STRATEGY EVALUATION AND CONTROL IN CHURCHES IN NAIROBI

BY

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DECLARATION

This Research project is my original work and has not been submitted for a degree award in any other university

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DEDICATION

This work is dedicated to my family, my wife Florence Adoyo Otieno for her immense and undying support while I was working on the project, my daughters Ivy and Chelsea for their smiles even after taking a lot of time away from them and to my siblings for their encouragement.

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ABSTRACT

The Strategic Management process is never complete until the strategy so selected is evaluated and continually monitored to ensure the organization does not veer off the intended path and also to ensure the intended results are achieved. A strategy thus is not an end in itself but a means to an end.This study was intended to investigate whether churches in nairobi evaluate and control their strategies and to understand the challenges they face as they do so

The study was designed as a descriptive study and the population was all the 2500 registered churches in Nairobi. Primary data was collected by way of a questionnaire which was administered to fifty churches picked at random out of which thirty gave their responses. Data was analysed using descriptive statistics like means modes and medians.

The study revealed that most churches in Nairobi have some form of strategy in place evenn though most of these strategies are very rudimentary. Most of them also have rudimentary ways of evaluating and controling their strategies while a number do not evaluate their strategies at all.

Though these findings paint a picture which suggests that the concept of strategic management is not yet embraed in churches in Nairobi, it also reveals that there is a small number of churches which have advanced strategic management practices and they evaluate their strategies on a continuous basis. Additionally, all respondents hold the view that strategic management is very important and though they desire to embed it fully in their church policy they lack inadequate skills and inadequate resources to acquire such skills.

The key challenges the churches face include inadequate skills which the researcher views to be the biggest challenge. Other challenges include poor leadership annd unsupportiive culture in churches.

The study recommends among other things that churches need to invest in training their decision makers. Secondly clearer policies need to be writen by church decision makers which will support the growth of strategic management practices churches. It also recommends that theological schools need to be more deliberate in equiping church leaders by offering them strategic management courses to the level that they can not only implement strategies effectively, but are also able to train other church worker the basics of implementing strategy.

CHAPTER ONE INTRODUCTION

1.1. Background to the Study

Pearce and Robinson (1997), define strategic management as a set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives. Sengupta and Chandan (2003) view strategic management as a process involving formulation of a strategy, implementation of such strategy and evaluating the outcomes of the implemented strategy. Goodstein, Nolan and Pfeiffer (1992) define strategic management as the process by which the guiding members of an organization envision its future and develop the necessary procedures and operations to achieve that future. Sababu (2007) on the other hand defines strategic management as the process of integrating business policy variables for desired performances.

Pearce and Robinson (1997), observe that strategic management is a nine step process which includes formulation of a mission, developing a profile, assessing the external environment, analyzing options by matching internal resources with the external environment, identifying the most desirable options by evaluating each option in light of the mission, selecting long term objectives and grand strategies that will achieve the most desirable options, developing annual objectives and short term strategies, implementing strategic choices by means of budgeted resource allocations and evaluating the success of the strategic process as an input for future decision making. Aswathappa (2006) takes the view that strategic management is the process that is concerned with the formulation, implementation and evaluation of strategies to achieve a firm's objectives.

Nedelea and Paun (2009) view strategic management as a five step process which includes defining the organization's business and developing a strategic mission as a basis for establishing what the organization does or doesn't do and where it's headed, establishing strategic objectives and performance targets, formulating a strategy to achieve the strategic objectives and targeted results, implementing and executing the chosen strategic plan and evaluating strategic performance and making corrective adjustments in strategy and/or how it is being implemented in light of actual experience, changing conditions and new ideas and opportunities.

All the definitions above have pointed out that strategic management is a process that includes formulation, implementation and evaluation and control. Evaluation and control is thus a key aspect of strategic management process without which the process is incomplete. Sababu (2007) notes that evaluation and control is a continuous process which plays a key role in ensuring that the selected strategy delivers the desired impact.

1.1.1. The Concept of Strategy

Mintzberg (1987) defines strategy as a plan, ploy, pattern, position and perspective. Mintzberg, Quinn and Ghoshal (1999) further define strategy as the pattern or plan that integrates an organization's major goals, policies and action sequences into a cohesive whole. A strategy of a corporation forms a comprehensive master plan that states how the corporation will achieve its mission and objectives. It maximizes competitive advantage and minimizes competitive disadvantage (Wheelen & Hunger 2008). Strategy can also be seen as the matching of the resources and activities of an organization to the environment in which it operates (Johnson & Scholes, 2002). A company's strategy is management's action plan for running the business and conducting operations (Thompson, Strickland & Gamble, 2007). Hitt, Ireland and Hoskisson (1997) define strategy as an integrated and coordinated set of commitments and actions designed to exploit core competencies and gain a competitive advantage.

A strategy reflects a company's awareness of how to compete, against whom, when, where and for what (Pearce & Robinson, 1997). Sengupta and Chandan (2003) suggest that strategy is not necessarily a single plan of action but a series of related decisions and actions which spell out what is supposed to be done and how to do it and the main aim of crafting it is to help the organization achieve its goals. The crafting of a strategy represents a managerial commitment to pursue a particular set of actions in growing the business, attracting and pleasing customers, competing successfully, conducting operations and improving the company's financial and market performance (Thompson et al, 2007).

The definitions above reveal that for any organization to successfully achieve its objectives there must be a plan whether implicit or explicit that will steer it to the achievement of the desired objectives. The plan must be conscious enough to ensure that it is able to maximize on its strengths and competencies while at the same time minimizing threats and weaknesses that could arise from its areas of disadvantage. The definitions also reveal that strategy takes place within the context of time hence as the environment changes over time, strategy also needs to change.

1.1.2. Evaluation and Control of Strategy

According to Stahl and Grigsley (1997), strategy evaluation and control is the process of evaluating strategic plans and monitoring organizational performance so that necessary corrective action can be taken. Strategy evaluation and control entails monitoring the organization's performance to ensure that the chosen strategy achieves the desired results. Evaluation is done in light of the ever changing internal and external environments (Alkhafaji, 2003). Sengupta and Chandan (2003) argue that the changes that take place in the environment of a company can at times render even the best strategies ineffective. This therefore necessitates strategy evaluation and control.

Sababu (2007) defines strategy evaluation as the process of monitoring the firm's activities and performance results so that actual results can be compared with the desired performances. It is vital for an organization to be able to identify and keep under check the negative effects of certain strategic decisions and even reverse them if identified in the early stages and this can only be done through timely, correct and objective evaluation (Sengupta & Chandan, 2003).

Aswathappa (2006), views strategy evaluation and control as the final phase in international strategic management and it is a necessary process if an organization is to assess how well it has performed and what corrective actions can be put in place in light of this performance. He further suggests that the processes of formulation and implementation of strategy are a prelude of evaluation and control. Wheelen and Hunger (2008) argue that the evaluation and control process ensures that a company does what it set out to. It compares performance with desired results and provides feedback necessary for management to evaluate results and take corrective action.

1.1.3. Churches in Nairobi

Kenya has about eight thousand registered churches as per figures available at the office of the registrar of clubs and societies in Kenya. 30 % of these churches have either their secretariats or branches in Nairobi. According to the Kenya National Bureau of Statistics 2009 census results, Nairobi County has 2.7 million Christians. 860,000 of them are Catholics, 1,450,000 Protestants and 430,000 belong to other Christian denominations.

The older churches established by missionaries in the early twentieth century are commonly referred to as main stream churches and they include Roman Catholics, Anglican Church, Presbyterian Church of East Africa, Africa Inland Church, Methodist, Seventh Day Adventist, and Baptist Churches. These so called mainstream churches have structures in place to ensure accountability and professionalism. In more recent years, many churches have sprung up in Nairobi and other parts of Kenya as well which do not have defined structures or accountability systems in place. Most of these churches are being run by individuals or families (Kung'u, 2007).

New churches have also come up which have adopted the styles of management employed by main stream churches and hence they have put in place centralized management systems which has effectively separated spiritual leadership from administrative issues. Examples of these churches include Christ is the Answer ministries (formerly known as the Nairobi Pentecostal Church), The Nairobi Chapel, The Nairobi

Lighthouse Church, Free Pentecostal Fellowship of Kenya and the International Christian Church.

There has been an evolution of the church in Kenya which has seen a lot of awareness among congregants and members. This has led to the need for greater transparency and greater accountability. Some churches have thus adopted corporate systems and structures that have enabled their members to be in the know of the decisions being made and even participate in decision making through forums like annual general meetings. A lot of church leaders have also embraced formal education as an enabler to better management of the church and even better delivery of spiritual guidance. Strategic Management is therefore becoming more and more embraced within the church circles (Obwoge, 2006).

1.2. Research Problem

Strategic control involves monitoring the extent to which the strategy is achieving the objectives and suggesting corrective action or a reconsideration of the objectives (Johnson, Scholes & Whittington, 2008). Sengupta and Chandan (2003) argue that strategic control is the process by which managers monitor the ongoing activities of an organization and its members to evaluate whether activities are being performed efficiently and effectively and to take corrective action when necessary, to improve performance. Strategic control has two components namely the internal and external components. The internal component involves monitoring resource allocation and organizational operations and suggesting changes needed to implement the strategy better. The external component involves measuring the strategy's success against targets like units sold, market share growth, gross sales and profit (Rowe, Mason, Dickel. Mann & Mockler, 1996).

Churches in Nairobi have traditionally been known to be nonprofit making organizations. This perception is changing by the day because very many churches today have ventured into profit making businesses and some are making huge profits. Examples include the Catholic Church which has built several schools, colleges and a private university which enrolls students just like any other university in Kenya. The Catholic Church also owns the Catholic Bookshop located at the Holy Family Basilica. The Church of the Nazarene also owns a private university which is fully chartered by the government of Kenya. The Anglican Church in Kenya owns some of the best guest houses in Kenya. This is also true for the Methodist Church which owns the prestigious Methodist Guest House, the Presbyterian Church which owns the Presbyterian Church University of Kenya, The Seventh Day Adventist which owns the University of Eastern Africa as well as the Maxwell Academy among others.

A number of scholars have carried out researches on strategy evaluation and control in organizations and they include Okiro (2010), Githiomi (2010), Nandama (2010), Muthike (2009) and Kariuki (2008). Oriko (2010) found out that the Balanced Scorecard has been embraced at the Kenya Revenue Authority as a tool for evaluation and control of strategy and it was giving impressive results. Nandama (2010) also indicated that majority of pharmaceutical manufacturers and distributors in Kenya engaged in strategic thinking. However, most of them only evaluated their strategies in terms of financial ratios hence the non-financial aspects of strategy were ignored. Githiomi (2010) main finding was that the main challenge for strategy implementation at K-Rep Bank was the simplicity of the tool they were using which was not able to generate timely and accurate information to enable them react appropriately.

Other researches that focused on the church include Kung'u (2007) and Obwoge (2006). Kung'u (2007) researched on the challenges of implementing strategy in main stream churches in Kenya and her main finding was that the greatest challenge of strategy implementation in mainstream churches in Kenya was in the culture that was unsupportive of strategy implementation. Obwoge (2006) who surveyed the strategic management practices of Christian Churches in Kenya however made the observation that the church was making a good effort to embrace strategic management practices. She also noted that older and more established churches showed a greater appreciation of strategic management.

It is clear from the researches carried out that most researches on the topic of strategy evaluation and control have tended to concentrate on non-religious institutions and business entities. However, none of these studies have focused on churches. How do churches in Nairobi evaluate and control their strategies?

1.3. Objectives of the Study

This study had two objectives. These were:

i. To find out how churches in Nairobi evaluate and control their adopted strategies.

ii. To understand the challenges faced by churches when evaluating and controlling strategy and how they overcome such challenges.

1.4. Importance of the Study

This study will provide information which will be useful to local church councils and church strategists in identifying challenges anticipated in implementation of strategy in churches. This will help the church leadership to proactively find ways of overcoming these challenges and further put in place structures that will ensure evaluation of strategy takes place and produces the desired impact within churches. This study may thus inform some decisions made by church leadership in terms of which tools to invest in so as to realize improved implementation of their strategies.

Church Management Consultants (CMCs) will also use the information from this study to identify strategy evaluation challenges their clients may be undergoing and further advise them on the best ways to overcome such challenges. The CMCs will also be able to advise their clients on the tools available to evaluate and control strategy.

This study will also open avenues for further researches in the area of strategy evaluation and control and hence the propagation of the strategic management concept. Researches within the context of churches will in particular find this study useful since very few strategic management researches have been carried out in this context.

CHAPTER TWO LITERATURE REVIEW

2.1. Introduction

This chapter will review literature previously done on the area of strategy evaluation and control both in Kenya and abroad. Focus will be given to the process of strategy evaluation and control within the bigger picture of strategy and strategic management so as to bring out a clear understanding of the criticality of strategy evaluation and control. Further, the techniques of evaluation and control have also been highlighted. The chapter has been concluded by discussing the challenges experienced in strategy evaluation and control.

2.2. The Concept of Strategy

Johnson and Scholes (2002) define strategy as the direction and scope of an organization over a long term, which achieves advantage for the organization through its configuration of resources within a challenging environment to meet the needs of markets and fulfill stakeholder expectations. Sengupta and Chandan (2003) point out that strategy is a series of related decisions and actions which spell out what is supposed to be done and how to do it and the main aim of crafting it is to help the organization achieve its goals. Porter (1996) on the other hand defines strategy as the creation of a unique value position involving a different set of activities. He further argues that if there was only one ideal position, there would be no need for strategy.

Mintzberg (1987) defines strategy as a plan, ploy, pattern, position and perspective. This definition brings to the fore a number of characteristics of strategy. One major characteristic of strategy revealed in this definition is that strategy precedes and defines action. This is further evident in the strategic management process.

A number of scholars have defined strategic management as a process involving several stages. According to Sengupta and Chandan (2003), it is a process involving formulation of strategy, implementation of such strategy and evaluation of the outcomes of the implemented strategy. Pearce and Robinson (1997) define strategic management as a set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives. Sababu (2007) on the other hand defines strategic management as the process of integrating business policy variables for desired performances.

The concepts above show that strategic management is not a one-time activity but a set of interrelated activities which define the path that an organization takes to meet its desired objectives. The strategic management process broadly involves formulation of strategy, implementation of the said strategy and evaluation and control of the strategy. Each of the stages within the process is key to the completion of the strategic management process. Evaluation and control of strategy is an essential part of the strategic management process that ensures the desired impact of the selected strategy is achieved Wheelen and Hunger (2008) argue that having strategic management without evaluation and control is like playing football without goal posts.

2.3. Strategy Evaluation and Control

The dynamics of the environment are such that change never stops. The only thing that is constant as concerns the environment is change. The nature of response to the change, either proactive or reactive is a determining factor in the successful implementation of any and all strategies. Strategic managers therefore need to continuously monitor the effectiveness of these strategies to make sure that they are working at an optimal level and to make any necessary changes in a timely manner (Sengupta & Chandan, 2003).

Mintzberg, Lampel, Quinn and Ghoshal (2003) suggest that strategy evaluation focuses on the separation between obvious current operating results and those factors which underlie success or failure in the chosen domain of activity. This results in the rejection, modification or ratification of existing strategies. Pearce and Robinson (2009) argue that strategic control is concerned with tracking a strategy as it is being implemented, detecting problems or changes in its underlying premises and making necessary adjustments. They thus portray strategic control to be that effort which is primarily concerned with guiding strategic actions as they happen way before the results of these actions are seen.

The main concerns of managers responsible for the success of a company are firstly whether the organization is moving in the right direction in terms of the assumptions earlier made about the key trends and whether the critical activities that need to be done are being done. Secondly these managers are also concerned about the organization's performance in terms of targets earlier set which may include budgets, revenues and cash flows. These two areas of concern will lead the managers to ask whether there is need to adjust or abort the strategy chosen earlier and whether there is need for operational changes (Pearce & Robinson, 2009).

In evaluation and monitoring of strategy, the broad but critical areas that a manager would wish to test and ensure they do not have any critical flaws will include its consistency of the strategy in terms of the organization's policies and envisaged goals, its consonance in terms of how easily will it adapt to the external environment and other critical changes happening in the internal environment, its ability to create and maintain a competitive advantage in the selected area of activity and its feasibility in terms of whether it will be implementable with the available resources and whether it is too complex to be understood and implemented with ease. If a strategy is not lacking in these key areas, then it can be concluded that it is a good, implementable and viable strategy (Mintzberg et al, 2003).

The arguments above suggest that evaluation and control can be of two main types. The first one tries to ensure the strategy is being implemented as planned and the second type is concerned with comparing the results achieved against the objectives that had been set earlier.

2.4. Process of Evaluation and Control

Mintzberg et al (2003) observe that evaluation can take place as an abstract analytic task. It could also be a formal process which forms an integral part of an organization's process of planning, review and control. In some organizations, it is an occasional, brief and cursory while in some other organizations, it occurs within elaborate systems containing formal periodic review sessions. The quality of strategy evaluation however will be determined more by the organization's capacity for self-appraisal and learning than by the particular analytic technique used. Wheelen and Hunger (2008) point out that in most medium to large size firms, strategy evaluation is not a purely intellectual task. Most firms actually rarely engage in explicit formal strategy evaluation. This is because they view the review of their strategy as a continuing process and one that is difficult to separate from the normal planning, reporting, control and reward systems of the firm.

Wheelen and hunger (2008) view the process of evaluation and control as a five step feedback process. The first step involves determining what to measure. The implementation processes and results that need to be monitored need to be specified and they must be capable of being measured in a reasonably objective and consistent manner. The second step is to establish the standards of performance. Standards are detailed expressions of strategic objectives. These standards are set not only for the final output but also for intermediate stages of output. The third step is to measure the actual performance at predetermined times. The forth step is to make a comparison between the actual performance and the standard that had been earlier set and the final step is to take corrective action if the actual performance results fall out of the desired tolerance range.

2.5.Types of Control

Rowe et al (1994) comments that control is an ongoing process used to adapt implementation in response to data about how well the strategy is doing and changes in the internal and external environment. They also point out that control is multidimensional and it affects many aspects of strategic management and that is why there exists controls such as management controls which are based on past performances, management by objectives which emphasizes the setting of objectives and performing frequent evaluation to ensure those objectives are being met, performance management which goal congruence and organizational effectiveness, adaptive control which focuses on responding to required changes rapidly and in an effective manner, strategic control which involves participating and minimizing potential deviations from the desired outcome and real time control which uses technology to provide as current information as possible.

Wheelen and Hunger (2008) argue that controls can be established to focus on actual performance results or on activities that generate the performance or on the resources that are used in performance. These types of controls are referred to as output controls, behavior controls and input controls respectively. Behavior controls specify how something is to be done through policies, rules, standard operating procedures and through frequent communication from superiors. Behavior controls are most appropriate when performance results are hard to measure, but the cause-effect connection between activities and results is clear. Sengupta and Chandan (2003) warn that such controls if not implemented properly may cause resentment from staff hence there needs to be an aspect of sensitivity to the human aspect of resources when putting in place such controls. Hill and Jones (2001) suggest that in using behavior controls, the intention is not to specify the goals but to standardize the way of reaching them. This way, behavior is also standardized and this makes the outcomes predictable.

Output controls specify what is to be accomplished by focusing on the end result of the behaviors through the use of performance targets. They are most appropriate when specific output measures have been agreed on, but the cause-effect relationship between activities and results is not clear. Input controls focus on resources such as knowledge, skills, abilities, values and motives of employees. They are most appropriate when output is difficult to measure and there is no clear cause effect relationship between behavior and performance (Wheelen & Hunger, 2008).

Newman, Logan and Hegarty (1989) classify controls into three classes based on when the controls are exercised. The three types include steering controls, yes/no controls and post action controls. Steering controls help to predict results , hence corrective action is taken before the total operation is completed. Yes/no controls may stop work from going to the next stage until it passes a screening test. Approval to continue is thus required. Post action controls on the other hand are applied once an action is completed and then results are measured and compared with a standard.

2.6.Techniques for Strategy Evaluation and Control

Wheelen and Hunger (2008) have taken the view that the technique used in evaluating and controlling strategy will depend on the strategic level of the organization which is to be evaluated. Thus there are those techniques which will be more applicable at the corporate level and the ones that are more applicable at the divisional and functional levels. The technique could also depend on the specifics to be evaluated, for example, financial techniques will be used to evaluate financial performance.

2.6.1. Traditional Financial measures

These are the most commonly used at corporate level because most organizations tend to measure their performance in terms of financial performance (Wheelen & Hunger, 2008). The financial measures commonly used include Return on Investment, Earnings per Share, Return on Equity and Operating Cash Flow. Return on investment is derived by dividing net income before taxes by the total amount invested in the company. This total investment is typically the total assets of a company. This measure can be easily manipulated. Earnings per Share is another measure that is derived by dividing net earnings by the amount of common stock. This measure could also mislead because of two reasons.

Firstly, there are alternative accounting approaches when computing Earnings per Share. The values derived when using the different approaches could be significantly different yet equally acceptable. Secondly, Earnings per Share is based on accrual income hence the conversion of income to cash can be near term or delayed. This method therefore may not consider the time value of money. Return on Equity is yet another method that is derived by dividing net income by total equity. It also has its limitations because it is derived from accounting data. Another frequently used measure is the operating cash flow which is the total amount of money generated by the company before considering the cost of financing and taxes. This is the company's net income plus depreciation, plus depletion, amortization, interest expense and income tax expense. This measure is very difficult to manipulate and is useful in evaluating an entrepreneurial venture's stability as well as evaluating the performance of an organization.

Wheelen and Hunger (2008) argue that all the financial measures discussed above are not in themselves adequate in evaluating corporate performance. They are however very useful and appropriate when used with complementary financial and non- financial measures.

2.6.2. Balanced Scorecard Method

The Balanced Score Card technique was developed by Kaplan and Norton (1996) as an alternative to evaluating a company based on only the financial ratios. It is a set of four measures which are directly linked to a company's strategy. These four measures include financial performance, customer knowledge, internal business processes and learning and growth (Pearce & Robinson, 2009). It directs a company to link its own long term strategy with tangible goals and actions. It contains a concise definition of the company's vision and strategy. This tool is increasingly being adopted by organizations because it considers most aspects of an organization and it is also used at all levels of strategy whether corporate, divisional or functional. It is a combination of both financial and non-financial measures.

Wheelen and Hunger (2008) also observe that the Balanced Score Card combines financial measures that tell the results of actions already taken with operational measures on customer satisfaction, internal processes and the organization's innovation and improvement activities. The financial measures give an evaluation of how the organization looks in the eyes of shareholders. The customer satisfaction dimension gives an evaluation of how customers view the organization. The measure on internal business processes seeks to identify what the organization needs to excel at, and finally the innovation and learning dimension seeks to identify areas of improvement and further creation of value. Each goal in each area is viewed as a key performance indicator which is essential in achieving desired strategic objectives. Pearce and Robinson (2009) observe that the Balanced Score Card provides feedback around internal business processes and external outcomes in order to continuously improve strategic performance and results.

2.6.3. Evaluating top management and Chief Executive Officer

Under this method the Board of Directors seek to closely evaluate the job performance of the CEO and the top management through the strategy and compensation committee. The board links the performance of the CEO and the top management to the overall performance of the organization. Consistent poor performance of the organization is interpreted as poor performance of the CEO and the top management team (Wheelen & Hunger, 2009). A firm's CEO plays a key role in the strategic management process. Ultimately, the decisions that a CEO makes have long term impact on the firm's future. The CEO therefore is responsible for the firm's success. It is therefore against this background that firm owners take the view that the performance of the CEO and senior executives is directly reflected on the performance of the firm (Pearce & Robinson, 2009).

The ability of the top management to give strategic direction, build a management team and provide leadership is considered more critical in the long run than a few quantitative measures. This method is mostly used in evaluating an organization's performance at corporate level (Wheelen & Hunger, 2008). Sababu (2007) suggests that the evaluation process for the CEO and senior management must be clearly communicated to them if the process is to be effective.

2.6.4. Budgets

Budgets are very common measures of performance used at all strategic levels. Budgets are quantitative control techniques which are documented in the form of quantitative statements that allocate resources to various units of the organization over a specified period. They help refine organizational objectives, allocate resources in the most effective manner and promote efficient and optimal use of resources and set the stage for managers to account for the utilization of capital and material resources (Sengupta & Chandan, 2003). Any material deviation from the budget forms the basis for an evaluation.

Wheelen and Hunger (2008) observe that some organizations break down their structures into strategic business units and responsibility centres which are individually allocated budgets and are required to be accountable and give reasons for any significant adverse deviations. Each responsibility centre is thus evaluated based on its use of budgeted resources.

2.6.5. Total Quality Management (TQM)

TQM is an operational philosophy that commits an organization to customer satisfaction, continuous improvement and excellence (Wheelen & Hunger, 2008). It commits to quality and being the best in all functions. Some scholars have linked it very closely to the Balanced Score Card. Pearce and Robinson (2009) argue that the Balanced Score Card actually adapts the Total Quality Management ideas of customer-defined quality, continuous improvement, employee empowerment and measurement-based management/feedback.

TQM aims at increasing an organization's efficiency and quality. Its main objectives include achieving standardization of all products thereby reducing the amount of variations in quality of products, quicker and less variable response in processes to customer needs, greater flexibility in adjusting to customer shifting requirements and lower cost through quality improvement and elimination of non-value adding work (Wheelen & Hunger, 2009).

2.6.6. Management by objectives (MBO)

This is a participative approach to decision making. Decisions are made through shared goal setting at all organizational levels and performance assessments done based on the achievement of the goals set earlier. One key advantage of MBO is that it links an organization's objectives and behavior of individuals hence it can be used to ensure the organization does not veer of the original path of strategy and in case of any deviations, these can be seen and arrested on a timely basis (Wheelen & Hunger, 2008). The MBO technique involves establishing and communicating organizational objectives, setting individual objectives, development of action plans of activities needed to achieve the objectives and periodic review of performance as it relates to the objectives. The setting of individual objectives is done as an interactive process between line management and direct reports.

Ghicajanu (2008) argues that for Management by Objectives (MBO) to be effective, individual managers must understand the specific objectives of their job and how those objectives fit in with the overall company objectives set by the board of directors. Krueger (2004) argues that while the MBO process traditionally rests upon the relationship between the subordinate and the supervisor, the strategic management process relies upon a team approach that flows from the corporate level to the functional level of the business. This therefore needs to be taken into considerations if MBO is to have the desired impact of proper evaluation and control of strategy.

2.7. Challenges of Strategy Monitoring and Evaluation

Githiomi (2010) identified one major challenge of evaluation of strategy at K-Rep Bank as lack of appropriate tools and knowledge to evaluate strategy. Rumelt (1980) points out that however it is accomplished, the products of a business strategy evaluation seek to answer the questions as to whether the objectives of the business are appropriate, whether the major policies and plans are appropriate and whether the results obtained confirm or refute critical assumptions on which the strategy rests. Obtaining answers to these questions requires a reasonable store of situation based knowledge and more than the usual degree of insight.

Rumelt (1980) further acknowledges that the main challenges to monitoring and evaluating strategy can be discussed in three distinct points. Firstly, each business strategy is unique, thus the strategy adapted will depend entirely on the context of the business. Therefore, there cannot be a "one best way" for evaluating and monitoring strategy. Rather strategy evaluation must focus on a logic that is flexible and adaptable to any context. Secondly, whereas strategy evaluation is concerned with careful assessment of the extent of a company's adherence to set goals and objectives as well as an assessment to establish the extent to which the goals have been achieved, most people including seasoned managers would rather set these goals than try to evaluate them because the former is easier. Finally, Evaluation and Control systems could appear appealing in principle but they potentially can create conflicts as there are some managers who have come to view strategy evaluation and control as a springboard for adopting "management by much more than results."

CHAPTER THREE RESEARCH METHODOLOGY

3.1.Introduction

This research aims at establishing whether churches in Kenya evaluate and control their strategies. It further seeks to understand the challenges that Churches go through when evaluating and controlling strategy. This chapter therefore gives details on how the research was carried out and the assumptions the researcher made.

3.2.Research Design

The study was a cross sectional survey. The researcher was interested in obtaining the desired information from the context at a particular point in time. Data was thus collected and formal statistical tools have been used to analyze the data collected in order to determine the attitudes, practices and concerns of the selected sample. Conclusions have been made based on the findings upon analysis of the collected data.

Cooper and Schindler (2008) suggest that a cross sectional study represents a snapshot of the observations of interest at one particular point in time and it is done once. Howard (2008) also argues that one of the key advantages of cross sectional survey research design is that it uncovers relationships that can be studied further in other experimental studies. Obwoge (2006) and Kung'u (2007) successfully used this design in their studies.

3.3.Population of the Study

The target population of study consisted all registered churches operating in Nairobi. As at 31st December 2011, there were eight thousand registered churches in Kenya as per the records available from the office of the registrar of clubs and societies in Kenya. Out of this number, Nairobi hosts about 2500 of them. The sample frame was drawn from the list of registered churches operating in Nairobi, Kenya.

This study did not consider Para church organizations whose business and mode of operation may closely matches the operations of a church though they are not churches.

3.4.Sample Design

The sample has been drawn from the list of registered churches operating in Nairobi using the Random Sampling method. The sample size was 50 churches. According to Mugenda and Mugenda (2003) thirty observations sufficiently represent a large population.

For churches that have many branches within Nairobi and beyond, only the secretariat or the head office was considered in the sampling frame. This is because the study assumed that the branches adopt strategies set by their head office or secretariats.

3.5.Data Collection

Data used in this research was mainly primary data collected using a questionnaire administered to respondents. The questionnaires were administered to only one respondent for each church selected in consistency with the research design selected. The questionnaire included some qualitative data and open ended questions to fill in the information gaps that cannot be filled by the use of quantitative data.

The questionnaires were administered by use of the mail method (drop and collect later). The questionnaires were delivered to respondents some physically and some using e-mail. Owens (2002) argues that this method has an advantage in terms of low cost and there is no need to employ field staff.

3.6.Data Analysis

As the research took a cross sectional survey design, descriptive statistics was used extensively hence quantitative methods like frequencies, means, percentages and mode have been used to analyze the data collected. These have enabled the researcher to make conclusions about the common practices by churches, general attitudes and preferences.

The data has been presented using descriptive statistical tools such as histograms, pie charts, bar charts, and tables. This method has been successfully used by Obwoge (2006) and Kung'u (2007).

CHAPTER FOUR DATA ANALYSIS, RESULTS AND DISCUSSION

4.1. Introduction

This study aimed at establishing whether Churches in Nairobi evaluate and control their strategies and the challenges they face as they do so. This chapter presents the results of the study and the interpretation thereof. Further, the discussions ensuing will focus not only on findings related to the objectives of the research but also other findings that the study brought out.

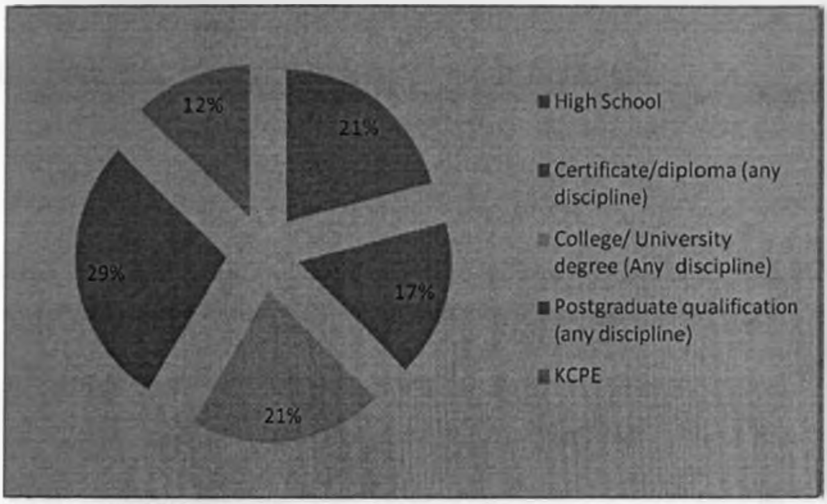
The data was collected using a questionnaire which was administered to pastors and church administrators in fifty churches picked at random within Nairobi. In either case, only one questionnaire was administered in each church. Responses were obtained from thirty respondents with the rest failing to return the questionnaires.

4.2. Demographic Information

The respondents were mainly pastors and church administrators who have served in their respective churches for periods of one year and above. Figure 4.1 below shows the levels of education of the pastors and church administrators. 88% off them have at high school education and above with 29% being in possession of post graduate qualifications.

The study also revealed that 33% of the churches in Nairobi run other businesses and projects. However 10% of these businesses and projects are not for profit but for charity. A number of them are children's homes that are funded by donors and congregants hence the need for accountability.

Figure 4. 1: Level of Education of the Respondents



Source: Fieldwork

4.3.Selection of Strategy

The study revealed that churches select their strategy either through periodic meetings or simple instructions from their top decision makers commonly referred to as the Bishop, overseer or senior pastors. The periodic strategy sessions are elaborate and they bring together the church workers and the top decision making organ which in most churches is referred to as the Local Church Council.

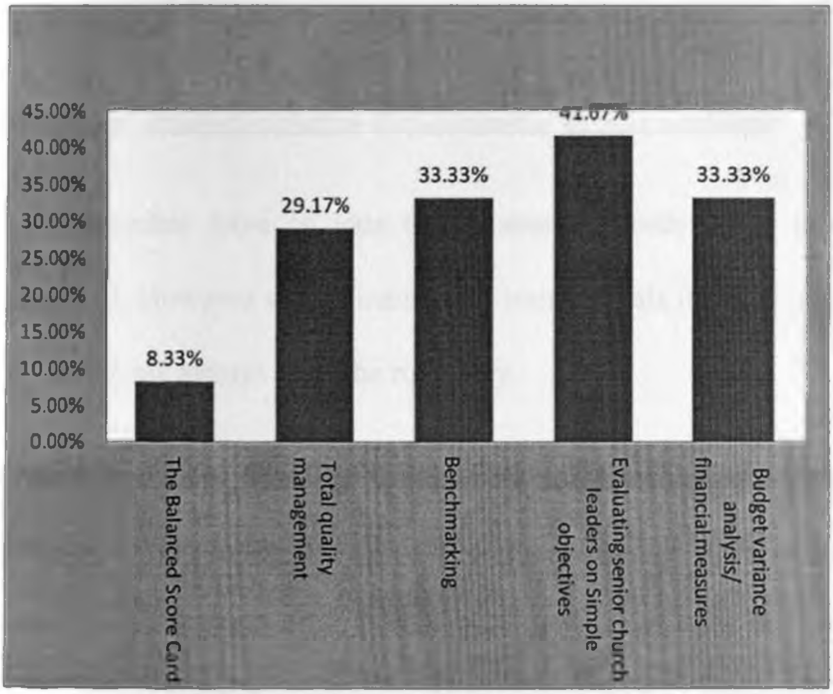
75% of the respondents indicated that they have periodic strategy meetings to set strategies for a given period, mostly for one year. In those strategy meetings they assess whether they achieved the desired results from the previous year's activities. Meanwhile 25% indicated that they receive instructions from the top leaders on which strategy to adopt. All the respondents indicated that they have a strategy in place.

4.4. Evaluation and Control of Strategy in Churches in Nairobi

4.4.1. Strategy Evaluation and control Practices

The study revealed that 67% of the churches have rudimentary techniques and approaches to evaluate and control their strategies while the rest do not perform this exercise at all, the main reason being due to lack of adequate skills.

Figure 4. 2:Techniques used by Churches in Nairobi to Evaluate and Control Strategy



Source: Fieldwork

Figure 4.2 above shows that the technique used most by churches in evaluating and controlling strategy is the evaluation of senior church leaders on simple objectives agreed upon at the beginning of the year. 41.67% of the churches use this technique. More obvious tools like the budget and benchmarking are each used by 33% of the churches. More complex tools like the Balanced Scorecard and Total Quality Management are used minimally with only 8.33% adopting the Balanced Scorecard and 29.17% adopting the Total Quality Management.

All the churches that evaluate and control their strategies indicated that their sole purpose is to evaluate progress. Additionally, some indicated that they have a church vision and mission and hence they evaluate and control their strategy to ensure they do not veer off from their church mission and vision. 70% of the churches admitted that such evaluations often revealed loopholes and in most cases led to identification of training needs. In most cases training is the most desirable way of bridging the performance gaps identified since most of the work that needs to be done especially by committees is on a voluntary basis hence it is counterproductive to take drastic action on anyone.

Most churches have an idea that a strategy needs to be monitored, controlled and evaluated. However due to inadequate training, this is not always done and even if it is done, it is not always done the right way.

4.4.2. Attitudes towards Evaluation and Control of Strategy

92% of all the churches either agreed or strongly agreed that their church regards strategic management as of very high importance. 8% are indifferent. 96 % of the respondents further agreed or strongly agreed that it is important to train church leaders on strategic management. However, only 38% agreed that their leaders have the necessary skills to carry out evaluation and control of strategy. Further, only 33% agreed that their church leaders have gone through any form of strategic management training. 46% strongly disagreed that they have sufficient resources to carry out evaluation of strategy while 25% disagreed. Table 4.1 below reveals the mean, median and mode scores of responses received for each statement which was intended to gauge the attitude of the respondents with respect to evaluation and control of strategy. The likert scale ranged from 1 to 5 where "1" represented an attitude of strong disagreement with the statement, "2" represented disagreement with the statement, "3" represented an attitude of indifference, "4"represented agreement with the statement and "5" represented strong agreement.

Table 4. 1: Attitudes of respondents Towards Strategy Evaluation and Control

	STATEMENT	Mean score	Mode score	Median score
i	Strategic management is regarded as very important in our church	4.3	4.0	4.0
ii	It is important for our church leaders to be trained and skilled in strategy evaluation and control	4.5	5.0	5.0
iii	To the best of my knowledge, our church evaluates its strategy.	3.3	4.0	4.0
iv	Evaluation of strategy is embedded in our church policy.	3.0	4.0	3.5
v	Our leaders have the skills necessary to carry out evaluation and control of strategy	3.0	3.5	4.0
vi	Our church has conducted staff training in evaluation and control of strategy	2.6	2.0	2.0
vii	Resources needed to conduct strategy evaluation are always available (e.g finances and staff).	2.0	1.0	2.0

Source: Fieldwork

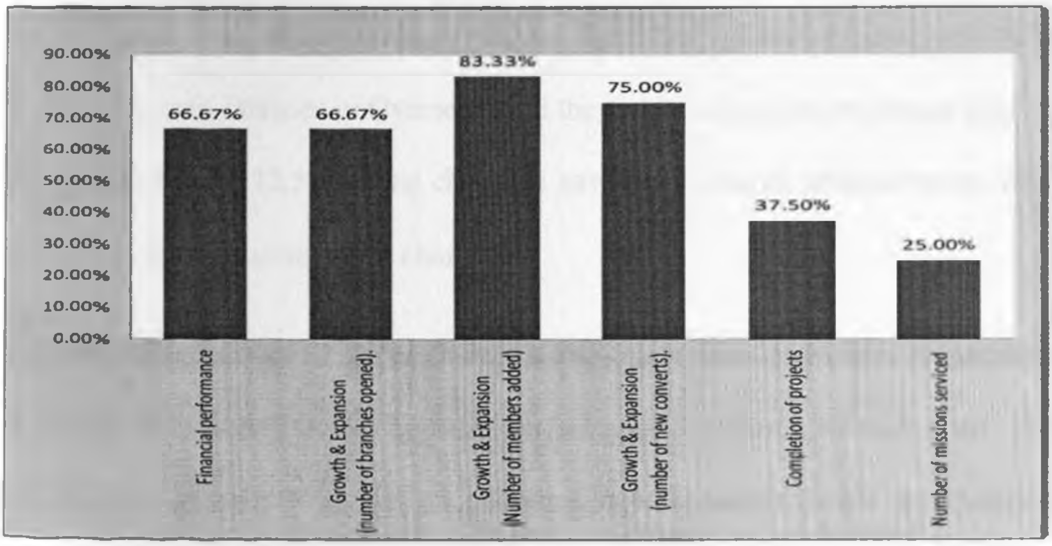
This reveals that though most churches hold the view that strategic management is very important, they are yet to fully embrace and embed it in their policies. To most churches, strategy is equivalent to planning and though this may be true to some extent, there is a lot more that they are missing for example, out of the thirty respondents, only one indicated that their church carries out exercises like environmental scanning to not only ensure they still remain relevant and appealing to their members but to also attract new members.

The responses received also revealed that though church leaders really desire to undergo specific training in strategic management, very few are able to afford the cost of such training hence due to limited resources, they are unable to go for such training. A number also hold the view that such training is not necessary.

4.4.3. Approaches and Attitudes to Measuring of Performance

All the respondents indicated that their churches are keen to measure its performance. Figure 4.3 below shows the parameters they use to measure performance. All churches that indicated that they do not evaluate their policies also measure their performance not as a part of any strategy but just to know whether they have moved from one point to another in terms of growth. This is because in the first place, most of them have rudimentary strategies most of which focus on growth in terms of membership numbers and number of new converts.

Figure 4. 3: Parameters used by Churches to Measure performance



Source: Fieldwork

Growth of membership is one parameter used by 83% of churches sampled as a measure of performance. Another measure of performance is expansion in terms of new converts. This is considered to be spiritual growth even if the conversion does not result in an increase in numbers of the congregants. Financial performance and expansion in terms of new branches opened are other parameters used to measure performance. Less attention is given to performance in terms of completion of projects and number of missions serviced with only 37.5% and 25% of churches respectively paying attention to these aspects.

Churches in Nairobi not only measure performance for the church as a whole but for individuals who work in the church as well. 71% of the respondents indicated that they appraise the performance of their church workers while 91% indicated that they also appraise the performance of adhoc committees formed to handle some specific issues within the church. 54% of the churches have committees known as Local Church Councils which are the main decision making organs for these churches. 33% have individuals who are the key decision makers. These individuals are commonly referred to as Senior Pastors, Bishops or Overseers and they make a decision on almost everything in the church. Finally 12.5% of the churches have hired church administrators who make most of the key decisions in the church.

The study revealed that 37.5% of churches whose key decision makers are senior pastors or bishops or overseers do not appraise performance for church workers at all. These are the churches popularly known as one-man-show churches where the pastor makes decisions about almost everything in the church. 30% of churches which have put in place Local Church Councils as their decision making organ also do not assess the performance of their workers. All churches which have administrators as their key decision makers always appraise their staff although this category comprises of only

12.5% of the entire church population. Overall, 30 % of all churches in Nairobi do not appraise their staff performances.

62.5% of the respondents measure performance based on simple objectives agreed upon at the beginning of the year. 12.5% indicated that they use the Balanced Scorecard to measure performance 8% do not have any formal way of measuring performance so they improvise methods each year. The rest do not measure performance at all.

4.5.Challenges of Faced by Churches when Evaluating and Controlling Strategy.

The top five challenges faced by churches when evaluating and controlling strategy include lack of strategy evaluation and control tools, inadequate skills by the church leadership, poor leadership, poor follow up of strategies and poor coordination of strategy evaluation and control exercise. Respondents who ranked these factors as average, significant or greatest challenges totaled 92% for lack of adequate skills, 88% for lack of strategy evaluation tools, 88% for poor coordination of strategy evaluation and control exercise, 79% for poor leadership and unsupportive culture. Inadequate resources are also another challenge faced by the churches. 71% of the respondents either disagreed or strongly disagreed that they have sufficient resources to carry out the exercise.

Inadequate training has effectively meant that the more complex tools and techniques for strategy evaluation and control are being avoided by churches. Most of them have thus opted for simpler methods like agreeing on simple objectives and assessing how far these objectives have been met at the end of a given period. Further the coordination of strategy evaluation and control is not done effectively due to inadequate skills.

The culture in most churches to a large extent is to request congregants to volunteer their services for little or no pay at all. This therefore puts the church in a position whereby they are unable to push for the desired quality and value. Any form of appraisal does not have consequences because most individuals who offer their services to the Churches in terms of serving in committees do not expect a pay in return hence they have nothing to lose even if they do not perform. This culture frustrates the pursuit of a selected strategy by a church.

A number of churches especially the ones which are being headed by one most powerful individual prefer not to evaluate strategy or measure performance. This type of leadership in most cases frustrates any efforts to make the top leader accountable and more often, such churches get submerged into issues of integrity of their leadership.

4.6.How Churches Overcome the Strategy Evaluation and Control Challenges

54% of the respondents strongly agreed that training helps them to overcome these challenges. However, some additional comments from the respondents showed that this training was being rendered ineffective because often, the trained pastors were transferred to other churches hence they do not realize the full benefits of the training. This is further reflected in a different question that sought to know the view of the respondents as to whether change of leadership would be of help in overcoming the challenges they faced. 42% disagreed that this would help. 50% of them also strongly agreed that clearly documented policies were of great help to them while another 50% indicated that crafting clear strategies and communicating the same clearly was a great way to overcome the challenges. 42% of the respondents did not hold the view that a change in leadership would help them at all. In most cases, churches have rudimentary workarounds to overcome these challenges. In cases where the church leaders do not have sufficient training, they have put in place rudimentary measures like periodic meetings to assess progress. However, most of these meetings do not yield much result since the assessments made during these meetings are not necessarily backed by evidence.

4.7.Discussion

4.7.1. Comparison of Findings with Theory

All respondents in this study indicated that they have some form of strategy even though most of these strategies are very basic and some are not even documented. This suggests that Churches have moved away from the belief that church activities are divine and do not require human intervention in terms of strategy or even planning. The concept of Strategic management however is growing and most of the churches do not know it in the required depths for its results to be seen. Most churches therefore tend to concentrate only on planning and measuring performance.

Whereas this is part of strategy evaluation, a much wider scope is neglected by churches. Sengupta and Chandan (2003) suggest that managers need to continuously monitor the effectiveness of their selected strategies to make sure they are working at an optimal level and to make sure any necessary changes are made in a timely manner. In most churches in Nairobi, the aspect of continuous monitoring and making timely corrections is missing. This is because most respondents to this research indicated that their churches meet once, mostly at the beginning of the year to set strategize for the year ahead, then another meeting is convened at the end of the year to assess how much of the strategy selected early in the year was achieved. This means that if anything goes wrong in the course of the year, it is only discovered at the end of the year.

Pearce and Robinson (2009) argue that managers are also concerned about the organization's performance in terms of targets earlier set which may include budgets, revenues and cash flows. Whereas churches in Nairobi generally carry out the exercise of measuring performance, there still exists a gap as revealed by this study as it came out that in most cases, such evaluations are not supported by any evidence in form of facts and figures unless it involves the budget where numbers can be obtained from financial statements. Most respondents indicated that one of the assumptions made during evaluations and performance appraisals is that everyone will be honest since it is expected that due to their faith, they should not lie.

Mintzberg et al (2003) observes that though evaluation can be an abstract analytic task, or a formal process which forms an integral part of an organization's process of planning, review and control, or an exercise that occurs within elaborate systems containing formal periodic review sessions, the quality of strategy evaluation will be determined by the organization's capacity for self appraisal and learning, than by a particular technique used. Churches in Nairobi have basic approaches to self appraisal though as per the findings, they are not very effective. In most churches, evaluation of strategy is not an intellectual task as Wheelen and Hunger (2008) suggest.

The techniques used to evaluate and control strategy in most churches are evaluation of the performance of the senior church leaders on simple objective agreed upon earlier in the yeas and financial performance. In most cases this is because the other approaches are either too complex to understand or too expensive to be affordable to churches.

One of the challenges identified by Rumelt (1980) is that most managers would rather set goals than evaluate them because the former is much simpler. This has been confirmed by this study as one of the challenges. Poor follow up of strategies and poor coordination of strategy evaluation and control exercise are some of the challenges identified by this study. However, the greatest challenge identified by this study is lack of adequate knowledge. Most church leaders are not even trained to carry out such exercises so it will be much easier for them to set goals as opposed to evaluating them.

4.7.2. Comparison of Findings with Empirical Studies

Obwoge (2006) observed that churches in Kenya were making a good effort to embrace strategic management practices. This is also reflected in this study by the observation that all churches indicated that they have a strategy in place. The levels of adoption of strategic management practices vary from one church to another. About 30% of churches in Nairobi have near robust strategic management systems in place. The rest though they have strategic management systems in place, they are weak and they need improvement.

Kung'u (2007) found out that the main challenge of implementing strategy in mainstream churches in Kenya was in the culture that was unsupportive of strategy implementation. This has further been reinforced by this study as 79% of the respondents indicated that poor management and unsupportive culture is a major challenge. Githiomi (2010) also identified lack of clear objectives and lack of a robust tool as major challenges of strategy monitoring at K-Rep Bank Kenya Limited. This is also true for churches in Nairobi as revealed by this study. Most churches cited lack of a robust tool or lack of any tool as a major challenge to evaluation of strategy.

CHAPTER FIVE SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Introduction

This chapter represents the summary of findings of the study and the recommendations both to policy makers and to academia. It also will point out the limitations of the study as well as suggestions for further research.

5.2. Summary of Findings

5.2.1. Evaluation and Control of Strategy in Churches in Nairobi

This study established that most churches in Nairobi have strategies in place. However these strategies range from very organized and well thought out strategies to very basic and rudimentary strategies. The latter type of strategies characterized the majority of churches in Nairobi. Secondly, the study also revealed that most Churches in Nairobi attempt to measure their performance and the performance of their workers. The results of these appraisals however in most cases do not have any consequences because most of the church workers are volunteers who are not on any pay.

The parameter mostly used to measure performance is the growth in terms of number of members and number of people converted. Many churches also focus on the adherence to the budget. Performance of the church and of individual workers in the church is measured mainly using simple objectives agreed upon at the beginning of a period. Churches shy away from more complex techniques like the Balanced score card or Total Quality Management.

Moreover, most churches have in place procedures to evaluate and control their strategies. This exercise is well coordinated in some churches while in majority of churches in Nairobi, it is very rudimentary. According to respondents, controls like budgets are used by most churches. Most churches have consultative periodic meeting to set their strategies. These strategies, once set are evaluated based on very simple objectives and in most cases, the pastor's appraisal suffices for the entire church's appraisal.

Though strategic management and more specifically evaluation and control of strategy is regarded by churches to be very important very little investment goes into it in terms of training of pastors and other church leaders and putting in place systems and structures to implement them. In many cases, churches evaluate their strategies simply by having meetings at the end of a period and asking questions and the answers do not necessarily need to be backed by evidence. Most respondents indicated that one major assumption that they have during such meetings is that everyone will be honest since they are not expected as church leaders to lie or give a false account. This is detrimental to the development of strategic management since it waters down the whole need for monitoring, evaluation and control of strategy.

5.2.2. Challenges of Strategy Evaluation and Implementation in Churches in Nairobi

The main challenges that churches in Nairobi face as they evaluate and control their strategies include lack of enough resources, inadequate training for church decision makers, poor coordination of the evaluation and control exercise, lack of strategy evaluation and control tools and unsupportive culture. In many cases, inadequate skill is the primary problem that has led to the other challenges mentioned above. Further, an unsupportive culture to implementation of strategy makes the situation worse. This is because this culture determines whether sufficient resources will be allocated for the exercise of evaluation and control of strategy.

All the respondents have some workarounds to overcome their challenges even though these workarounds may not be effective. Some have opted to enroll for specific training while a few have often hired Church Management Consultants, though most respondents were of the view that these consultants offer only little help.

5.3. Conclusions

This study revealed some gaps in the way churches in Nairobi implement their strategies. Most Churches have a very positive attitude towards the concept of strategic management. They regard it as very important. Moreover, all churches have a form of strategy in place, some very comprehensive while some very basic.

However, most of these strategies are very poorly implemented. Evaluation and control of the selected strategies is not carried out at all in some churches while in the churches where it is carried out, most of the times it is not adequately done. The study revealed that most church leaders do not have sufficient training and skills on the subject of strategy evaluation hence monitoring of strategy is not carried out by most churches as part of strategy evaluation and control. Sengupta and Chandan (2003) point out that continuous monitoring of strategy is a mandatory part of evaluation and control of strategy.

Another gap revealed by this study is that most churches in Nairobi set their goals at the beginning of the year and they do not make any follow ups thereafter. They only measure their performance against these goals at the end of the year. This means that if anything goes wrong including major deviations from the original strategy, it may only be discovered at the end of the year.

Effectively this means that the importance of implementation of strategy has not been clearly understood hence there needs to be thorough and deliberate training to address this challenge. Other challenges though being addressed through some workarounds need to be reinforced by the suggested deliberate training and involvement o strategic management professionals and consultants in strategic management decisions in churches. There is need therefore to create awareness in churches for these challenges to be effectively and comprehensively addressed.

5.4. Recommendations of the Study

The Study makes several recommendations. Firstly, churches need to invest more in training their decision makers in this field of strategic management. More resources need to be availed to put in place structures for monitoring, control and evaluation of strategy. Strategic management needs to be taken very seriously and if results are not being seen, very serious questions need to be asked. Secondly, churches need to have clear policies which have strategic management embedded therein. This will help to create a culture that is supportive of strategic management principles.

Decision makers in churches also need to take strategy evaluation and control more seriously and all evaluations need to be backed by evidence in terms of facts and figures.

Church Management Consultants should be involved more often to address complex strategy issues. These consultants should play a part in creating practical systems and tools that can be effectively used in church environment. These could include writing of sound strategic management policies for churches as lack of clear policies is one of the challenges identified by this research.

To the academia, the study recommends that a lot of studies need to be carried out in the context of churches in Kenya since Strategic Management as a discipline is still a budding concept in this context. Studies such as comparative studies pitting churches that have embraced strategic management against those that haven't need to be done so as to bring out clearly the benefits of strategic management. Theological colleges need to train church leaders in this field of strategic management more deliberately and with a greater focus to empower such trained church leaders to be able to train other church workers not only on the importance of strategic management but also on how to implement strategy.

5.5. Limitations of the Study

This study was conducted under time constraints hence only a few respondents were called to clarify their responses. Most responses were thus taken as they were. Though the researcher had a good understanding of the responses, such clarifications would have made the responses even clearer and the researcher would have known for sure that the respondents understood the questions in the questionnaire.

This study concentrated on the Churches in Nairobi. A huge number of churches in Nairobi have mushroomed in the recent past and they do not have any systems in place. This study may therefore need to be carried out in other contexts where church planting is more deliberate and a lot more resources have been put into place to keep the churches going. Most of such churches are funded by missionaries and they are in the hardship areas where most people would rather not go.

5.6.Suggestions for further research

This study can be replicated in Para church organizations and churches in other contexts as mentioned above to establish their practices and attitudes towards the evaluation and control of strategy as well as their challenges.

Other religious institutions which are not necessarily Christian also may have this study replicated on them due to the differences in context. Their approach to strategic management may thus be different. These were isolated in the study.

A similar study with a much wider context may yield different results, for example if the population was widened to include all registered churches in Kenya.

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APPENDICES

Appendix: Project Questionnaire

Section A: Bio data

1. A). PERSONAL INFORMATION

a)	CHURCH NAME	
b)	NAME (Optional)	
c)	TITLE (e.g Pastor. Church Administrator e.t.c)	
d)	LENGTH OF SERVICE IN THE CHURCH	
e)	GENDER (M/F)	

B).LEVEL OF EDUCATION (tick one)

i.	High School	
ii.	Certificate/diploma (any discipline)	
iii.	College/ University degree (Any discipline)	
iv.	Postgraduate qualification (any discipline)	
v.	Other (please explain)	

Section B: Strategy Evaluation and Control

2. What is your overall organization structure? (Tick one).

i.	Centralized (one secretariat or Head office to which all branches report)	
ii.	Decentralized (All branches are autonomous and they make their own decisions)	
iii.	Semi centralized (branches may be autonomous but they inform/ involve the Head office of key decisions)	

3. Who makes key decisions in your church? (Tick one)

i.	The senior pastor	
ii.	The Local Church Council	
iii.	The convention (if applicable)	
iv.	The Church administrator	
v.	Other (Please give more details)	

4. A). Does your church have any other side business for purposes of profit generation? (Y/N)________

B). If Yes, which one(s)? (Tick all that apply).

i.	School (Academy, High school, College or University)	
ii.	Guest House	
iii.	Transport(fleet of buses or taxis)	
iv.	Agriculture (farming for profit)	
v.	Shop (bookshop, restaurant, supermarket)	
vi.	Others (Please specify)	

5. How do you choose strategy for your church? (Tick all that apply).

i.	Periodic strategy meetings	
ii.	Instructions from the top leaders in reaction to environmental changes.	
iii.	Other (Specify)	

6. How do you measure the church performance? (Tick all that apply).

i.	Financial performance	
ii.	Growth & Expansion (number of branches opened).	
iii.	Growth & Expansion (Number of members added)	
iv.	Growth & Expansion (number of new converts).	
v.	Completion of projects	
vi.	Number of missions serviced (if applicable).	
vii.	Others (Please specify)	

7. A).Do you appraise staff performance? (Y/N)_________________

B). If yes, who in particular? (tick all that apply)

i.	Pastors	
ii.	Administrators	
iii.	Church workers (messengers, cleaners, drivers)	
iv.	Others (Specify)	

8. A).Do you have adhoc committees assigned specific tasks? (e.g committees overseeing specific
projects, committees in charge of counselling, committee in charge of fundraising e.t.c (Y/N)__________

B). If Yes, do you assess their performance(Y/N)____________________

C). Which tool(s) do you use to assess individuals performance? (Select one)

i.	Balanced score card	
ii.	SMART objectives/Simple agreed upon objectives.	
iii.	Other (Specify)	

9. A).Do you evaluate and control your strategy? (***Evaluation means assessment to see whether the adopted strategy delivered the intended objective(s) or whether it is delivering the intended objective(s). Control means an assessment to ensure that all actions and tasks do not veer off the path of the original strategy. In both cases, if there is any deviation noted, corrective action should be taken***). (Y/N)______________

B). Which tools do you use to evaluate and control the strategy you adopt? (select all that apply)

i.	The Balanced Score Card	
ii.	Total quality management	
iii.	Benchmarking	
iv.	Simple objectives	
v.	Budget variance analysis	
vi.	Other (Specify)	

10. What is the purpose of your strategy reviews (Please explain in the space provided below)

11. Are there specific actions in your church that are triggered by such strategy evaluations? (Please explain in the space provided below)

12. Kindly rate your opinion to the statements below(Tick as per your opinion)

1=Strongly disagree
2=Disagree
3=indifferent
4=Agree
5=strongly disagree

		1	2	3	4	5
i.	Strategic management is regarded as very important in our church					
ii.	It is important for our church leaders to be trained and skilled in strategy evaluation and control					
iii.	To the best of my knowledge, our church evaluates its strategy.					
iv.	Evaluation of strategy is embedded in our church policy.					
v.	Our leaders have the skills necessary to carry out evaluation and control of strategy					
vi.	Our church has conducted staff training in evaluation and control of strategy					
vii.	Resources needed to conduct strategy evaluation are always available (e.g finances and staff).					

13. Please describe below how you perform strategy evaluation and control.

14. What are your assumptions as you perform the evaluation and control of your strategy?

15. Who carries out the evaluation and control of strategy in your church (Tick one)

i.	The senior pastor	
ii.	The Local Church Council	
iii.	The convention (if applicable)	
iv.	The Church administrator	
v.	Other (Please give more details)	

Section C: Challenges Of Strategy Evaluation And Control

16. To what extent do you find the following a challenge in your strategy evaluation and control process?

1=Not a challenge at all
2= minor Challenge
3=Average Challenge
4=Significant Challenge
5= Greatest Challenge

		1	2	3	4	5
i.	Poor leadership					
ii.	Poor follow up of strategies					
iii.	Unsupportive organizational culture					
iv.	Lack of strategy evaluation tools					
v.	unclear strategy					
vi.	external influence from stakeholders					
vii.	Other competing activities given more attention					
viii.	Disconnect between formulators and evaluators of strategy					
ix.	Lack of adequate training and skills					
x.	Poor coordination of the strategy evaluation and control exercise					
xi.	Others (Please explain)					

Section D: Mechanisms To Cope With The Challenges

17. To what extent do the following factors/mechanisms help you to cope with the challenges mentioned above?

1=No extent at all
2=Minor extent
3=Average extent
4=Significant extent
5=Very great extent

		1	2	3	4	5
i.	Training and development					
ii.	Hiring Church Management Consultants (CMCs)					
iii.	Clear Strategies					
iv.	Implementation of Management Information Systems					
v.	Better stakeholder expectation management					
vi.	change in leadership					
vii.	change management					
viii.	clearly documented policies					
ix.	Others (Please explain)					

Thank you for your cooperation