STRATEGIC ISSUE MANAGEMENT PRACTICES IN PRIVATE SECONDARY SCHOOLS IN MOMBASA DISTRICT

BY

WANJIKU N. GITHUA

A Research Project Report Submitted In Partial Fulfillment of the Requirements for the Award of Master of Business Administration (MBA) Nairobi University.

Date: November 2011

DECLARATION

This research project report is my original work and any other person's work included has been acknowledged and has not been submitted for a degree in any other university.

Name: Wanjiku Nicholas Githua   REG.No. D61/P/7994/2004

SIGNATURE: ……………………   DATE: ………………………

This research project report has been submitted for examination with my approval as university supervisor.

Sign:…………………….

Name: Dr. Jackson Maalu   DATE: …………………………

Department of business Administration

School of business

University of Nairobi

DEDICATION

To God, who has given me hope, courage, a strong will, a healthy body and mind to manage to complete this project. Special dedication to my late loving mother Anne Wanjiku Wairagu, my beloved wife Peninah Njeri, my son Wilson Njenga, my daughters Budgetanne Wanjiku and Margaret Wanjiru for their continued support, patience and encouragement. My very distinguished colleagues friends and peers for their love, concern, support and inspiration.

ACKNOWLEDGEMENT

ABSTRACT

This research project report is based on strategic management concept entitled strategic issue management practices in private secondary schools in Mombasa District of Mombasa County. The report gives the research findings on two research objectives namely establishing the strategic issues management practices in private secondary schools and the factors that influences the SIM practices in Mombasa district. The research report traces the conceptual framework of application of SIM practices in environmental diagnosis or the situational analysis in which a business firm finds itself in when carrying out its mandate within a given environmental setting. The report mainly concentrates on a study background of strategic management practices that requires the use of SIM in creating a fit between what the environment offers and what the firm requires and offers.

The context of the research is the private secondary schools in Mombasa district. There were fourteen government registered secondary private schools by the date of this research. All the schools were issued with a questionnaire but only nine cooperated and filled the representing 64% of the targeted sample frame. The schools were selected due to their suitability to give relatively authentic findings that can be a representative of other cosmopolitan regions in the Mombasa County and the whole country in general, where private schools are located.

The research design employed in the research is descriptive census survey. The questionnaire method of collecting primary data and the statistical package for social science (SPSS) was used to analyze the data. The analyzed results have been interpreted both quantitatively for closed ended questions and qualitatively for open ended questions. The data is presented in descriptive statistical measures of frequencies, percentages and cumulative frequencies. Pie charts have also been used to present the deduced results.

The results indicate that the majority of the target schools employ SIM practices as a tool in strategic management. The main factors that influence the application of SIM are mainly external with increased competition leading with 77.8% of the respondents agreeing that it has impact on the in their schools' activities. The government legislatives and directives and changes in syllabus at 44.4% and 55.5% respectively

also said to have some impact. The fact that majority of the schools classified the issues in terms of urgency with urgent and requiring immediate action taking the lion's share of 44.4% is a clear indication that SIM is applied in situational diagnosis. Also the findings indicated that over 66% of the schools regard SIM as an important endeavor to undertake during the situational analysis.

The results therefore leads to the conclusion that the stakeholders in education industry especially private secondary schools need to be very much concerned with the strategic issues that arise from the environment so that they can respond to them in real time. Therefore, it has been recommended that similar researches need to be carried out in other levels and sectors of education industry such as public secondary schools, primary level, tertiary colleges and universities. The research is therefore very useful in giving insights in strategic management practices of educational institutions.

LIST OF ABBREVIATIONS

CMS   Church Missionary Society

DEO   District Education Officer

ECDE   Early Childhood Development and Education

HOD   Head of Department

KCSE   Kenya Certificate of Secondary Education

MBA   Master in Business Administration

MOE   Ministry Of Education

NGO   Non-Governmental Organization

NSE   Nairobi Stock Exchange

SAGAs   Semi Autonomous Government Agencies

SIM   Strategic Issue Management

SI   Strategic Issue

SPSS   Statistical Package for Social Sciences

SWOT   Strengths, Weakness, Opportunities and Threats

TSC   Teachers Service Commission

LIST OF FIGURES

Page

LIST OF TABLES

TABLE OF CONTENT

CHAPTER ONE: INTRODUCTION

CHAPTER TWO: LITERATURE REVIEW

CHAPTER THREE: RESEARCH METHODOLOGY

CHAPTER FOUR: **DATA   ANALYSIS, FINDINGS   AND DISCUSSIONS**

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic management process suggests that one of the critical determinants of a firm's strategies is the threats and opportunities in its competitive environment. If a firm understands these threats and opportunities, (read strategic issues), it is a step closer to being able to choose and implement a 'good strategy'; that is, a strategy that leads to competitive advantage. This activity of identifying and responding to the needs of a firm is what has come to be referred to as Strategic Management.

A Strategy gives a company an identity and or a personality. Mbogo (2007) emphasizes that the multiplicity of definitions of strategy suggests that, it is a multidimensional concept. No one definition is satisfactory to capture explicitly all the dimensions of a strategy. In some ways these definitions compete in the sense that they can substitute each other. As a result of this multidimensional perspective of strategy, each organization is expected to identify its needs and then formulate ways of responding to them (Mintzberg, 1987).

Pearce and Robinson, (2005) defined strategic management as formulation, implementation, control and evaluation of strategies to achieve future objectives. It involves a situational analysis of the environment in which an organization finds itself.

Porter, (1985) observes that, for a firm to be able to retain competitive advantage, they need to examine their environment, both internal and external and respond accordingly. Abdullahi (2000) argued that, if a firm wants to remain vibrant and successful in the long run, it must make important assessment of the environment. Muturi (2003) affirms that, it is through Strategic Management, that a firm will be able to position and relate itself to the environment to ensure its continued success and also secure itself from surprises brought about by the changing environment.

1.1.1 Strategic Issue Management Concept (SIM)

One of the tools that managers can apply to systematically complete the external analysis as part of strategic management process is SIM. Ansoff and McDonnell (1990) points out that, the success' of every organization are determined by the match between its strategy responsiveness and strategic responsiveness and how these are matched to level environmental turbulence. This is so because each level of turbulence has different characteristics, requires different strategies, and requires different firms' capabilities. Similarly Wheeler (1995) states that there must be a strategy fit between the environment and what the firm has to offer, as well as between what the firm need and what the environment can provide. Hence, it becomes of great importance to quickly adjust and formulate strategies so as not to be overtaken by events.

Complex and turbulent environment, Kashero (2008) argues, they can be desirable, but since many businesses are uncertain about how to cope with such situation, it makes sense to identify ways to handle such environments. These ways can be identified through engaging in strategic diagnosis of each particular situation through the use of strategic issue management practice in the strategic decision making process to formulate real time strategic responses.

Strategic diagnosis refers to systematic approach to determine the changes that have to be made to an organization's strategy and internal capability in order to assure the organization's success in future. This is because the environment is not static but highly dynamic and continually presents opportunities and challenges (Migunde, 2003). An organization that is capable of harnessing and consolidating the SIM process, turns the whole organization into a learning organization, where a learning organization means, one that has developed the continuous capacity to adapt and change (Maina, 2008).

1.1.2 Secondary School Education in Kenya

The educational system in Kenya prior to independence was under the colonial government and missionaries. Reading was introduced to spread Christianity and practical subjects meant to prepare the indigenous African communities for blue and

technical jobs were emphasized. With the expansion and penetration of colonial administration and missionaries into the country, more mission schools were established and by 1910, 35 mission schools had been founded.

The colonial education system was based on a model of segregation, this saw the establishment of separate educational systems for Europeans, Asians and Africans, a factor that perpetuated inequalities in accessing education more so for the African population (Karega & Bujra, 2009). Hence, Africans criticized the system and started independent African schools movements. By 1952, there were about 400 independent schools (Eshiwani, 1993). These are the predecessors of private schools in Kenya.

After independence in 1963, the African post-independent government sought to rectify the anomalies created by the colonial education structure through increasing opportunities for the Kenyan African population. The belief that education hold the key in promoting social and economic progress played an important role in the growth and spread of education in Kenya mainly as a means of providing qualified persons for the growing economic and administrative institutions left behind by the colonial government (Court & Ghai, 1974 cited in Karega & Bujra, 2009).

With these policy objectives in place, the post- independent government has worked diligently towards the expansion of education and training opportunities for its citizenry. The secondary section targets 14-17 years of age which lasts for 4 years leading to the KCSE. In the last two decades, the Kenya government has reviewed the education system by incorporating emerging issues which also improves quality of education. For example, changing from 7-4-2-3 curriculum to the 8-4-4 curriculum has made education more adaptive to goals of national development. Another reform in education is free day secondary education in 2008, which led to increase in enrolment in public secondary schools, hence being a major environmental change within the education industry at this level which private schools need to respond to.

These changes resulted from recommendations of several commissions founded to address the challenges facing the education sector and to seek out a more responsive educational system; these included the Kamunge report of 1988 which recommended establishment of private learning schools to supplement government efforts.

3

Secondary education is the third level in main stream education system after Early Childhood Development and Education (ECDE) and primary levels. Performance in the Kenya certificate of secondary education(KCSE) after the four year course is used for selection into university and other tertiary institutions and creating the country's human resource base at level higher than primary education (kihato, 2008)

Secondary schools in Kenya fall into three categories - government funded, harambee and private. Government funded schools are divided into national, provincial and district levels. Harambee schools do not receive full funding from the government and private schools are run by private organizations or individuals.   The heralding of the 'knowledge society' due to rapid economic and technologically developing society characteristic of a globalizing world, means that education will continue to play a central role in the production of individuals who are equipped with the intellectual capacities needed for national and regional advancement (Mama A., 2003 cited in Karega & Bujra, 2009).

The school curriculum and its implementation in the face of the 21st century environment require adequate reassessment, the reason why it is critical to establish the strategic issues that need to be considered in order to create a fit between the system and the environment. Since independence, Secondary education has faced challenges which must be responded to through SIM to fit to the endlessly changing environmental conditions.

1.1.3 The Private Secondary Schools in Mombasa District
There are 14 M.O.E registered private secondary schools in Mombasa District by June 2011 as shown by DEO records (refer to Appendix 3). A school is the functional unit of the education system. It is a processing device through which the education system meets the aspiration of the society. A school is, in economic terms, an industry which transforms a given quality input into required outputs. All schools in a given country or nation can be considered as a group of industries whose functions have a summation effect on the output of the education system.

According to Okwachi (1997) statistical returns, there were 3004 secondary schools in the whole country. They were categorized in three groups: namely; Maintained schools which are government boarding as well as day schools for both boys and girls which are fully maintained; Secondly the assisted schools consisting of schools initially started through Harambee by the local communities in various parts of the country particularly after independence; Thirdly, unaided private schools which are privately established by entrepreneurs whose main objective is to make profit out of fees paid by pupils **(**Eshiwani,1993**)**. The private secondary schools include both boarding and day schools (Roach, 2002).

Entrepreneurs own most of the private schools whose main objective is to offer access in education in order to supplement the government's efforts in increasing access at this level although at an expensive level (Kihato, 2008).

Secondary schools do not have clearly defined customers like other business sectors. Their customers include students, employers, communities, religious organizations, NGOs, and development partners (Kimemia, 2006). From 2008, the government introduced the free day secondary education which has become a major competitor of private secondary schools. A strategic issue management approach is needed to prepare the private secondary schools to face this challenge now than before creating urgency for this research.

This research proposal dedicates itself to the boys, girls and or mixed boarding and or day unaided private secondary schools in Mombasa District. In order to perform its role effectively, a school and by implication the education system, must be able to afford a foresighted educational leadership which is based on sound management principles and techniques such as the SIM. A number of commissions have been formed to carry out studies in the area of strategic management in public secondary schools (MOE Task Force, 2001); but none has focused its attention on SIM practices and the factors that influences them in private secondary schools in Mombasa District.

1.2 Statement of the Research Problem

For an organization to survive in today's ever changing environment, it must maintain a strategic fit with both internal and external environments. This fit is the one created by the strategic planning within organizations resulting from appropriate application of SIM. The external environment determines an organization's opportunities and threats at any given time in the life cycle of an industry. The forces in the external environment are so dynamic and interactive that the impact of any single element cannot be wholly disassociated from the impact of other elements. Except in rare instances, it is virtually impossible for any single firm to anticipate the consequences of a change in the environment. Despite the uncertainty and dynamic nature of the business environment, an assessment process that narrows, even if it does not precisely define, future expectation is of substantial value to strategic managers. The strategic issue management practices comes in handy to enable managers respond strategically to issues emerging with an aim of gaining unequalled competitive advantage over the competitors when used as a tool for environmental diagnosis.

Dutton and Ottensmeyer (1987) said that, issues are classified as strategic because, they can alter the business performance if left unnoticed or unaddressed. All organizations regardless of the nature of their business are always in constant interaction with the environment. The organization depends on the environment for their survival. This means that they operate in an open system. At the very basic level of this interaction is that they derive their inputs from the environment and give their output to the environment (Porter, 1985; Ansoff & McDonnell, 1990; Thompson & Strickland, 1998; Johnson & Scholes 2005). Private secondary school is also assumed to be facing environmental issues which they ought to strategically respond to in order to create cordial relationship with the environment. Proactive responses will require appropriate environmental diagnosis tool which can identify strategic issues (SI) with maximum precision hence making strategic issue management (SIM) practice to come in handy. The driving force behind this assumption is the fact that many research works carried out in strategic management practice in organization have not been apple to explicitly link the role SIM practice in preparing the organizations in enhancing proactive response to strategic issues, especially so in the various sectors of the education industry therefore creating a knowledge gape that requires to be filled. It

is this quest for knowledge that precipitates the carrying out of out of this vital research, focusing on private secondary education sector which has been regarded as important in the enhancement of the realization of Kenya's vision 2030(Kenya vision 2030, 2007).

Mombasa District is an ideal sample to be used in this research due to its cosmopolitan nature as well as having private secondary schools institutions where some of them have branches in most of the major towns in the country. It is also the cradle of western education in Kenya since the first school was established in 1846 at Rabai, near Mombasa (Eshiwani, 1993).

No previous research study on SIM practices has however been done targeting a specific level of the education sector either public or private in the entire education industry hence making this research study long overdue, Many scholars, who have researched on strategic issue management in organizations, have given a low deal to matters relating to secondary schools especially the private ones. A number of researches in secondary school sector have shown link between management practices and the performance of groups such as Eshiwani (1983), Sifuna (1988), Aosa (1992), and Bell (1992). The researches that have tried to come closer to matters of strategic management in secondary schools are those by Mwihaki (2005); who looked at the school management practices and candidates performance in K.C.S.E., Kimemia (2006), on strategic planning in secondary school but not linking it with SIM and Maikuri (2008) who surveyed on response strategies adopted by provincial secondary schools in Nairobi to respond to student unrest.

 The study seeks to establish how strategic issue management is applied in private secondary schools and what factors influence SIM application in these schools in Mombasa District of Mombasa County.

1.3 Objectives of the Study

The objectives of the study are,

    i) To establish the application of strategic issue management, in the private secondary schools in Mombasa District.

    ii) To establish the factors that influence application of SIM in private secondary schools in Mombasa District.

1.4 Importance of the Study

The study is expected to be of value to various stakeholders in the secondary education. Among them is the school(s) management as it will be a source of information and reference material on strategic formulation process which can enable them formulate sound achievable visions, missions, and values.

To the policy makers, the government through the relevant ministry, SAGAs as well as the T.S.C and its agents. It will provide them with pertinent information on policy formulation to enable the sector record further growth and create synergy with the stakeholders.

For the new entrants in the sector it will create awareness on the importance of strategic issue management as an essential tool in industry analysis not to mention the issues themselves.

To scholars, the research will be fundamental in creating a starting point for further research in the other levels in the education sector such as ECDE, primary schools, public secondary schools, tertiary colleges and Universities on SIM practices.

CHAPTER TWO

LITERATURE REVIEW

2.1 The Organization and the Environment

Strategic management in an organization facilitates for working towards the same goals thus ensuring the organization's efforts does not get disoriented to the forces emanating from both internal and external environments. An organization's internal environment has to do with things that are within the organization's ability to control such as staff, systems, structures, corporate culture, processes, facilities, strategy and products. External environment includes political, economic, social, technological, ecological, and political-Legal factors (Pearce & Robinson, 2005). The factors in the external environment that influence a firm can be illustrated as follows;

```
┌──────────────┐                              ┌──────────────┐
│ Technological │                              │ Demographic  │
│ Changes       │                              │ Treads       │
└──────────────┘                              └──────────────┘

┌──────────────┐           ╭──────╮           ┌──────────────┐
│ Specific      │          │ FIRM │           │ Social Cultural│
│ International  │          ╰──────╯           │ Treads        │
│ Events        │                              └──────────────┘
└──────────────┘

┌──────────────┐                              ┌──────────────┐
│ Legal Political│                             │ Economic     │
│ Conditions    │                              │ Climate      │
└──────────────┘                              └──────────────┘
```
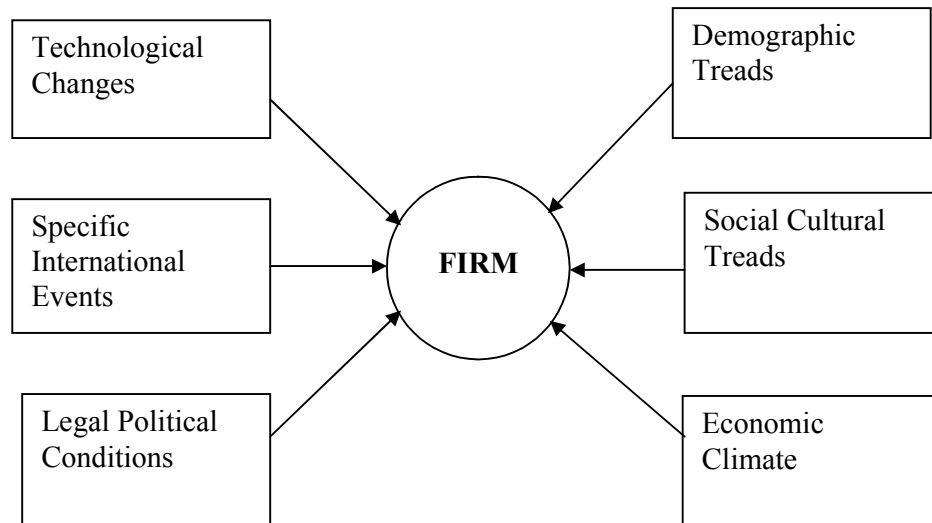
Figure 1: General External Environment Facing Firms

Adapted from: Hesterly & Barney, (2008). pp.33

As argued by Pearce and Robinson, Jr. (1991) defining industry boundaries requires both caution and imagination. Economic theory defines an industry as' a group of firms producing the same principal product' or more broadly, a group of firms producing products that are close substitutes for each other' (Rutherford, 1995). Caution is necessary because there are no precise rules for this task and because a poor definition will lead to poor planning. Imagination is necessary because industries are dynamic. In every industry, important changes are under way in such key factors

as competition, technology, and customer demand. They further argue that industry boundaries' definition is incomplete without an understanding of its structural attributes. Structural attributes are enduring characteristics that give an industry its distinctive character.

2.2 Organizational Response to Environmental Changes

Forces at work in the external environment are described as dynamic by Kotler & Armstrong (1999). Aosa (1992) noted that environmental changes brought challenges to the organization. Porter (1985) sees the connection of external environment and organization as an input–through put-output process, where inputs are received from the environment and released back into the same environment after being processed by the organization.

Porter (1991) argues that the environment is important in providing initial insights that underpins competitive advantage, the inputs needed to act on it; accumulated knowledge, skills overtime and the forces needed to keep processing. For an organization to survive in today's ever changing environment, it must maintain a strategic fit with both internal and external environments.

This fit is the one created by the strategic planning within organizations resulting from appropriate application of SIM. The harmony between environment and the organization creates the strategy (Sababu, 2007).The external environment determines an organization's opportunities and threats at any given time in the life cycle of an industry.

The forces in the external environment are so dynamic and interactive that the impact of any single element cannot be wholly disassociated from the impact of other elements. Except in rare instances, it is virtually impossible for any single firm to anticipate the consequences of a change in the environment. Despite the uncertainty and dynamic nature of the business environment, an assessment process that narrows, even if it does not precisely define, future expectation is of substantial value to strategic managers.

2.3 Industry Environmental Analysis

A firm's external environment consists of three interrelated sets of factors that play a principal role in determining the opportunities, threats and constraints that the firm faces.

They include; firstly the remote environment, comprising of factors originating beyond and usually irrespective of, any single firm's operating situation; economic, social, political, technological, and ecological factors. Second is the industry environment, which includes entry barriers, competitors' rivalry, the availability of substitutes, the bargaining power of buyers and suppliers. Lastly is the operating environment, which involves those factors that influence firm's immediate competitive situation, competitive position, customers' profiles, suppliers, and creditors.

Environment (E1) ⟶ E2

Environmental change

Real time

Strategy (S1) ⟶ S2

Strategy transformation

response

⟶ C2

Internal capacity (C1)   Capacity transformation
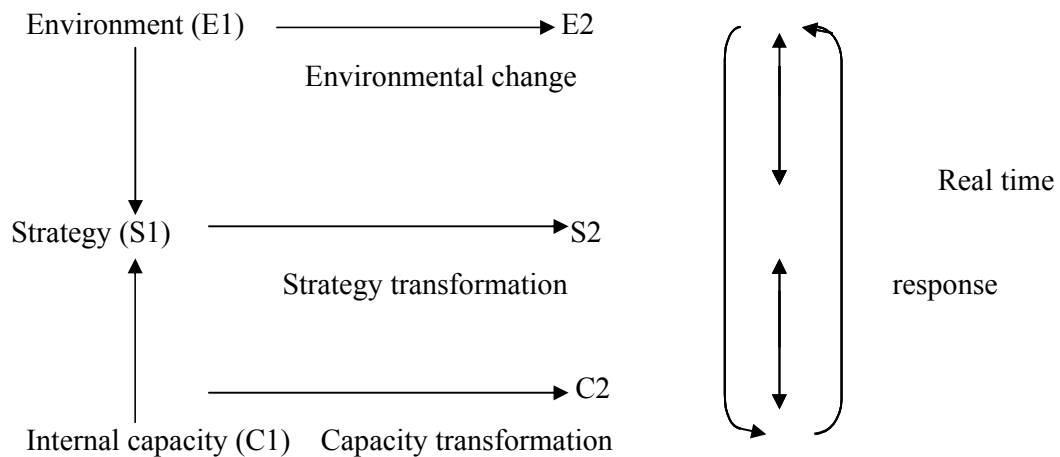
Figure 2: Firm's Environmental Dependence Model

Source: Ansoff, et al., (1990); Implanting Strategic Management; pp.17

Ansoff (1999) has presented a conceptual model that indicates environmental dependence of a firm. As indicated in figure 2 above, when there is environmental shift from E1 to E2, then firm's strategy has to be changed from S1 to S2 in order to adapt to the changed environmental conditions. It will be noted that this is possible only when firm's capability is changed from C1 to C2.

Hence, the management is bound to employ management processes that they feel will position it optimally in its competitive environment by maximizing the anticipation of environmental changes and of unexpected internal and competitive demands. Drucker (1974) says the prime task of strategic management, is thinking through the overall

mission of a business i.e. of asking the question "what is our business?" This leads to setting of objectives, the development of strategies, and the making of today's decision for tomorrow's results.SIM becomes imperative in the internal and external analysis stage which is of great value to strategic analysis and choice of decisions and actions.. It is therefore necessary to apply Porter's five forces framework to analyze the external environment.

```
                    ┌──────────────┐
                    │  Threat of   │
                    │  potential   │
                    │  Entrants    │
                    └──────┬───────┘
                           │
                           ▼
┌──────────────┐      ╭─────────╮      ┌──────────────┐
│  Bargaining  │      │ Competit│      │  Bargaining  │
│  power of    │─────▶│   ors   │◀─────│  power of    │
│  suppliers   │      │  rivalry│      │  customers   │
└──────────────┘      ╰────▲────╯      └──────────────┘
                           │
                    ┌──────┴───────┐
                    │  Threat of   │
                    │  substitutes │
                    └──────────────┘
```
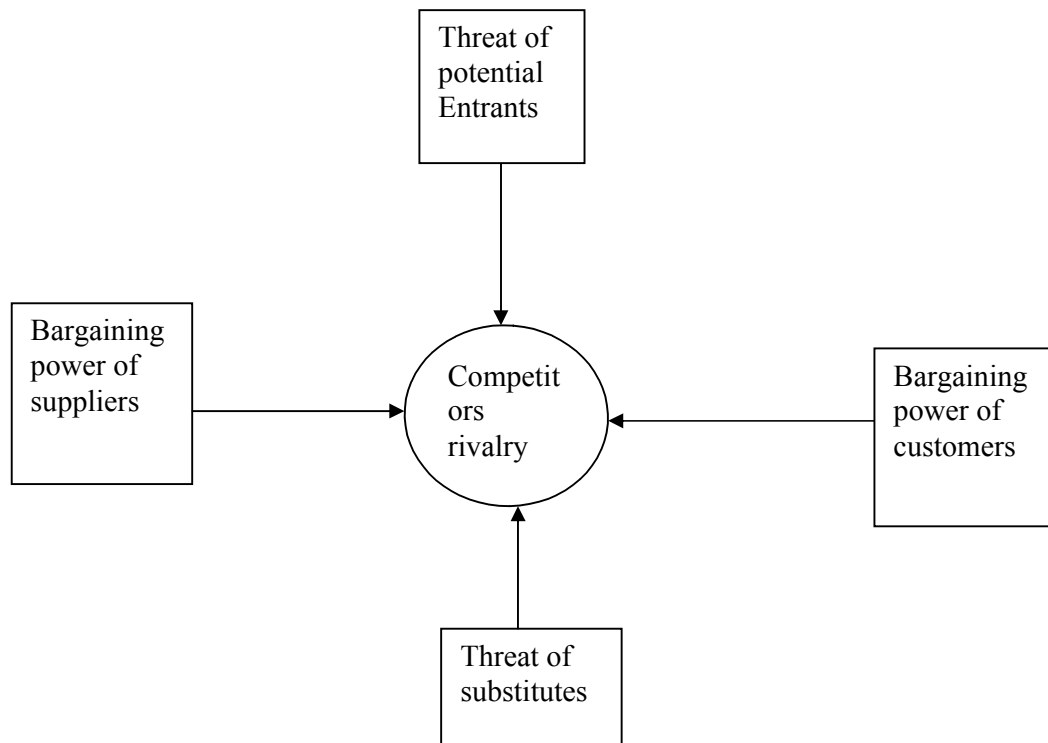
Figure 3: Illustration of Porter's 5-Forces Framework

Adapted from: Michael E. Porter, 'How competitive forces shape strategy,' HBR; march-April 1979.

The strategic management process is therefore based on the belief that, organizations should continually monitor internal and external events and trends so that timely changes can be made as needed. Waterman (1987) remarked that, in today's business environment, more than in any proceeding era, the only constant is change.

Successful organizations effectively manage change, continuously adapting their bureaucracies, strategies, systems, products, and cultures to survive the shocks and prosper from the forces that decimate the competition

Environmental analysis allows an organization to be more proactive than reactive in shaping its own future; it allows an organization to imitate and influence (rather than just respond to) activities - and thus to exert control over its own destiny. Langley (1988) however, emphasizes that research studies indicate that the process, rather than the decision or document is the more important contribution of strategic management. In short, strategic management does not provide a ready to use prescription for success; it takes the organization through a journey and offers a frame work for addressing questions and solving problems.

2.4 Strategic Issue Management Approach

The concept of strategic issue first appeared during the evolution of strategic planning.

Strategic issue analysis is a major component of the responsibilities of management that is focused and determined to venture into the future as a relevant organization. Hence strategic issues analysis should be part of the strategic management process and not only during planning. By strategic issue, we are again referring to a forthcoming development in the environment that is likely to impact on organization ability to achieve its objectives.

The beauty with responding to strategic issues is that periodic planning systems are not necessarily disrupted. Bigelow, Fahey and Mahon (1993), defines issues as development that will have an impact on the business performance and ability to meet its objectives. Wartick & Mahon (1994) sees issue management as a process by which a business can identify, evaluate and respond to social and political issues which may impact significantly upon it Ansoff, (1980) defines a strategic issue as, "…a forthcoming development, either inside or outside the organization, which is likely to have an important impact on the ability of the enterprise to meet it objectives". Post (1983) defines it as …………a gap ….between what the organization's relevant publics expects its performance to be and the organization's actual performance".

King, (1982) described strategic issue as a condition or pressure on the business that involves, possible outcome that is important to, or of possible high impact on the business overall performance. It is likely that reasonable people may take different position concerning the impact of the issue, and strategic consequences in those various possible outcomes, implied by the issue, would prescribe that different strategies be implemented. Hence, this concept was development as a result of appreciating that periodic planning systems are not able to perceive and respond to threats and opportunities in a turbulent / chaotic environment.

 In turbulent environments, the ability to continuously innovate and rapidly identify new developments (predicting change patterns) is essential. Such abilities cannot be formulated into policies or directives. Rather innovation and foresight represent organizational capabilities embedded in links across individual capabilities and processes, which can detect uncertainties, initiate organizational awareness, formulate appropriate responses and implement them. Timely response is critical to avoid adverse effects or missed opportunities.

 Organizations remain competitive when they support and implement continuous and transformational change. The cost of none response to these environmental changes are so enormous that no organization would risk as they lead to lost accumulative profits and high cost of reversing the loss. This situation therefore underscores the reason why strategic management process will always rely on strategic issue analysis to formulate strategies at all levels in an organization. This is why Mintzberg Lampel, Quinn and Ghoshel (1999),   said that the organizations' strategic orientation must be in sync with its environment through deliberate strategic issue analysis, which results to strategic planning.

Strategic planning assumes the future is not expected to be resemblance of the past hence cannot be extrapolated. This fact therefore, underscores the need for continuous strategic diagnosis. To respond to environmental pressures, many organizations face a situation where they either change or die. Those that are able to anticipate, adapt to, and execute change successfully experience increased long- term viability (Cumming & Worley, 2005, Pfeffer, 2005). This result from zeroing on the strategic issues an

organization faces and enabling the management to compile what Arthur, Strickland iii and Gamble (2007) calls

"A worry list of problems and roadblocks, to create a strategic agenda of problems that merit prompt managerial attention. The purpose of the worry list is to identify the specific issues /problems that management need to address not figure out what specific actions to take. The "worry list" is always centered on such concerns as", how to---," "what to do about…".and whether to…." Deciding what to do" – which strategic action to take and which strategic moves to make come later."

Mungai (2008) emphasizes that pinpointing the precise things that management needs to worry about sets the agenda for deciding what actions to take next to improve the organizations performance and business outlook. This can easily be realized through appropriate application of strategic issue management approach.

2.5 SIM Analytical Techniques

According to Ansoff and McDonnell (1990) four different SIM practices can be identified which have been referred to as SIM analytical techniques (These techniques are more or less graduated modification of one from the other).The first one is the use of a simple environmental impact Analysis, which analyses one event/trend at a time and does not concern itself with their interdependence. Threats/opportunities and future strengths' and weakness can be identified from continuous surveillance of three sources (external environment trends, internal capability trend and performance trends). The continuous surveillance ensures identification of sudden, fast, and potential supriseful changes.

The second one is a more complex technique called cross – impact analysis, which can be added in order to estimate the likelihood of simultaneous occurrence of several events/trends. This analysis produces clusters of events/trends, which are likely to impact together on the firm, and facilitates identification s and preparedness of probable future disaster scenarios or opportunity scenarios.

The above two approaches may be complemented by SWOT Matrix. SWOT identifies the threats and opportunities posed by each issue and match them to historical

strength & weaknesses of the firm. Opportunities which can be captured using the firm relevant strength are given high priorities, opportunities which require capabilities which are weak in the firm are not pursued (Mkamunduli, 2005). Threats which can be avoided using the firm's strengths are vigorously avoided; capabilities which are too weak for response to serious threats are built up and converted into strengths. The underlying assumption in the SWOT analysis is that the historical strengths and weaknesses will remain there in the future.

The third technique is a more elaborate one referred to as the issue ranking approach. It involves a continuous environmental surveillance through trend analyses (external environment, internal capabilities, and internal performance) and SWOT identification. Impact and urgency of the trends are estimated and presented as key strategic issue to top management at frequent meetings and whenever a new major threat or opportunity is perceived. Then together with planning staff, top management sort issues into one of the four categories.

Highly urgent issues of far reaching effect which require immediate action (i.e. urgent issues); moderately urgent issues of far reaching effects which can be resolved during the next planning cycle (i.e. postphonable issues); Non – urgent issues of far reaching effect which require continuous monitoring (i.e. delay able issues); issues that are "False alarm", and can be dropped from further consideration (i.e. minor issues).

The urgent issues are assigned for study and resolution either to existing organization units, or to special task forces. The resolution of issues is monitored by top management both for strategic and tactical implications. The list of issues and their priorities is kept up to date through periodic review by top management.

The fourth techniques which was first developed and first used by a French consulting firm named Eurequip and is referred to as "adding the Eurquip Matrix" to the issue ranking approach above. In this case, the impact and urgency of issues are done after synergy analysis. Both positive and or negative synergy evaluation is done for the issue's impact and issue's urgency. A positive synergy occurs when strengths and or weaknesses are applicable to responding to threats and opportunities. A

negative synergy occurs when neither strengths nor weaknesses help deal with threats and opportunities.

The SIM techniques discussed above as asserted by Linneman & Kennell (1997) assists in developing a list of key variables that have make – or – break consequences for the firm. Some of these variables may have been crucial in the past, and others may be expected to have future importance. As put by Clark (1987) assessment of such considerations leads to selection of a combination of quantitative and qualitative variables which enhance the certainty level. Stromp (1986) recommends that these with little impact and low probabilities should be deleted.

2.6 Organizing for Strategic Issues

The origin of the concept traced by Ali M.(2008) from the works of Howard Chase**,** the person accredited with coining the phrase "Issue Management", when he developed the first issue management process model in 1977 together with Teresa Yancey Crane, the founder of the issue management council. Howard Chase demonstrated using the model that a system approach could apply to the strategic management issues. He identified five primary steps in the model namely; Issue identification, Issue analysis, Issue change strategy option, Issue action program, and Evaluation of results. According to Ansoff and McDonnell (1990) strategic Issue Management appeared during the evolution of strategic planning when it became evident that it would not be practical for strategies to be revised annually.

Oomens and Bosco (1999) using a strategic perspective, suggests that there are three ways of organizing issues; corporate level, functional level and process oriented level. The 3 forms differ regarding a number of characteristics. The location and the focus of the analysis influence the decision making on strategic issue. If the analysis is made at the corporate level and the focus is on the corporate issues, the decision making tend to be centralized. If the location and the focus of the analysis are at the business and operating company level, this produces a more decentralized decision making process. So the 3 organization approaches imply a low, medium, and highly organization wide involvement as shown by the Table 1 below

Table 1: Organizing For SIM

Characteristics	Corporate Level	Functional Level	Process Oriented
Location of analysis	Corporate staff	Functional departments	Business unit and operating companies
Focus of analysis	Corporate issues	Functional area issue	Corporate business and location-issues
Decision making	Centralized	Largely centralized	Decentralized
Extent of organization-wide involvement	Low	Medium	High

Source: Partly based on Lenz & Engledow, (1986)

As soon as an important strategic issue has been identified, they should be 'allocated' to a particular person in staff or in line management, who will be responsible for monitoring and managing it. According to Oomens and Bosco (1999), there is general consensus in the literature that senior managers should be made responsible for important strategic issues and that staff members should play a supporting, advising and co-ordination role. There is also consensus that issue management should be part of strategic decision making processes, that is, formal planning and appraisal session, and that top management commitment to issue management is crucial.

According to Ansoff (1990) there are factors that may influence SIM practices. These factors include top managements response behavior towards diagnosing perceived trends. The urgency for real time counter measures to be undertaken to arrest perceived losses or to exploit a perceived opportunity may be determined by the management response at/or before/or after the rational trigger point. Ansoff also asserts that the uses of weak signal may determine effectiveness of the SIM Responses. Other factors include company size, organization structure, ownership and

control, industry competition, culture, Technology, innovation, changing environment, performance, results infrastructure, etc. (Ng'ang'a, 2001)

2.7 Conclusions

The literature review discussed above reveals that the concept of strategy is Multi dimensional and environmental dependent. The environment itself is dynamic and discontinuous and therefore real time strategic management is necessary to enhance organizational preparedness in meeting novel turbulent challenges. For real time SIM to be effective, organizations need to empower their managers in making critical decisions so that it can become a strategically thinking organization. However, it has been noted that there are both environmental and internal issues, which may hinder effective execution of real time SIM. Hence installation of SIM in organization usually meets resistance from the impacted group. In the implementation stage, the strategy itself may be changed so that expected results may not be attainable. In the highly competence, technologically driven environment, scarce resource may hinder the installation of SIM

As a result of the uncertainties posed by the future, managers require to be creative and innovative, the reason why Strebel (2000) and Collins (2001) stresses that sustainable change can be achieved if every step of the strategic management process leads to learning which engages and energizes action. This is especially necessary because strategic management is characterized by looking out, looking in, and looking ahead. Where 'looking out' means exploring beyond the boundaries of your organization to set feasible objectives identifying key stakeholders and building constituencies for change which in this research proposal we are referring as strategic management which begins with strategic diagnosis or situational analysis done using SIM approach. 'Looking in,' implies critically assessing and strengthening the systems and structures for managing personnel and other essential resources which in this research proposal is referred to as strategic issues, while 'looking ahead,' entails melding the strategy with structures and resources to reach the goals while monitoring the progress and adjusting the approaches as needed.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Research Designs

The research Designs for this study was a descriptive census survey. Mugenda (1999) states that a survey is an attempt to collect data from members of a population, in order to determine the current status of that variable. It will include surveys and fact finding enquiries on strategic issues. The major purpose of descriptive research design is to give a description of the state of affairs as they exist at present (Kothari, 2003).

Survey research is therefore a self report study which requires the collection of quantifiable information from the sample. Census survey is crucial because it allows the collection of large amount of data from a sizeable population in a highly economical way. It is also effective in using a questionnaire administered to a sample or structured interviews where the former will be employed in this research project. In addition, the survey approach is seen as authoritative by people in general and is both comparatively easy to explain and to understand (Saunders, Lewis and Thornhill 2007).

3.2 Study Population

The population in this study was all the private secondary schools within Mombasa District in Mombasa County. Using a sample frame of a list provided by District Education Office, Mombasa, (2005-2010) registered schools collaborated by official Kenya education directory (2009) and this being a census survey, all schools were surveyed. There were 14 private schools registered by MOE, a list of which is attached as Appendix 3.
.

3.3 Data Collection, Techniques and Procedures

The structured questionnaires were used in data collection. It is a structured questionnaire with both closed ended and open ended questions to collect primary data. The drop and pick approach was used to deliver and receive the data capturing instrument. The distribution of the questionnaires was done physically since all the schools were accessible and are within Mombasa metropolis. The respondents were

left with the questionnaires to fill and those who needed guidance were guided at the time of distribution. The researcher assisted by a research assistant distributed one questionnaire per school targeting the manager and/or the principal or whoever was in charge of day to day running of the school. The distributed questionnaires were collected after five working days and telephone contact of the researcher was provided for any clarifications.

The questionnaire had 2 parts; the first part labeled part I, gave the school's profile. The second part labeled part II consisted of guided questions based on the key dependent variables which the interviewee was expected to answer and all the questions were focusing on the objectives of the research project.

3.4 Data Analysis and Presentation

This usually involves reducing accumulate data to a manageable size, developing summaries, looking for patterns and applying statistical techniques. The findings have been interpreted in light of the research questions to determine if the results are consistent with the objectives. To achieve objective analysis, the researcher kept the procedure as simple as it can, since the complexity in analyzing data is not an indication of its quality. The responses received from the respondents have been analyzed using descriptive statistics where possible.

The data collected have been represented using tables and figures. Descriptive statistical measures such as percentages and frequencies have been used to analyze the closed ended question.

The data collected have been edited for accuracy, consistency, uniformity, and completeness and the result have been presented in tables and or pie charts. Content analysis have also been used to analyze the open ended questions, because as Njanja (2002) states, such questions are used because they give respondents a wide room to express themselves, giving a researcher a way of probing to generate more inform.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSIONS.

4.1 Overview

The research objectives were to establish the factors that influence SIM practices and the application of SIM practices in the private secondary schools in Mombasa District. This chapter presents the analysis and findings with regard to the objectives and discussions of the same.

The research Designs employed in this research is a descriptive survey. The research data collection approach used was structured questionnaires, with both closed ended and open ended questions, to collect primary data, a sample which is attached to this report as appendix 2. The Statistical Package for Social Sciences (SPSS) has been used to carry out the data Analysis. The findings are presented in percentages frequency distributions and pie charts.

4.2 Profile of school studied

The profile intends to define the school and bring out the schools' image within the market niche it is operating in. The research intended to get the organizations profile i.e. the schools unique characteristics which distinguishes itself from the rest of the schools operating in the same market. The type of school that is, mixed or single sex school, the years in operation since registration, the curriculum offered; whether 8-4-4 or others, and whether there is strategic management approaches employed during situational analysis, are the elements used to define the profile. The reason for considering these key elements of a school profile is because they are privately owned. The management which was targeted to offer this information was the principal or the representative and was only authorized to disclose information on those areas.

4.2.1 The curriculum, composition and years in operation of the schools

The Kenyan secondary education system allows establishment of different types of schools such as single sex and mixed sex schools, not to forget day and boarding

schools. They also offer assorted curriculums such as British, 7-4-3 and the 8-4-4 systems. The findings indicated that all the schools studied were mixed i.e. having both boys and girls and all offered 8-4-4 curriculum. The results for years in operation were as follows;

Table 2: Years in Operation

Years in operation	f	%
More than 10 years	6	66.7%
Between 5 and 10 years	2	22.2%
Less than 5 years	1	11.1%
TOTAL	9	100%

Source: Research Data

The analysis indicated that 66.7% have been in operation for over 10 years. These findings indicate that the schools are an ideal target for the research, since they have been in operation for a reasonable period of time hence the results can be of value to the players in the industry i.e. the government and its agencies, new entrants and the scholars. The findings show that 88.9% of the schools have a strategic plan while 11.10% do not have a strategic plan. These results show that schools plan in advance to enable them face and respond to both internal and external issues. Also this is a clear indication of the application of SIM in private secondary schools in Mombasa as one of the tools used in strategic management.

4.2.2 The size

The size of the school denotes the market share occupied by the private secondary schools in the entire market of the secondary school education sector of education industry in Mombasa district. It was important to establish the size of the schools under study since it was deduced that the size can to a large extent, affect strategic issue management practices. The size of the schools studied was classified according to the number of branches a school has in the year 2010. This was because the total equity and number of shares were not readily available, again because the target

respondents were not equipped with this information which is a preserve of the owners.

It was found that majority of the respondents (66.70%) said they have other branches/affiliate schools while 33.30% said they do not have any other branch. This indicates that private schools occupy's quite a substantial share of the education industry market and can not be taken for granted. Hence, the findings of this research can be of value to schools in other parts of the country not only in Mombasa district.

4.3 The Business Environment

Any business firm operates in a unique environment that influences the activities of the firm. The firm must be able to respond to the impact of these influences in order for it to continue surviving. Hence, it is important for every business firm to carry out a situational analysis to access the factors that can have adverse effects on its performance.

The analysis in this section aims at giving an insight on the factors that influences Strategic Issue Management practices in the private secondary schools in Mombasa District.

4.3.1 Response to External factors that influence schools activities

No business entity has control over the external environment in which it operates. As a result, the business is expected to respond to the external factors by adapting itself through creating a fit between its activities and the environmental factors. It therefore call for agents of change within a firm to continuously review the firm's strategies to keep them aligned to the mission and vision of the firm or rather review the mission and or the vision to keep them in tandem with the changes manifested by the environment. The researcher embarked on identifying how often the schools review their missions and visions. The findings were as follows;

Table 3: Reviewing of Mission and Vision of the Schools

Period	f	%
Quarterly	2	22.2%
Half yearly	0	0%
Yearly	5	55.6%
Never	2	22.2%
TOTAL	9	100

Source: Research Data

The finding of the research indicates that the private secondary schools in Mombasa district have been carrying a situational analysis to gauge the environmental turbulence. They have been using Strategic Issue Management practices as a tool to match the strategy responsiveness and strategic responsiveness to the level of environmental turbulence. This is indicated by 77.8% of the respondents who quarterly and annually review the realization of the visions and missions of the schools, at 22.2% and 55.6% respectively, none half-yearly and only 22.2% who never continually try to create a strategy fit between what the school has to offer, what the school need and what the environment can provide.

Similarly, 33.3% of the respondents highly practice strategic issue management while the rest 66.7% partially practice. This implies that SIM has been partially applied in the private secondary schools in Mombasa.

4.3.2 Perception of the Environmental Turbulence

A business entity that is focused and willing to survive the impact of the environment need to be concerned with the level of environmental turbulence. This is importantly so, in order for the appropriate responses to be crafted to give the business a competitive edge over the environmental impact. Hence, firms need to carry out the analysis to evaluate the factors in the environment that it needs to respond to. A firm that fails to carry out the analysis may be caught unaware and therefore, be negatively affected by the impact. The researcher identified the external environmental trends,

internal business and capabilities issues and the performance trends as the factors to be considered during the research.

The respondents were to give their independent opinion on greatest source of strategic issue affecting the schools operations both in the short term and long term in a 4 point Likert scale. The range was 'Not affecting (1)' to 'Most affecting' (4). The findings were as follows;

Table 4: Source of Strategic Issue Affecting the Schools Operations

Source of impact	f/%	Most affecting	Affecting	Least affecting	Not affecting	N/%
External environmental trends	f	4	3	2	0	9
	%	55.5	22.2	22.2	0	100%
Internal business and Capability issues	f	3	3	2	1	9
	%	33.3	33.3	22.2	11.1	100%
performance trends	f	4	4	1	0	9
	%	44.4	44.4	11.1	0	100%
Others (specify)	f	0	0	0	0	0

Source: Research Data

The respondents agreed that all the factors identified affect the school's operations both in long and short-term. External environment trends and performance trends were the factors which majority of the respondents claims to be the greatest source of strategic issues affecting school's operations, at over 55.5% and 44.4% respectively, followed by internal business and capability issues (33.3%) as the factors which are not mostly affecting schools' is critical in SIM practices.

4.4 Analysis of Strategic Issue Management Practices

As a result of the uncertainties posed by the future, managers require to be creative and innovative, the reason why Strebel (2000) and Collins (2001) stresses that sustainable change can be achieved if every step of the strategic management process

leads to learning which engages and energizes action. To be able to get the SIM practices carried out by the private secondary schools in Mombasa district, the researcher identified the opinion of professional consultants, need of students and parents, opinion of teachers and other staff, opinion of the management, core competence of the school, distinctive competence of the school, past experience, bench marking and ministry's policy as the key factors which could influence SIM practices. The respondents were supposed to rate them in a scale of 1-3 based on; not important, just important and most important respectively and the findings were as follows;

Table 5: Influence Rate of Factors Considered in Environmental Diagnosis

Scale	f	%
Most important	6	66.7%
Less important	2	22.2%
Just important	1	11.1%
TOTAL	9	100%

Source: Research Data

They were considered most important by the majority of the respondents (66.7%), less important by 22.2% and just important by 11.1% of the rest of the respondents. This implies that strategic management issues are influenced by all the above factors (88.9%) and therefore should be integratively evaluated during environmental diagnosis

Figure 4: Influence Rate of Factors Considered In Environmental Diagnosis
 SOURCE: Research Data

4.4.1 Commitment to strategic issues.

It is important for the business firms to be continuously on the lookout for the level of environmental turbulence since it is never static. The environment has continued to pose new threats and opportunities which the firms need to be always cautious if it has to remain vibrant and relevant. The research wanted to establish from the respondents whether the schools remained pre-occupied throughout the year with checking strategic issues affecting their daily operations. It was realized that 66.7% have their school pre-occupied throughout the year with checking the issues affecting the school's daily operations, while the rest 33.3% never check critical issues. This implies that the private schools are very concerned with strategic issues emanating from the environment.

4.4.2 Techniques used to Analyze Strategic Issues.

The analytical techniques refers to the methods employed to determine the strategic issue posed by the environment whose impact need to be responded to by the business, to create a strategic fit. The terms Techniques or Approaches were used interchangeably to denote the same thing in analyzing the strategic issues. The majority of the respondents use SWOT technique or approach to analyze urgent critical strategic matters (55.6%), followed by the 22.2% of the respondents who used the strategic issue management or strategic diagnosis for the analysis of strategic issues, 11.1% used the decision making theory and the rest 11.1% used bench marking approach. This implies that majority of the private schools in Mombasa, critically review strategic issues applying different approaches or techniques, therefore showing application of SIM practices in these schools.

4.4.3 Real time response to Strategic Issues

The timeliness of the response to strategic issues depends mostly on urgency of the issue. The cost of none response to the environmental issues is so enormous that no business firm would risk, because they may lead to lost accumulative profits and or high cost of reversing the loss. Timely response is therefore critical to avoid adverse effects or missed opportunities. The findings of the research were as follows;

Table 6: Prioritization of Issues

ACTION	f	%
Urgent & immediate action	4	44.4
Urgent & continuous monitoring	2	22.2
Not urgent, can be postponed	3	33.3
No impact	0	0
N/%	9	100

SOURCE: Research Data

The respondents unanimously agreed that the factors are identified and prioritized according to their perceived impact on the activities of the school. Urgent and immediate action was the one which majority of the respondents put a lot of emphasizes on at 44.4% followed by not urgent and can be postponed at 33.3% then urgent and requires continuous monitoring at 22.2% and finally no impact at 0% was rated as the action which is never assumed by the private schools. This suggests that the schools identify issues and respond according to the nature of the urgency of the problem and impact, therefore clearly indicating the application of strategic issue management practice.

4.4.4 Empowerment of Staff to Handle Strategic Issues

The fact that the environment in which business operates are not static but highly dynamic and continuously present new opportunities and challenges, requires the agents of change, in this case the staff, to be empowered to be able to identify and respond to the SI. Therefore, the empowerment of staff leads to organizational learning or make the firm become a learning organization, meaning one that has developed the continuous capacity to adapt to change.

Table 7: Staff Empowerment to Handle Strategic Issues

Staff empowerment	f	%
Through training	5	55.5
environmental diagnosis and suggesting solutions	4	44.4
Excluded in environmental diagnosis	0	0
Respond to crisis as they occur	0	0
others	0	0
N/%	9	99.9

SOURCE: Research Data

According to the data collected, 55.5% of the respondents say that the staff is empowered to handle strategic issue through training while the rest, 44.4% is through involvement in environment diagnosis and suggesting solutions. This shows that there is commitment to SIM practices as indicated by findings in 4.4.1 above that indicates schools as being preoccupied with strategic issues affecting them throughout the year hence the need for empowerment of staff.

4.4.5 Management Alertness to SIM Practices

Complex and turbulent environment can be desirable, but since many businesses are uncertain about how to cope with such situations, it makes sense to identify ways to handle such environments. It is therefore prudent for every firm to engage in strategic diagnosis of the environment to determine which strategic issues being posed by the environment are of value to the growth and general progress of the school. The respondents were to give their independent opinion on who is bestowed with the responsibility of identifying strategic issues in a five point Likert scale. The range was 'Not responsible (1)' to 'most responsible' (5).These included, the students and the parents, School management, the teaching staff and manager, H.O.Ds and managers, finally the subject teachers, H.O.D's and non-teaching staff.

The respondents agreed that apart from the students and parents, all the other stakeholders are bestowed with the responsibility of identifying the strategic issue affecting the school. School management was the one with majority of the respondents claiming to bear the greatest responsibility at over 55.5%, then the teaching staff and manager at again over 55.5%, followed by managers and H.O.Ds at over 44.4%, followed by managers, subject teachers, H.O.D's and non-teaching staff whom respondents indicated that they are moderately responsible at over 33.3% and finally students and parents were rated as the one who are not responsible for identifying the strategic issues in the school at over 77.8%. This shows that the students and parents who are critical stakeholders are rarely consulted in identifying the strategic issues, the reason why internal business and capability issues are rated as least influential at below 33.3% in the findings in 4.3.2 above These findings indicate a situation where the schools alertness to SIM is greatly influenced by the likelihood of poor organizational structure of dealing with SI.

4.4.6 Analysis of the Factors Influencing Real Time SI Practices

All factors emanating from the external environment will have an impact on the activities of the business entity. However, some have adverse effects than others and therefore special attention need be given to them in order to mitigate their impact on the business performance. Among the factors the researcher identified as having unequivocal influence to the activities of the schools are; Government directives and legislation, change of school syllabus and increased competition. Also the rate at which the schools' external environment changes in the last four years was investigated in order to evaluate the stability of their operating environments. The selection of these factors was guided by the fact that the schools do not have control over them and becomes best index to rate the ability of the schools to apply SIM in responding to their impact.

4.4.6.1 The Government Directives and Legislations

One of the many external factors that influences business activities are the political–legal factors which most of the times manifest themselves in form of Government directives and legislations. Business entities have no option but align themselves to

comply with their demands. The research findings indicated that, 44.4% of the respondents who had a strategic plan agree that Government directives and legislation had an impact on their schools, while 44.4% of them think that government directives and legislations have a minor impact on their school. Therefore, a total of 88.8% agree that Government directives and legislations had an impact on the activities of their schools in one way or the other. The rest of the respondents (11.1%) think that Government directives and legislations do not have any impact on their schools. This indicates that Government directives and legislations influence the application of SIM practices in private secondary schools.

4.4.6.2 Schools Views on Change of Syllabus

The fact that schools do not have any role to play in determining the content of the curriculum they offer in the schools syllabus, but rather have to depend on the government SAGAs bestowed with the responsibility of formulating the syllabus such Kenya Institute Of Education, leaves the schools with little or no option in making of choices. Hence, they are expected to comply and therefore have to align their activities to the government's syllabus demand. The findings of the research were;

Table 8: Change of Syllabus

Level of impact	Frequency	percent	Cumulative %
Major impact	5	55.6	55.6
Minor impact	3	33.3	88.9
No impact	1	11.1	100.0
Total	9	100.0	

SOURCE: Data Collected

The table above reflects that, 55.6% of the respondents who have a strategic plan agree that change of syllabus have had an impact on their schools while, 33.3% of them think that change of syllabus have a minor impact on their school and the rest of the respondents (11.1%) think that change in syllabus do not have any impact on their

schools. The findings shows that change of syllabus at 88.9% influence the application of SIM in private secondary schools.

4.4.6.3 Schools' Views on Increased Competition

The major reason why firms engage in strategic management is to create an edge over its competitors. The private secondary schools in Mombasa are not an exceptional case and therefore are expected to be monitoring keenly the activities of the competitions. The purpose is to respond to any would be effect of their activities to the business performance of the school in question. The research findings were

Table 9: Views on Increased Competition

Impact	f	%	%
Major impact	7	77.80	77.80
Minor impact	1	11.1	88.9
No impact	1	11.1	100
TOTAL	9	100	

SOURCE: Research data

The results indicated that 77.80% of the respondents, agree that increased competition have had an impact on their schools while 11.1% of them said that, increased competition had a minor impact on their school and the rest of the respondents (11.1%) said that increased competition did not have any impact on their schools. Hence, increased competition becomes a major factor that influences the SIM practices in these schools at 88.9%.
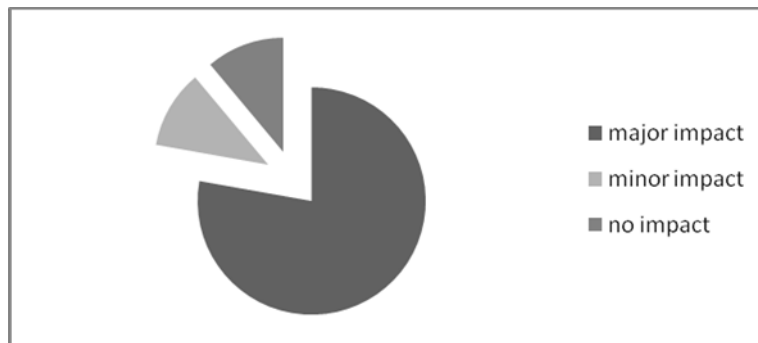
Figure 5: Views on Increased Competition

SOURCE: Research Data

4.4.6.4 Level of Stability of the External Environment

The reasons why firms engage in strategic management are to enhance crafting of strategies which will make them survive the onslaughts of their competitors. They therefore need to continuously monitor the external environment lest they be overtaken by events. Environments that are frequently posing instabilities are more risky to ignore than those that are relatively stable. However no firm can afford to wait hoping that the environment will remain stable rather they will continuously engage in situational diagnosis to avert any negative impact or take advantage of any opportunity presented.

Figure 6: Level of Stability of the External Environment

Source: Data Collected

The findings on the changes in school's external environment within the previous 4 years showed that 77.8% of the respondents had a relatively stable change in the external environment, and 22.2% said they had constantly changing external environment. This implies that the rate of change of strategic objectives is low due to stability of the external environment; hence it is a minimal factor to influence SIM practices.

4.4.7 Satisfaction in undertaking SIM

The fact that it is virtually impossible for any single firm to anticipate the consequences of a change in the environment, strategic managers need to be enthuthiastic in carrying out precise assessment of strategic issues posed by the environment. This makes it vital for the diagnosis process to be satisfactory if the required results are to be obtained. Hence, the success of every firm is determined by

the match between its strategy responsiveness and strategic responsiveness and how these are matched to the level of environmental turbulence. The issue of satisfaction in undertaking SIM in the school was evaluated by use of a Likert scale for analyzing strategic issue objectives based on 1-not applicable 5-to a very great extent.

4.4.7.1 Recording of objectives in the last 4 years

There is need to continuously review the firms' objectives in order to keep them aligned with the changes posed by the environment to assure the firm success in the future. For this purpose the researcher wanted to find out whether the school had recorded strategic issue objectives for the last 4 years to gauge how often the schools forecast the objectives

to suit the anticipated environmental changes. The results of the research showed that 55.6% of the respondents had recorded, while 44.4% said that they had not recorded. This implies that the schools premeditate on the expected environmental impact through application of SIM practices in the private schools in Mombasa. The external environment in which these schools operate is relatively stable (77.8%) as indicated by finding in 4.4.6.3; objectives of the institutions are minimally affected hence rarely changed.

4.4.7.2 Changing Of Objectives

The external environment in which these schools operate is relatively stable (77.8%) as indicated by finding in 4.4.6.4; hence preventing the schools from frequently changing or reviewing the objectives. This is indicated by the fact that only33.3% of the schools embarked on changing objectives while majority of the respondents (66.7%) had not had their objectives change for the last two years. This Again indicates that the stability in the external environment hinders frequency of change in objectives.

The respondents also responded to the issue of the extent in which the following statements were applicable to their school in relation to application of SIM Practices.

Table 10: Satisfaction in Undertaking SIM in the School

STATEMENT		Not applicable	Less extent	Moderate extent	Great extent	Very great extent	N / %
Real time response of issues through SIM	f	0	0	1	3	5	9
	%	0	0	11.1	33.3	55.5	100
Whether SIM is a motivating activity to undertake	f	0	0	2	3	4	9
	%	0	0	22.2	33.3	44.4	100
Management understands how critical it is to address strategic issues	f	0	0	1	3	5	9
	%	0	0	11.1	33.3	55.5	100
Whether there is adequate resources to handle SI	f	0	0	3	4	2	9
	%	0	0	33.3	44.4	22.2	100
Whether there is inadequate resources to handle SI	f	0	1	1	3	4	9
	%	0	11.1	11.1	33.3	44.4	100
Whether the importance of SIM is Clear to everyone in the school	f	0	0	5	3	1	9
	%	0	0	55.5	33.3	11.1	100
Whether top management Allocate ample time to Strategic Issues	f	0	0	2	2	5	9
	%	0	0	22.2	22.2	55.5	100
Whether there is existence of a SIM committee	f	1	5	3	0	0	9
	%	11.1	55.5	33.3	0	0	100
Whether SIM is incorporated on the school's annual plan	f	0	0	1	3	5	9
	%	0	0	11.1	33.3	55.5	100
Whether there is Dissemination of strategic information to the staff	f	0	0	3	2	4	9
	%	0	0	33.3	22.2	44.4	100
Whether the school does non-coordinated SIM practices	f	0	2	1	2	4	9
	%	0	22.2	11.1	22.2	44.4	100

Source: Research Data

The findings above show that to greater extend the respondents agree that SIM have a place in the private school and offer real time responses to issues at over 55.5%. It is also a motivating activity to undertake as indicated by over 44.4% of the respondents.

Generally most of the private school values SIM in one way or another given that to a moderate extent its importance is clear to everyone in the school (55.5%), the fact that it is being allocated ample time by top management (over 55.5%) and that there is a clear channel to disseminate the strategic issues to the staff (over 44.4%). To a moderate extent, resources required to handle SIM are inadequate (over 22.2%), school do not undertake coordinate SIM practices(over 44.4%), SIM is incorporated in their annual plans(over 55.5%) and that the schools does not undertake coordinated SIM practices (over 44.4%). This implies that the schools practice SIM unconsciously.

4.4.7.4 Perception of Schools on the Importance of SIM

After engaging in strategic diagnosis of the environment, business firms need to adopt approaches that can respond appropriately to the environmental demands. One of the many approaches strategic manager can use is SIM. This is an important strategic management tool which systematically completes the external environment analysis which involves the quick adjustment and formulation of strategies to enable the firm position and align itself to the environment to ensure its continued success. The firm is also able to secure itself from surprises brought about by the ever changing environment. Therefore the researcher embarked on finding out whether SIM was important to the progress of the schools. The results were that 55.6% of the respondents consider SIM to a very greater extent; an important tool to use in mitigating some or all of the challenges or opportunities posed by the environment that affect the overall performance and to a great extent was 44.4%.This indicates that it is worth investing in the project. In other words, SIM practice is a valued exercise in majority of the private schools and that is the reasons why they continue to practice it.

4.5 Discussions of Findings

Strategic planning assumes the future is not expected to be resemblance of the past hence cannot be extrapolated. This fact therefore, underscores the need for continuous strategic diagnosis. To respond to environmental pressures, many organizations face a situation where they either change or die. Those that are able to anticipate, adapt to, and execute change successfully experience increased long- term viability (Cumming & Worley 2005, Pfeffer 2005). SIM becomes imperative in the internal and external

analysis stage which is of great value to strategic analysis and choice of decisions and actions. This section discusses the summary of the findings of the research to link them to the previous facts embedded in the strategic management literature and other previous researches.

4.5.1 The Interdependence of the Firm and the Environment

As explained by Porter (1985) the connection of external environment and organization is an input–through put-output process, where inputs are received from the environment and released back into the same environment after being processed by the organization. Strategic issue analysis therefore becomes a major component of the responsibilities of management that is focused and determined to have relevant venture into the firm's future. Hence strategic issues analysis should be part of the strategic management process and not only during planning. Strategic issue is any forthcoming development in the environment that is likely to impact on organization ability to achieve its objectives.

In turbulent environments, the ability to continuously innovate and rapidly identify new developments (predicting change patterns) is essential. Such abilities cannot be formulated into policies or directives. Rather innovation and foresight represent organizational capabilities, embedded in links across individual capabilities and processes, which can detect uncertainties, initiate organizational awareness, formulate appropriate responses and implement them. Timely response is critical to avoid adverse effects or missed opportunities. According to the analysis of the findings of this research, 88.9% of the schools have a strategic plan while 11.10% do not have a strategic plan. 77.8% of the respondents quarterly and annually review the realization of the visions and missions of the schools, at 22.2% and 55.6% respectively and only 22.2% who never review. This result proofs the fact that no firm can afford to ignore developments originating from the environment which has to be predicted before their occurrence if the firm has to remain proactive and safeguard itself from any surprises from the environment.

The findings on the changes in school's external environment within the previous 4 years shows that 77.8% of the respondents have relatively stable changes in the

external environment, 22.2% said they have constantly changing external environment. It was also realized that 66.7% have their school pre-occupied throughout the year with checking the issues affecting the school's daily operations, while the rest 33.3% never check critical issues. These results indicate that even if a firm is operating in a stable environment, it cannot neglect situational diagnosis of the environment it is operating in lest it embrace the risks associated with reactive tendencies. The firm has to keep itself informed of any issues that may arise from the environment and get ready with a response.

Other researches done on other firms having demonstrated that business entities have always had symbiotic relationships with the environment they operate in. Like Porter (1991) he argued that the environment is important in providing initial insights that underpins competitive advantage, the inputs needed to act on it; accumulated knowledge, skills overtime and the forces needed to keep processing. Others are like Mwihaki (2005); who looked at the school management practices and candidates performance in K.C.S.E., Kimemia (2006), on strategic planning in secondary school but not linking it with SIM and Maikuri (2008) who surveyed on response strategies adopted by provincial secondary schools in Nairobi to respond to student unrest, also underscored the fact that any business entity needs to keep monitoring environment in order to keep itself informed of any issue(s) that may affect its objectives with an aim of sanctioning appropriate response for the benefit of the firm.

For an organization to survive in today's ever changing environment, it must maintain a strategic fit with both internal and external environments. The perception of the schools on the importance of SIM was that 55.6% of the respondents consider SIM to a greater extent an important tool to use in the mitigation of some or all of the challenges or opportunities posed by the environment. Therefore, engaging in strategic diagnosis of each particular situation through the use of strategic issue management practice(SIM) in the strategic decision making process to formulate real time strategic responses cannot be overemphasized.

CHAPTER FIVE
SUMMARY, CONCLUSION AND
RECOMMENDATIONS

5.1: Introduction

The activity of identifying and responding to the needs of an organization is what has come to be referred to as a strategic Management. The process of strategic management uses various tools, techniques and approaches one of them being strategic issue management (SIM) especially to carry out a situational analysis or environmental diagnosis. Porter (1985) observed that, for an organization to be able to retain competitive advantage, they need to examine their environment, both internal and external; and respond accordingly. The schools have applied SIM as a tool to carry out the environmental diagnosis in order to identify SI that can create a competitive edge over the other competitors in order to survive in the market.

5.2 Summary of Findings

This section aims at highlighting the analyzed results of the research to give an overview of the results in relation to the objectives of the research. Therefore; according to the analysis 88.9% of the schools have a strategic plan while 11.10% do not have a strategic plan. It was found that majority of the respondents (66.70%) said they have other branches/affiliate schools while 33.30% said they do not have any other branch.

77.8% of the respondents quarterly and annually review the realization of the visions and missions of the schools, at 22.2% and 55.6% respectively and only 22.2% who never review. Similarly, 33.3% of the respondents highly practice strategic issue management while the rest 66.7% partially practiced.

The findings on the changes in school's external environment within the previous 4 years showed that 77.8% of the respondents had a relatively stable change in the external environment, and 22.2% said they had constantly changing external environment.

The research findings indicated that, 44.4% of the respondents who had a strategic plan agree that Government directives and legislation had an impact on their schools, while 44.4% of them think that government directives and legislations have a minor impact on their school. Therefore, a total of 88.8% agree that Government directives and legislations had an impact on the activities of their schools in one way or the other. The rest of the respondents (11.1%) think that Government directives and legislations do not have any impact on their schools.

The opinion of professional consultants, need of students and parents, opinion of teachers and other staff, opinion of the management, core competence of the school, distinctive competence of the school, past experience, bench marking and ministry's policy were the key factors which could influence SIM practices. They were considered most important by the majority of the respondents (66.7%), less important by 22.2% and just important by 11.1% of the rest of the respondents.

The findings on the changes in school's external environment within the previous 4 years shows that 77.8% of the respondents have relatively stable changes in the external environment, 22.2% said they have constantly changing external environment.
It was realized that 66.7% have their school pre-occupied throughout the year with checking the issues affecting the school's daily operations, while the rest 33.3% never check critical issues.

The perception of the schools on the importance of SIM was that 55.6% of the respondents consider SIM to a greater extent an important tool to use in the mitigation of some or all of the challenges or opportunities posed by the environment.

5.3 Conclusions

All environments in which business is established are complex and turbulent. Hence, appropriate use of techniques or approaches that can give a diagnostic analysis that is closer to reality is crucial such as the use of SIM. This is because as put by Migunde (2003) the environment is not static but highly dynamic and continually presents opportunities and challenges.

It is evident that ,organizations that are capable of harnessing and consolidating the SIM process make analysis that are viable which can be very useful in the strategic positioning of any organization. Hence, every business management must appreciate the fact that complexity of business environment will continue to pose a major managerial challenge and therefore appropriate technique to evaluate the environment like SIM comes in handy in mitigating this challenge.

The organizations need to monitor continuously strategic issues throughout the year. Therefore organizations need to establish autonomous but highly networked department to specifically deal with strategic issues to be proactive and not reactive if they have to survive in the market.

5.4 Challenges and Recommendations

This section reviews the challenges as well as the recommendations arising from this research exercise. The research exercise was carried out successfully on the face of challenges encountered.

5.4.1 Challenges

Limitation of giving detailed information from the schools management especially on open ended questions when collecting primary data was a major hiccup in the filling of questionnaires. A few schools refused to cooperate as they deemed the information being collected private and confidential and can prejudice the reputations of the school when it get to the public domain even with assurance that the data being collected was purely for an academic mission and confidentiality will be respected. Hence, out of 14 Questionnaires dropped 5 were never collected due to mistrust from some of the respondents.

The exercise proved expensive and hence lack of adequate funds to meet research assistants travel and maintenance costs hampered the smooth running of the exercise, though the financial constraints did not seem to have any impact on the validity of the results.

Time limitation was also identified as another minor factor that affected the speedy conclusion of the research exercise but again its impact did not affect the validity of the results as the exercise was finished within the scheduled time limit.

5.4.2 Recommendations

The respondents agreed that all the stakeholders are bestowed with the responsibility of identifying the strategic issue of the school. School management was the one with majority of the respondents claim to bear the greatest responsibility, then the teaching staff & management, the managers and H.O.Ds while the students and parents were rated as the one who are not mostly responsible for identifying the strategic issues in the school. This shows that the students and parents who are critical stakeholders are rarely consulted in identifying the strategic issues. The schools should make an effort of engaging more the parents and the students in situational analysis since they will greatly bear the burden of poor diagnosis.

Schools should fully embrace the practice of strategic management especially SIM in scrutinizing the environmental influences with a view of preparing how to respond to challenges and opportunities emanating from both internal and external environment and not only partially practice it, if they have to sustain their competitiveness in the market.

To the new entrants in the business, the research will assist them to understand how to conduct a situational analysis, know the issues to grumble with before embarking on full scale business and also create awareness on the importance of strategic issue management as an essential tool in industry analysis.

There is still room for further research on what strategic issue management practices and what factors affects them in other sectors of the education industry such as early childhood development and education (ECDE),The primary levels, the tertiary level and universities, both private and public

REFERENCES

Abdullahi, O.S. (2005). *Strategic Responses Adopted by Kenya Insurance Companies*;
    Unpublished MBA Project, School of Business, Nairobi University.

Ali, M. A. (2008). *SIM practices by Commercial Banks in Kenya;*
    Unpublished MBA Project, School of Business, Nairobi University

Ansoff, J. (1980). Strategic Issue Management;
    Strategic Management journal 1:131- 8

Ansoff, I. H., & MacDonnell, E.J. (1990). *Implanting Strategic Management* (2nd ed.)
    New York, Prentice Hall, Commissioner of Insurance Report 2000, P.3-10

Ansoff, I.,(2010). Strategy Safari: *Guide Tour through the Wilds of Strategic
    Management*; *Http://Www.Amazon.Com* Accessed In June 2011.

Aosa, E. (1992). *An Empirical Investigation of Aspects of Strategy Formulation and
    Implementation within Large Private Manufacturing Firms in Kenya,*
    University of Nairobi**;** Nairobi, Kenya, Unpublished PhD Thesis.

Arthur, T., Strickland III, A.J. and Gamble J. (2007). *Crafting & Executing Strategy*.
    The   Quest for Competitive Advantage, Concepts & Cases; (15th edition),
    McGraw – Hill Irwin

Bell, L. (1992). *Managing Teams in Secondary Schools*. London, Rout ledge

Beulah, M.R. (1978). *Education in Kenya,* Heinemann, Nairobi

Bigelow, B., Fahey, L. & Mahon, J. (1993). A Typology of issue evolution;
    Business andSociety, 32 Pp.18 – 29.

Campbell, R., Corbally, J. & Waystuand (1983). *Modulation to Educational
    Administration,* Boston Ally and Bacon

Clark, R.S. (1987). "The strategic planner's Toolbox", *C.A. Magazine*, July, PP. 24

Collins, J. (2001). *Good to Great: Why Some Companies Make the Leap ….
    And Others Don't,* New York: Harper Collins.

Drucker, P. (1974). Management: *Tasks, Responsibilities, and Practices*. New York.
    Harper & Row, PP. 611

Dutton, J.E., & Ottensmeyer, E. (1987). Strategic Issues Management Systems,
    Forms, Functions and Context, *Academy of Management Review*,
    Vol. 12 No 2 p355 – 365

Eshiwani, G. (1983). 'Factors Influencing Performance among Primary & Secondary
    School Pupils in Western Kenya.**'** *Nairobi Bureau of Education.*

Eshiwani, G.(1993). *Education in Kenya since Independence*;
  East African Educational Publishers.

Hesterly, W.S., & Barney, J.B. (2008). *Strategic Management and competitive
  Advantage:* concept and cases; Pearson prentice hall

Karega & Bujra (2009) Social policy, development and governance in Kenya: An
  Evaluation and profile of education in Kenya; research report, *Development policy
  Management forum* (DPMF), Nairobi, Kenya.

Kashero, F. M., (2008). *Strategic Responses to Change of Environment at LLOYD
  Masika.* Unpublished MBA Project Report, School of Business, Nairobi University

Kenya Educational Directorate (18th Edition) *A Comprehensive Guide to Educational
  Sector in Kenya;* Express Communication Ltd Group.

Kihato, W.W. (2008). *Analysis of the Relationship between Examinations
  Performance, Teacher Qualification and the Amount of Fee Paid Selected
  Secondary Schools in Nairobi*; Unpublished MBA Project,
  School of Business, Nairobi University

Kimemia, E.M. (2006). *Strategic Planning Practices In public Secondary Schools in
  Nairobi*; Unpublished MBA Project Report, School of Business, Nairobi University

King, W.R.(1982). Using Strategic Issues Analysis, *Long Range Planning 15(4) p45– 49*

Kothari, C.R. (2003). *"Research Methodology, Methods and Techniques,"* New Age
  International (P) ltd. New Delhi.

Langley, A. (1988). **"**The role of formal Strategic Planning" *Long Range Planning 21
  no. 3 (May – June) p. 40*

Lenneman, R.E., & Kennell, J.D. (1977). *Shirt-sleeve Approach to long Range Plans'*
  Harvard Business Review, March – April; Pp. 145.

Maikuri, B. J. (2008). *A Survey of the Response Strategies Adopted By Provincial
  Secondary Schools in Nairobi to Respond To Student Unrest*; Unpublished MBA
  Project School of Business, Nairobi University

Maina, K. (2008*). Professional Management; (June – August)*; Institute of Certified
  Public Secretaries of Kenya, SABA Communications. P. 27

Mbogo, K. P. (2007). *A Survey of Strategic Responses of Firms to Environmental
  Changes in Kenya: A Case of the City Council of Nairobi*. Unpublished,
  MBA Project report, University of Nairobi

Migunde, F.A. (2003). *Strategic Responses by the Kenya Broadcasting Corporation
  To Increased Competition.* Unpublished MBA Project. School of Business,

Nairobi University

Mintzberg, H., J Lampel J.B., Quinn, J.B. and Ghoshel S. (1999). *The Strategy Process*; 4th edition, Irwin

Mintzberg, H. (1987). *"The Strategy Concept 1; Five P's for Strategy"* California Management Review 30 (1)*,* fall

Mkamunduli, S. (2005). Strategic Issue Management In The Insurance Companies In Kenya**;** Unpublished MBA. Project report, School of Business, Nairobi University

Mugenda, O., & Mugenda, A.(1999*). Research methods; Quantitative and Qualitative Approaches;* Acts Press.

Mungai, M. J. (2008). *Application of Strategic Issue Management by Independent Oil Companies in Kenya;* Unpublished MBA project, School of Business, Nairobi University

Muturi, J.G. (2003). *Strategic Responses by Christian Churches in Kenya to Changes In the External Environment: A Case of Evangelical Churches in Nairobi.* Unpublished MBA project report, School of Business, Nairobi University

Mwihaki, J. K. (2005). *School Management practices & Candidates performance in Kenya companies quoted in Nairobi; Unpublished,* MBA Project Report, School of Business, Nairobi University

Ng'ang'a, P. (2001). *Real strategic Issue Management practices in Kenya's companies quoted in N.S.E.*, unpublished MBA project Report, School of Business, Nairobi University

Njanja, L. W. (2002). *A Strategic Management Practices in the Agricultural Sector of Kenya. The Case of Statutory Boards (Parastatals);* Unpublished MBA Project Paper, School of Business, Nairobi University

Okwachi, A. (1997). *Status of Education in Kenya: Indicators for Planning and Policy Formulation.* An IPRA Special Report December; Nairobi.

Oomens, M. J. H. & Bosco Van den F.A.J.(1999). *Strategic Issue Management in Major European-Based Companies.* Long Range planning 32 (1) 49 – 52

Pearce, J.A. & Robinson,R.B. (2005). *Strategic Management: Formulation, Implementation and Control. (9th Ed).* McGraw Hill

Pfeffer, J. (2005). *Producing sustainable competitive advantage through effective management of people;* academy of management executive, 19(4), 95

Porter, M. E.(1979). "*How Competitive forces Shape Strategy," Harvard Business Review 57, No.2 March- April pp. 137-145*

Porter, M.E. (1980). *Competitive Strategy;* The Free Press; New York

Porter, M. E. (1985). *Competitive Advantage: Creating and Sustaining Superior Performance;* Free press.

Porter, M.E. (1991). '*What Is Strategy? Harvard Business Review* Nov.-Dec. Pp 86-87

Post, E., & Mahon, J.F. (1983). *Managing public affairs; The public affairs functions*, *California Management Review 26 (1), p135 – 150.*

Roach, M.(2002). *Secondary education in Kenya; Kianda School Magazine.* Pp.3-4

Robert, Waterman Jr. (1987). *The Renewal Factor: How the Best Get and Keep the Competitive Edge*; New York: Bantam

Rutherford, D., (1995). *Rout ledge Dictionary of Economics, 2nd Edition* Rout ledge.

Sababu, B.M., (2007). *Strategic Management: The Analytical Approach.* Nairobi: Jomo Kenyatta Foundation.

Saunders, M., Lewis & Thornhill (2007). *Research Methods for Business Students;* Prentice Hall

Scholes, J. G., & Whittington, R.K. (2005*). Exploring Corporate Strategy.* London; Prentice Hall.

Sifuna, D.N. (1988). *A Study of School Dropouts in Girls High Schools*: *A Case Of Bungoma District In Kenya; Kenya Journal of Educational Research*

Strebel, P. (2000). *Focused Energy, (Ed);* Chi Chester Wiley.

Stromp, M. A. (1986). "*Questioning Assumptions, "One Company's Answer to the Planner's Nemesis" Planning Review, September PP.10 – 15*

The Kenya Vision 2030 (2007). *The Popular Version*; Government Printers, Nairobi

Thompson, A. & Strickland (1998). *Strategic Management Awareness and Change*; Chapman and Hall, London.

Wartick, S.L., & Mahon, J. L. (1994). *Towards a Substantive Definition of the Corporate Issue Construct; a Review and the Synthesis of Literature*: *Business and Society, (3), No. 3*, P. 293 – 311

Wheeler, T. L., & Hunger, J. D.(1995). *Strategic Management & Business Policy (5th Edition),* New York, Addison – Wesley publishing co.

APPENDIX 1

INTRODUCTION LETTER

WANJIKU N. GITHUA

D61/P/7994/2004

University of Nairobi

P.O BOX 11792-00100

DATE: 01/3/2011

Dear respondent;

RE: <u>REQUEST FOR RESEARCH DATA:</u>

I am a Master of Business Administration student at the University of Nairobi, carrying out a research project in partial fulfillment of the requirements of the degree. My research topic is **<u>Strategic Issue Management (SIM) Practices In Private Secondary Schools In Mombasa District-Kenya.</u>** The assessment program requires me to carry out a research project and I have identified your reputable school as one of the sources of the data required.

In this regard, I will appreciate if you could take some time within your busy schedule to fill the attached simple and guided questionnaire, which will assist me in gathering pertinent research data.

The information collected will be used solely for academic purpose and high level of confidentiality will be observed .A copy of the project report will be submitted to your school on request.

Thank you.

Yours faithfully,

Wanjiku N. Githua

Cc. Dr. Jackson Maalu

    University Supervisor.

    School Of Business,

    Department of Business Administration,

    University of Nairobi

APPENDIX 2

QUESTIONNAIRE

PART I: **SCHOOL PROFILE:**

1.   Name of School   …………………………………………...

2.   Year the school was established   ……………………………………………

3.   Which curriculum does the school follow?
    (a)   8 – 4 – 4
    (b)   7 – 4 – 2 – 3
    (c)   Others specify …………………………….

4.   Does the school have a strategic plan?   Yes   ☐   No   ☐

5   How old is the strategic plan?
    (a)   Less than 2 years   ☐
    (b)   2 years   ☐
    (c)   More than 2 years   ☐
    (d)   Five years   ☐
    (e)   None   ☐

6.   What is the school population?
    (a)   Boys   …………………

    (b)   Girls   …………………

    (c)   Teachers: Male …………..   Female   ……………

(d)   Non-Teaching Staff: Male   ……………….   Female   ………..

7.   For how many years has the school been in operation?

☐ More than 10   ☐ between 5 and 10   ☐ less than 5

8. Do the school have other branches or affiliates schools?   Yes ☐ No ☐

9. If yes, how many; within Mombasa District …………..   Outside Mombasa District

……………

PART II: STRATEGIC ISSUE MANAGEMENT PRACTICES(SIM)

SIM is a tool used in strategic management process of an organization to carry out a Strategic diagnosis of the environment where strategic diagnosis refers to systematic approach to determine the changes that have to be made to an organization's strategy and internal capability in order to assure the organization success in future.

(A) SCHOOL'S EXTERNAL ENVIRONMENT

10 From year 2002 to date, have the following had any impact on your school? (Tick appropriately)

LEVEL OF IMPACT

SOURCE OF IMPACT	MAJOR	MINOR	NONE
Government directives & legislations			
Changes in syllabus			
Increased competition			
Others(specify)			

11   How can you describe the changes in the external environment your school operates in within the last 4 years?

(i) Relatively stable   ☐

(ii) Constantly changing and therefore always surprising   ☐

(iii) Others (specify)

☐

12   Which is the greatest source of strategic issue affecting your school's operations both long term and short term?

(4 -most affecting   1 –not affecting)

Source of strategic issue	4	3	2	1
External environment treads				
Internal business and capability issues				
Performance treads				
Others(specify)				

(B) PRACTICE OF STRATEGIC ISSUE MANAGEMENT

13   How often are the levels of realization of the Vision and the Mission of the school reviewed?

      (a)   quarterly   ☐

      (b)   half-yearly   ☐

      (c)   Yearly   ☐

      (d)   Never   ☐

14   How do you rate the level of strategic issue Management practices in the school (please pick one only)

Highly practiced   ☐

Not practiced   ☐

Partially practiced   ☐

15   How do you rate the following influential factors before engaging in SIM in the school? (1 – Not important 5 – most important)

(a)   Opinion of professional consultants

1	2	3	4	5

(b)   Needs of students and parents

1	2	3	4	5

(c)   Opinion of teachers and other staff

1	2	3	4	5

(d)   Opinion of the management

1	2	3	4	5

(e)   Core competences of the school

1	2	3	4	5

(f)   Distinctive competences of the school

1	2	3	4	5

(g)   Past experiences

1	2	3	4	5

(h)   Bench marking

1	2	3	4	5

(i)   Ministry's policy

1	2	3	4	5

(j)   Others specify……………………………………………………………….

16   Is there a documented approach (policy) in the school on handling strategic issues?

Yes ☐   No ☐

17   Is your school continuously pre-occupied throughout the year with checking critical urgent issues, which may affect school's daily operations?

Yes ☐   ☐ No

18.   Which method/approach/technique do you use to analyze strategic critical urgent issues? (Label using 1, 2, 3 ….. in order of priority)

☐   SWOT (Strengths, Weakness, Opportunities, Threats)
☐   Decision making Theory
☐   Strategic issue Management (Strategic diagnosis)
☐   Balanced Scorecard
☐   Bench marking
☐   Others (specify)

…………………………………………….................

19.   Do you distinguish and thus prioritize issues as

(a)   Urgent and need immediate action.   Yes ☐   No ☐

52

(b)	Urgent but needs continuous monitoring	Yes ☐ No ☐
(c)	Not urgent and can be postponed	Yes ☐ No ☐
(d)	Of no impact	Yes ☐ No ☐
((e)	Other (specify)	………………………………………………………..

20. Has your school recorded strategic issue objectives for the last 4 years?

☐ Yes   ☐ No

16. Have the objectives been changed for the last two (2) years

☐ Yes   ☐ No

21. Who is bestowed with the responsibility of identifying the strategic issues?

(1   denotes;   Not responsible   5 – most responsible)

(a)   Students and parents

1	2	3	4	5

(b)   School Management

1	2	3	4	5

(c)   The teaching Staff & Manager

1	2	3	4	5

(d)   The Manager and H.O.Ds

1	2	3	4	5

(e)   The Manager, subjects teachers, the H.O.Ds
& Non-teaching staff

1	2	3	4	5

(f)   Other (specify)   ……………………………………………………

18.   How are the staff empowered to handle strategic issues (Tick appropriately)

☐   Through Training

☐   Involvement in environmental diagnosis and suggesting solutions.

☐   Excluded in environmental diagnosis

☐   Expected to respond to crisis when they arise

☐   Others (specify) ………………………………….

22   How can you rate the top management response to tackling strategic issues in the school?

☐   Very fast

☐   Fast

☐   Inconsistent

☐   Don't know anything about SIM

☐   Do nothing

☐   Others (specify) …………………………………..

23.   To what extent do the following statements apply to your school (Tick appropriately)
        (1 – Not applicable, 2 – To a less extent, 3 – To a moderate extent,
        4 – To a great extent, 5 – To a very great extent.

	1	2	3	4	5
(a) SIM has a place in our school and offers real time responses to issues					

	1	2	3	4	5
(b) SIM is a motivating activity to undertake					

(c)   .

(c)The Management understands how critical it is to address
Strategic issues

1	2	3	4	5

(d)   The resources required to handle SIM are inadequate.

1	2	3	4	5

(e)   The resources required to handle SIM are adequate.

1	2	3	4	5

(f)   The importance of SIM is clear to everyone in the school.

1	2	3	4	5

(g)   The SIM is allocated ample time by top Management.

1	2	3	4	5

(h)   There is a SIM Committee in our school.

1	2	3	4	5

(i)   SIM is incorporated in our annual plans.

1	2	3	4	5

(j)   Clear channel exist to disseminate strategic issues information
to staff.

1	2	3	4	5

(k)   School does not undertake coordinated SIM practices.

1	2	3	4	5

24.   To what extent do you consider SIM as important in mitigating some or all of the challenges
or opportunities posed by the environment that affect the overall performance hence a project
worth investing in. (Tick appropriately)

Not applicable   ☐

To a lesser extent   ☐

To a great extent   ☐

To a very great extent   ☐

Thank you very much.

APPENDIX 3

LIST OF PRIVATE SECONDARY SCHOOLS IN MOMBASA DISTRICT-JUNE
2011

S/N	NAME OF SCHOOL
1	AGA KHAN HIGH
2	AGA KHAN KENYAN ACADEMY
3	KILINDINI SECONDARY SCHOOL
4	MEMON HIGH
5	KUMBAR SECONDARY
6	ABU-HUREIRA ACADEMY
7	MOMBASA SECONDARY
8	MOMBASA BAPTIST HIGH
9	QUBAA ACADEMY
10	TUDOR ACADEMY
11	JAFFERY ACADEMY
12	COAST ACADEMY
13	BHADALA MUSLIM SCHOOL
14	BURHANIYA SECONDARY