attained a significant experience regarding the implementation of Strategic planning practices and thus had a better understanding of how these practices impacted on the bank's competitive advantage.

4.3 Strategic Planning and Competitive Advantage of Family Bank

The findings revealed that at Family Bank, the process of setting objectives was achieved through formulation of strategic plans. The interviewees were in unanimity that there existed strategic plans which entailed both short term, medium and long term objectives obtained in line with the global organizational strategic plan. These organizational objectives were then departmentalized with departmental heads taking charge of departmental targets and aspirations with the Chief Executive Officer taking overall ownership of the organization's objectives. Family Bank had in the past successfully formulated and implemented strategic plans that brought with them positive change in the organization's competitive advantage. An ongoing five-year strategic plan was cited as an example in which focus was laid on team and resource alignment as well as forecasted market and product growth.

Further revelation of the findings was that various departments had their leeway in setting departmental targets in line with the overall organizational objectives. This was achieved through alignment and review to ensure convergence with the cluster, regional as well as global objectives, and this exercise had to be in conformity with the Family Bank Vision, Mission and core values which included a vision of "To be the financial institution that leads in the positive transformation of people's lives in Africa'. The mission was to positively transform peoples' lives by providing quality financial services through innovative, efficient and reputable practices, while the core values were Winning Together – Within ourselves and with our customers, we work together and we win together, Self-Belief – in ourselves and our customers' ability to change the world, Transparency – our customers will trust and reward us for it as well as Humility – it's not about us, it's about our customers. In addition, each department documented their annual work plans detailed in terms of specific individual targets, action plans as well as tactical plans which formed the basis of the annual Key Performance Indicators captured under the Performance Management Program tool at the beginning of each calendar year with periodic reviews.

Strategy formulation at Family Bank, as revealed by the findings involved the alignment of the organization's objectives at global level to the branch objectives in the coming up with the 'go to market' strategy embracing the input of all the departments that narrowed down to specific teams. Consultative meetings were held at branch and departmental levels to inform strategy formulation in terms of specific targets and action plans this was then documented and channelled bottom-up for approval at global level.

Concerning the strategic planning practices adopted by Family Bank Kenya, the findings revealed that the organization undertook strategic planning which formed a roadmap on how the organization set out to achieve its goals and objectives. It provided a blueprint on the strategy to be adopted, the strategy implementation process and the stakeholders to carry out specific activities in strategy implementation. In addition, the findings revealed that management coordinated the process of strategic planning playing the role of a link between global strategy aspirations and the branch objectives. This role was critical in enhancing strategy implementation. It was the management's role to provide support to the employees by availing to them resources and facilities to ensure effective contribution towards the implementation of strategic planning practices at Family Bank Kenya. Further, the results revealed that setting of organizational goals and objectives, external environmental scanning, target setting, competitive advantage evaluation and analysis included some of the strategic planning practices geared towards the provision of an enabling environment for Family Bank Kenya to realize its set goals and targets.

Another observation made by the interviewees was in regards to the essential elements critical in the whole process of strategy implementation. The interviewees acknowledged that the process of strategy implementation encompassed the creation of strategic policies, the involvement of the Senior Executive Team in the integration of strategic planning practices into the organizational vision and mission. In addition, this required the provision, allocation of resources and facilities to the various teams to ensure that the resultant environment was enabling and supportive of the implementation of Strategic change management practices. The interviewees were in agreement that, in order to successfully implement strategic planning practices Family Bank Kenya needed to adopt a flexible organizational structure, aligned in cognizance of the changing needs of the environment and their customers. Structures and systems therefore were noted to be essential components enhancing effective and efficient implementation of the organizational strategic planning practices.

The findings further revealed that Family Bank Kenya undertook evaluation and control of strategy. The findings showed that evaluation of achievement was carried out against set targets. In this regard, a number of tools were deployed specifically by control owners including Sales and Activity Trackers for Sales, P&L for Finance, EPMP for Human Resource, Coaching Template for People development, Risk monitoring and Deviations in Compliance among others. Interviewees attested to the fact that, the exercise of reviews under evaluation and control was carried out periodically including up to weekly, monthly, quarterly, semi-annually and annually through the use of the listed tools a combination of which formed the Balanced Score Card system.

Regarding the most commonly utilized Strategic planning practices by Family Bank, all the thirteen interviewees totally agreed that setting targets (strategic formulation), maximizing core competencies, training and development, organisational culture and code of ethics were the most commonly applied strategic planning practices. They indicated that through setting targets, Family Bank was able to shape its strategic formulation and employee actions in work towards achieving set goals and targets. Some interviewees (three of them) insisted that to realize this important goal, the strategic leader needed to engage the employees and the stakeholders in key decisions to successful implement Strategic planning practices. These findings abide to the observations made by Serfontein & Hough (2011) who explain that the strategic formulation is a road map that defines the organisational objectives and how the management intends to achieve those objectives, the resources needed as well as defining how the organisation ought to work. He further argues that many organisations fail to incorporate internet and technological advances in their strategic vision which is critical in world of today. He further argues that by setting strategic formulation the top management can easily influence employees to make decisions voluntarily in enhancing the prospects of an organisation's long-term success.

The second popular Strategic planning practice as indicated by the employees was core competencies. The interviewees were in agreement that by exploiting its core competencies, Family Bank was able to deliver value to its customers. It was discovered that the bank's Strategic planning played a critical role in ensuring that the bank maximized its capabilities through making huge investments in advanced technology and product innovations such as mobile banking, agency banking and internet banking to maintain its competitiveness.

These results are consistent to Agha, Alrubaiee, & Jamhour (2011) who explain that core competency defines organisational strength and provides a foundation that allows businesses to grow and seize fresh opportunities in order to deliver customer value. Some of the interviewees' opined that core competencies gave the bank a competitive edge over its competitors. As a result of being stable, Family Bank invested in new technologies and this enabled the bank to deliver value adding products and services. (Kraus, Harms and Schwarz, 2012) insist that core competencies were difficult to duplicate by other firms whether they were in existence or new entrants. They indicate firms might have several core competencies; these core competencies are also referred to as core capabilities or distinct competencies that help in creating a sustained competitive edge for firms. Companies across the industries identify and nurtures core competencies to boost their competitive gains and future growth.

Interviewees agreed that Family Bank sponsored its employees on a quarterly training and development program so as to improve their skills and knowledge on how to plan, meet their targets and improve their efficiency. They argued that the bank was responsible for developing human capital; people their skills, capabilities and intellectual property. Employees were considered as essential human assets in a bank and thus Strategic planning of a bank made efforts in developing human capital to enhance the quality of their input. These results are in consonance with Emmerling and Boyatzis (2012) who explains that rationalizing human assets and building their capacity through training helps to nurture a team with a positive attitude for growth.

Fourthly, all the interviewees agreed that organisational culture was a key component in influencing employees' behaviour, actions and how they interacted in the bank. The bank's Strategic planning had a duty to cultivate a supportive culture to inspire and encourage the employees in working towards set goals. The interviewees agreed that Strategic planning was a key proponent in implementation of strategy; they had a duty to instil values and behaviours that greatly impacted on the employees' commitment and contribution towards implementation of the bank's strategic plans.

Lastly, the interviewees averred that the code of ethics was a critical item of Strategic planning practice. Interviewees agreed that through the bank's Strategic planning maintained a code of ethics by ensuring that their employees complied with the codes of conduct. Five of the interviewees noted that codes of conduct guided employees' behaviour and the manner in which they conduct themselves when transacting business in the bank. The interviewees argued that a bank that was seeking to build and maintain its reputation and credibility to its customers and investors was concerned about the behaviour of its employees.

About the best Strategic planning practice implemented by Family Bank, the interviewees agreed that the best Strategic planning practice implemented by Family Bank was setting a strategic formulation since it provided a foundation for the implementation of all the other Strategic planning practices. The interviewees indicated that this practice was the most critical because, Family Bank had to first set its strategic direct direction that provided a clear road map on the direction that the bank wanted to take.

These results are consistent with Phipps and Burbach (2010) who indicated that setting strategic formulation gave guidance to the organisations in working towards their set goals. Five interviewees cited an example of a strategic plan of 2016-2018 under the leadership of the then Chief executive office, Dr. David Thuku. The strategic plan was aimed at regaining the bank's competitive advantage that deteriorated due to poor Strategic planning and political interference. As part of its strategic move, the bank rebranded with the view of transforming the bank into one of the top tiers in a period of 5 years. In this plan, the bank projected its growth turnover from KES. 8 billion in 2012 to Kshs. 31 billion by the end of 2017. Although this strategy was not realized, the strategic planning practice (setting strategic formulation) was aligned to the strategic plan.

Interviewees were requested to explain about the least effective Strategic planning practices. All the thirteen interviewees were in agreement that none of the Strategic planning practices was least effective since implementing Strategic planning practices was a process in which each and every practice depended on each other. After setting strategic formulation, the executive management creates an environment that allows the bank to maximize on its core competences and this requires trained employees who understand the bank processes and procedures to be able to work efficiently towards the set targets. Organisational culture is important in defining employees' beliefs and norms since it impacts on how employees do things and how they behave in the organisation. Moreover, code of ethics is essential in defining the behaviour of employees in the workplace. With regard to how Family Bank had utilized advanced technology to enhance Strategic planning practices, all the interviewees agreed that the bank had committed huge investments and resources in investing in modern technology. A good example of how Family Bank has utilized technology to effectively implement Strategic planning practices is the recent upgrade of PesaPap, the very first full-service mobile banking application in the market.

Regarding the contribution of Strategic planning practices in enabling employees to accomplish their set targets, interviewees universally agreed that Strategic planning practices have played a significant role in enabling employees to realize their set targets. Interviewees concurred that Strategic planning helped the management in managing employees towards the right direction; and driving strategic change by aligning the organisational resources and the employees to the organisation's strategic vision in order to influence employees in working towards achieving set goals and targets.

Interviewees revealed that progress that Family Bank had made in strengthening its relationship with the customers such that it was able to establish long-term mutual relationships with its customers. By strengthening its customer relationships Family Bank has shaped its management efforts in handling business interactions with customers and aligning business processes with the bank shareholders. A close customer interaction has enabled Family Bank to gain a deeper understanding of the customer by offering them with customized products or services that can specifically address their needs in priority areas. Thus, Family Bank was able to meet the needs of its customers efficiently and in some cases the bank was able to go beyond the expectations of its customers. This was received well by the customers using real-time feedback mechanism through live chats and emails.

With regards to the strategic planning practices with the greatest contribution towards competitive advantage, the findings revealed that strategic planning was used in coordinating the organizational activities ensuring prioritization. Focus and emphasis lay in channelling resources to strengthening operations. This resulted in employees and other stakeholders working towards the achievement of common goals by establishing consensus around intended results in addition to evaluating the organization's direction in a bid to accommodate the ever evolving customers' needs. Further, the findings revealed that through strategic planning Family Bank Kenya was able to identify and make key decisions and execute specific actions that mould and steer the organization into the future. The interviewees attested to the significance of formality which they indicated acted as a guide in implementing strategic goals and objectives. Formality gives the basis upon which the processes and procedures providing guidance to the organization in realizing set goals and objectives are anchored.

With regard to the impact on competitive advantage as a result of the adoption of strategic planning practices, the findings confirmed that there was progressive improvement on the p competitive advantage of Family Bank Kenya in a number of ways. The interviewees attested to the fact that Family Bank Kenya's financial Performance, market share, employee and customer satisfaction had improved. Additionally, the findings revealed that the organization's operations were more focused and efficient resulting in improved overall performance.

4.4 Discussion of Findings

This section gives a discussion of findings that have been achieved after analysing the information received from the interviewees'. These discussions are aligned to studies that either support or contradict with the findings. The sub-topics discussed in this section are; Strategic planning practices on Family Bank and Strategic planning practices and competitive advantage of Family Bank.

The findings revealed that the strategic planning practices adopted by Family Bank Kenya included the formulation of a strategic plan. This was the key pillar that shaped the strategic planning process in regards to implementation of strategy. The strategic plan acted as a blueprint guiding the who and how strategic planning process was to be carried out detailing all the activities that required to be carried out in order to support implementation of the strategy. Family Bank Kenya management adopted formalized implementation of strategic plans roping in all employees with assigned specific roles and responsibilities. This were clearly spelt out and communicated clearly to each employee. Consistency is thus established between these findings and Aldehayyat and Twaissi (2011) who put emphasis on the significance of ensuring that the roles and responsibilities of the employees and the top management are formal in executing the strategic plan. This also entails all the activities to be conducted in order to enhance strategic plan implementation.

The senior management provided direction to the employees to inspire their focus on implementation of the strategic plans based on an informed allocation of the organization’s resources to achieve a competitive advantage. This was critical in ensuring that the organization adopted the right direction with the employees’ efforts and other resources being directed towards the core purpose of implementing the strategic plans. These conform to the Resource Based View theory, that the competitive advantage achieved by a firm is an element of the uniqueness of its resources (Carpela & Gordon, 2011). Thus the review of the resources available at the organization’s disposal forms an important point of convergence. Carpela and Gordon (2011) opine that the management of the organization is critical to the success or failure of the firm as custodians of the organization’s resources. Senior management influences the organizational direction by taking into consideration stakeholder interests and making prudent investment decisions through engaging in activities that propel the organization towards achieving its strategic goals and objectives. In addition, the findings confirmed that management participation was important in the implementation of strategy. The findings pointed to the finding that the senior management acted as a role model and led by example steering the organization in the right direction. Management participation in strategy implementation pointed at a show of commitment to successfully implementing strategic plans geared towards improving the organization’s competitive advantage. The management made it their primary objective that the strategic plans were aligned to the organizational goals and objectives. These findings are consistent with Yusuf and Saffu (2009) who lays a lot of emphasis on management participation; they opined that this pointed at commitment displayed by the management with emphasis on the need to involve employees in decisions making even at different levels.

Regarding Family Bank's implementation of Strategic planning practices, all the interviewees reported that the Strategic planning practices utilized by Family Bank were setting strategic targets, maximizing core competencies, continuous training and development, organisational culture and code of ethics. By setting strategic targets, the executive management of Family Bank was able align the bank's strategic goals to the vision of the bank. It acted as a guide in influencing organisational activities and employees as well as ensuring that organisational resources are aligned towards achieving corporate goals and objectives.

Interviewees noted that Family Bank maximized on its strengths, because of its stability, the bank invested largely on financial innovation to improve the quality of its products and minimize its operational costs. Interviewees indicated that Family Bank utilized technology as a strategic tool in developing its capabilities to deliver products and services efficiently. This finding is in agreement with Nadler and Tushman (1997) who contended that technology was utilized as a strategic tool to boost organisational competitive advantage. Interviewees were in harmony that investing in human asset was a key driver towards successful implementation of Strategic planning practices in Family Bank. The argued that trained employees were self-motivated and competent in their work. Saylor (2014) validates these findings; he explains that employee is the human capital of any organisation, engaging employees in regular helped in improving their efficiency in achieving targets.

Three interviewees noted that organisational culture provided a supportive environment that influenced employees to work towards attaining corporate goals. Top management aligned organisational culture to the bank's strategic goals and targets. Scott (2013) posits that the culture of an organisation defines the manner in which employees and top management interact in the implementation of Strategic planning practices. It also influences employees' perception to change. All the interviewees agreed that Family Bank had a code of conduct that guided employees' behaviour in the organisation. Top management acted as role models to the employees by abiding with the code of conduct. These results coincide with Kraus, Harms and Schwarz (2012) who ascertained that with a code of ethics employees got guidance on how to behave in the organisation particularly on issues that concerned integrity.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

Under this chapter, the study gives summarized findings drawn from the previous chapter that have been done in line with the objective for this study which was determining the contribution of strategic planning practices on Family Bank's competitive advantage. The areas discussed in this research are as follows: summary of findings, a conclusion, recommendations, study limitations and suggestions for future research.

5.2 Summary of Findings

Whereas the objective of the study narrowed down to establishing the influence of strategic planning practices on competitive advantage of Family Bank Kenya, the findings attested to the fact that the organization formulated a strategic plan in line with its global objectives as envisaged in the Mission and Vision. The strategic plan was spearheaded by the Senior Executive Team who took charge of the strategic planning process allocating resources and taking ownership of the process directly and through departmental heads. Through team meetings, cycle briefs and town hall meetings, strategy meetings took place which comprised objective setting, environmental scanning, risk analysis and target allocation culminating in the 'go to market' execution plan. The go to market plan was formulated through participatory consultations with the senior management and all the other stakeholders. The formulation of a strategic plan was vital and detailed all the activities that were to be undertaken including the time frames within which specific activities were expected to be completed and milestones measured.

The findings pointed to management participation as a significant aspect and imparting desirable influence on employees to remain focused in working towards their set goals and objectives and thus effectively contribute to execution of strategic plans. The management in this respect therefore represented an important pillar in the implementation of strategic plans. The senior executive team represented an influential source of encouragement, inspiration and guidance in crafting the goals and objectives of the organization and ensuring it steered in the right direction. The senior management availed financial resources to facilitate the activities aimed at strategic plans implementation. In addition, it was the management's responsibility to avail to the employees every other necessary resources and facilities to support implementation of strategic plans.

One of the Strategic planning practices implemented by Family Bank was setting direction (targets). The interviewees reported that setting targets allowed the bank to determine its desired achievements in the next 5-10 years. Success in setting effective strategic goals was promoted by the ability of the leaders to develop a vision and communicate it to the employees. Family Bank developed core competencies by investing in technology and innovation in designing superior products and services that add value to the customers. The bank had quarterly training programs as a Strategic planning practice to build employees' skills and knowledge a supportive culture that gave employees an environment to effectively participate in the implementation of strategic plans.

Family Bank's formulation of code of ethics was a great strategic planning practice. The interviewees indicated that the determining factor on success of Strategic planning practices was nature of implementation. The bank's ability to gain competitive advantage in the industry depended on its efficiency in meeting the set targets. Family Bank did set targets to its employees to provide direction and cultivate them to work towards achieving corporate goals. Adoption of Strategic planning practices improved communication and interaction among the employees and motivated employees to work harder towards improving the quality of employee services as evidenced from the reduced number of customer complaints. This contributed positively in improving the bank's efficiency in the delivery of services. Improved efficiency attracted more customers leading into increased sales giving the bank a competitive edge against its rivals. Implementation of Strategic planning practices by Family Bank enhanced its interaction with the customers thus strengthening their relationship which resulted into customer loyalty.

5.3 Conclusion

The objective of the study was to investigate the influence of strategic planning practices on organizational competitive advantage of Family Bank Kenya. The study found that the strategic planning practices adopted by Family Bank Kenya included objective setting, formulation of a strategic plan, participatory decision making, reward and recognition, training and development and employee participation. The adoption of these practices was observed to have a positive influence on the competitive advantage of Family Bank Kenya.

The findings further concluded that formality, management participation, employee participation and the adoption of strategic planning tools and techniques as adopted by Family Bank Kenya in its strategic planning process had a positive impact on organizational competitive advantage. The existence of a formal strategic planning process in particular and its culmination in the strategic plan was identified as the single biggest influence to organizational competitive advantage. Senior management took charge of this process offering guidance and leadership through structured management participation. It can be concluded that the most commonly applied Strategic planning practices at Family Bank included setting strategic formulation (targets), core competencies, training and development programs, organisational culture and code of ethics. All these Strategic planning practices were considered to be important since none of them could be implemented in isolation. The bank considered it a necessity to implement these practices to realize corporate goals and to effectively survive in an environment that was dynamic.

Strategic planning practices were found to contributed effectively towards building and strengthening the relationship between employees by sharing common goals and shared values in working towards the same goals. These practices helped the bank to enhance its efficiency in decision making processes since these practices were aligned to the bank's strategic goals. Thus, the bank was able to deliver value adding products and services that enhanced the satisfaction of the customers. The bank also recorded significant reduction in customer complaints as a result of implementing Strategic planning practices and this contributed to the bank's competitive advantage.

5.4 Recommendations

The study recommends that Family Bank Kenya should continue practicing formal strategic planning for enhanced effectiveness and efficiency as well as improved organizational competitive advantage. The organization should also continue to strengthen its strategic plans with the one, three and five-year term plans, emphasis should be increased on evaluation and control to ensure feedback generated goes into strengthening the formulation and implementation processes in driving the achievement of their set goals and objectives. Finally, the study recommends an enhancement of employee participation in the strategic planning and implementation process, more investment should be channelled into training and development with a long term view in building capabilities. Emphasis should also be laid in prudence while aligning global objectives to the local market.

Family Bank should pool more funds and resources to invest in banking technologies and innovation so as to improve employees' efficiency and minimize operational costs. The bank will be able to deliver value adding products and services that cater for evolving customer needs and thus attract more customers. This will result in increased sales and improved bank competitive advantage. Family Bank should sponsor its staff to a continuing training and development program in order to expose the employees to specialized skills and knowledge. Thus, bolster their understanding of Strategic planning practices and its impact on the bank's competitive advantage. This will boost efficiency in execution of their tasks and motivate employees to work towards their set targets.

Top management should provide adequate support to their staff in form of resources and facilities. With a conducive environment, the employees feel more comfortable to work and relate with their colleagues. This makes working enjoyable and provides the employees with a safe environment to work and accomplish their set targets. Central Bank of Kenya should set uniform policies that encourage commercial banks to embrace Strategic planning practices. This will lead to the adoption and implementation of Strategic planning practices among commercial banks. Thus, promote fair business practices and a health completion in the banking industry in Kenya.

5.5 Limitations for the Study

Due to time and cost constraints the study limited itself to a single organisation: Family Bank. This implies that the findings obtained under this study cannot be utilized for direct application in another parastatal body or even the public sector to generalize the results got from this study. A wider scope could have provided basis of comparison and generalization of the findings.

A descriptive survey could have enabled the researcher to execute a factor analysis to identify the key Strategic planning practices implemented by Family Bank. This is useful in enabling Family Bank to identify priority areas to improve and ensure that Strategic planning practices implemented by the bank contribute towards improving competitive advantage. Moreover, it could have enabled the researcher to apply financial econometrics models such as regression or correlation analysis to find out whether there exists a connection between strategic planning practices and competitive advantage.

A few of the interviewees perceived the process to be non-paying and hence time wasting. The researcher spent a lot of time trying to convince them to participate in the interviews. This took a long period of time to achieve while all the interviewees were not fully convinced why they needed to give information. Some senior staff opted to be represented by their juniors in the interviews. Open-ended questions only were utilized under this study. A blend of both closed-ended and open-ended questions could have allowed the researcher to collect more detailed information that is sufficient for more detailed and comprehensive findings. This could have improved the quality of the results obtained in this study.

5.6 Suggestions for Further Research

Researchers in future might consider duplicating this study in the public sector. This will help researchers to compare strategic planning practices so as to establish the best practices. Further, they will enhance their understanding on the challenges experienced by the public sector in implementing Strategic planning practices and ways to counter these challenges.

A replica of this study should be executed using an explorative research design to find out the cause and effects of Strategic planning practices on competitive advantage. Then, suggestions can be made on the most effective Strategic planning practices that can sustain the firm's competitive advantage in the long-term. Thus, provide a solid basis for a more reliable conclusion.

The needs of the customers keep changing and other external factors such as technological changes, competition and regulations. These changes influence the management's approach to Strategic planning decisions and practices in order to cope with the environment. It is advisable for the future researchers to replicate this study after a period of time say for like 10 years to find out some of the Strategic planning practices utilized then and compare findings.

A study should be done in future with the help of a cross-sectional research design in order to include all commercial banks in Kenya this will give researchers a wider scope to do a survey of Strategic planning practices utilized by commercial banks and their contribution to competitiveness. Thereafter, results can be compared and then a plausible conclusion can be made.

REFERENCES

Agha, S., Alrubaiee, L., & Jamhour, M. (2011). Effect of Core Competence on Competitive Advantage and Organizational Performance. *International Journal of Business and Management, 7*(1). doi:10.5539/ijbm.v7n1p192

Aldehayyat, J., & Twaissi, N. (2011). Strategic Planning and Corporate Performance Relationship in Small Business Firms: Evidence from a Middle East Country Context. *International Journal of Business and Management, 6*(8).

Alushula, P. (2017, February 28). *We picked painful lessons from NYS scam, admits Family Bank*. Retrieved July 03, 2017, from https://www.standardmedia.co.ke/business/article/2001230933/we-picked-painful-lessons-from-nys-scam-admits-family-bank

Avigoke, S. P. (2013). *Challenges of Strategy Implementation at Kakamega Teachers Savings and Credit Cooperative Society, Kenya* (Unpublished Doctoral Dissertation). University of Nairobi.

Barney, J.B. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.

Bryson, J. M. (2011). Strategic planning for public and non-profit organizations: a guide to strengthening and sustaining organizational achievement. London: John Wiley & Sons

Carpela, V., & Gordon, J., (2011). The Historical Development of Strategic Planning Theories. *International Journal of Management & Information Systems*, 15(4).

Cheney, G., Christensen, L.T., & Morsing, M. (2008). *Corporate communication. Convention, complexity and critique*. London: Sage Publications Ltd.

Chesiyna, S. (2010). *Competitive Strategies Applied by Flower Firms in Nairobi* (Unpublished Doctoral Dissertation). University of Nairobi.

Commercial Banks. (n.d.). Retrieved July 03, 2017, from https://www.centralbank.go.ke/commercial-banks/

Creswell, J. W. (2003). *Research design. Qualitative, quantitative and mixed methods approaches*. Thousand Oaks, CA: Sage Publications.

Daft, R. L. (2001). *Organization theory and design*. (7th ed.). South-Western College Publishing.

Development of Banking in Kenya. (n.d.). Retrieved July 03, 2017, from https://www.centralbank.go.ke/banking-development/

Drucker, P. F. (1995). *The Practice of Management*. Oxford: Butterworth-Heinemann.

Emmerling, R. J., & Boyatzis, R. E. (2012). Emotional and social intelligence competencies: Cross cultural implications. *Cross Cultural Management: An International Journal, 19*(1), 4-18.

Family Bank emerges from a turbulent year to record remarkable performance. (2017, March 29). Retrieved July 03, 2017, from http://familybank.co.ke/news/family-bank-emerges-from-a-turbulent-year-to-record-remarkable-performance/

Financials. (2017, June 30). Retrieved July 04, 2017, from http://familybank.co.ke/about-us/financials/

Ghobadian, A., O'Regan, N., & Thomas, H., Liu, J. (2014). Formal strategic planning, operating environment, size, sector and performance, Journal of General Management, 34(2), 1-20

Kaplan, R. S. & Norton, D. P. (2013). The balanced scorecard. Boston: Harvard Business School Pr

Kaufman, R. & Herman, J. (2011). Strategic planning in education: rethinking, restructuring, revitalizing. Lancaster, PA: Technomic Publishing Company

Klikauer, T. (2008). *Management Communication. Communicative Ethics and Action*. London: Palgrave Macmillan.

Kohlbacher, F. (n.d.). *The Use of Qualitative Content Analysis in Case Study Research*. Retrieved July 03, 2017, from http://www.qualitative-research.net/index.php/fqs/article/view/75/153

Kolter, P., Brady, M., Goodman, M., & Hansen, T. (2009). *Marketing Management*. Harlow: Pearson Education Limited.

Kothari, C.R. (2000). *Research Methodology*. New Delhi: Vishwa Prakashan.

Kraus, S., Harms, R., & Schwarz, E. J. (2012). Strategic planning in smaller enterprises new empirical findings, *Management Research News*, 29(6), 334-344

Marksberry, P. (2012). The modern theory of the Toyota production system: A systems inquiry of the world's most emulated and profitable management system. Boca Raton, FL: Taylor & Francis.

Mitroff, I. I. (1989). *Stakeholders of the organizational mind*. San Francisco: Jossey-Bass.

Muchelule, K. (2010). *Strategic Responses Adopted by The Kenya Ports Authority to Changing External Environment* (Unpublished Doctoral Dissertation). University of Nairobi.

Muigei, D. (2011, March). *Banking Industry in Kenya*. Retrieved July 03, 2017, from http://bankinginkenya.com/banking-kenya

Mwangi, M. M. (2013). *Strategic Planning and Performance of the State Corporations of the Government of Kenya* (Unpublished Doctoral Dissertation). University of Nairobi.

Nadler, D.A. & Tushman, M. L. (1997) *Competing by Design: The Power of Organizational Architecture*. Oxford University Press.

Ndung'u, J. M. (2013). *Competitive Strategies Adopted by KENATCO Taxis Limited to Achieve Competitive Advantage* (Unpublished Doctoral Dissertation). University of Nairobi.

Nelson, S. S., (2008). Strategic planning for results. Chicago: American Library Association

News. (2014, October 29). Retrieved July 03, 2017, from http://familybank.co.ke/about-us/news/

Ng`etich, J. C., & Wanjau, K. (2011). *The Effects of Interest Rate Spread On the Level of Non-Performing Assets in Kenya*. Nairobi, Kenya: Jomo Kenyatta University of Agriculture and Technology

Ngigi, G. (2016, December 23). *2017 Set to Be Year of Reckoning for Kenya Banking Industry*. Retrieved July 03, 2017, from http://www.theeastafrican.co.ke/business/2017-set-to-be-year-of-reckoning-for-Kenya-banking-industry/2560-3496184-afvb99/index.html

Peters, T. J., & Waterman, R. H. (2015). *In Search of Excellence: Lessons from Americas Best-Run Companies*. London: Profile Books.

Phipps, K.A. and Burbach, M.E. (2010) Strategic Leadership in the Nonprofit Sector: Opportunities for Research. *Journal of Behavioral and Applied Management*, 11, 137-154.

Phillips, P.A. & Moutinho, L. (1999). Measuring Strategic Planning effectiveness in Hotels. *International Journal of Contemporary Hospitality Management*, 11(7), 349-358.

Phipps, K.A. and Burbach, M.E. (2010) Strategic Leadership in the Nonprofit Sector: Opportunities for Research. *Journal of Behavioral and Applied Management*, 11, 137-154.

Porter, M. (2004). *Competitive Strategy: Techniques for Analysing Industries and Competitors*. The Free Press, New York, NY. Pp. 26 – 31

Porter, M. E. (1991). Towards a Dynamic Theory of Strategy. *Strategic Management Journal*, 12, 95-117.

PwC. (n.d.). *Retail Banking 2020 Evolution or Revolution?* Retrieved from https://www.pwc.com/.

Serfontein, K., & Hough, J. (2011). Nature of the relationship between strategic leadership, operational strategy and organisational performance. *South African Journal of Economic and Management Sciences, 14*(4), 393-406. doi:10.4102/sajems.v14i4.21

Rindfleisch, A., & Moorman, C. (2003). *Interfirm Cooperation and Customer Orientation. Journal of Marketing Research*, 40(4), 421-436.

Ryals, L. J. & Rogers, B. (2014). Key account planning: benefits, barriers and best practice. *Journal of Strategic Marketing*, 5 (2/3), 209-222.

Saylor. (2014). Uploads. Retrieved from Saylor Organization Website: http://www.saylor.org/

Scott, W. R. (2013). *Institutions and organizations: ideas and interests*. Los Angeles: SAGE Publications.

Simons, H. (2013). *Case Study Research in Practice*. London: Sage Publications.

Steiner, G.A. (2010). Strategic planning, what every manager must know, the free Press, A division of Macmillan Publishing Co., Inc. & Collier McMillan Publishers, London.

Thompson, D. (2014). Crafting and executing strategy: text and readings. 15th ed. New York: McGraw-Hill.

Yabs J. (2007), *Strategic Management Practices in Kenya (1st Edition*). Lelax Global Limited, Nairobi, Kenya

Yin, R. K. (2014). *Case Study Research: Design and Methods*. London: Sage Publication.

Yusuf, A., & Saffu, K. (2009). Planning practices, strategy types and firm performance in the Arabian Gulf region. *Education, Business and Society: Contemporary Middle Eastern Issues, 2*(3), 203-217.

APPENDICES

Appendix 1: Letter of Introduction

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 27/09/2018

TO WHOM IT MAY CONCERN

The bearer of this letter PURITY MUTHONI GICHOVI

Registration No. D61/77853/2015

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
27 SEP 2018
P.O. Box 30197 - 00100, NAIROBI

PROF. JAMES M. NJIHIA
DEAN, SCHOOL OF BUSINESS

Appendix 2: Interview Schedule

1. Indicate position that you hold in the department
2. How long have you worked in the organization?
3. Does Family Bank have a mission and vision statement?
4. Does Family Bank have a core values statement?
5. Enumerate the most important strategic objectives at Family Bank.
6. Is strategic management used at Family Bank?
7. Which are the characteristics of the strategic planning process Family Bank?
8. Who is involved with Strategy Formulation at Family Bank?
9. Does Family Bank have steps of strategic management?
10. Does Family Bank conduct strategy implementation?
11. What does strategy formulation involve Family Bank?
12. Does Family Bank have strategies required to attract customers at Family Bank?
13. Does Family Bank have steps involved in competitive positioning strategy?
14. Does Family Bank have steps involved in dealing with market competition?
15. Does Family Bank have a brand strategy that it follows?
16. Is branding crucial for at Family Bank?