STRATEGIC RESPONSES OF CHRISTIAN COMMUNITY SERVICES ORGANIZATIONS (CCS) IN KENYA TO CHANGES IN THEIR ENVIRONMENT

BY
KIMANI J. M.

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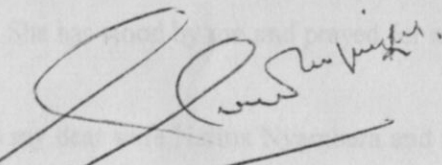Administration, School of Business, University of Nairobi

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DECLARATION

This research project is my original work and has not been submitted for a degree course in this or any other university.

Signed _____ Date 2 November 2006

John Muhoho Kimani
D61/P/7524/02

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

Signed _____ Date 2/11/2006

Dr Martin Ogutu
Lecturer
Department of Business Administration
University of Nairobi

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DEDICATION

To my dear mother Monica Wanjiku, a true woman of patience and foresight .Her virtues, encouragement, guidance, hard work ,diligence, dedication, honesty and wisdom imparted to me in my formative years have continued to guide me in life's journey She has stood by me and prayed for me.

Also to my dear wife Nelius Nyambura and my children, for their invaluable support and encouragement.

Finally, to all patriotic Kenyans who have forever persevered and craved for a better tomorrow. Your patience will one day be rewarded.

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ABSTRACT

This research was a census survey, which sought to find out the strategic responses of Christian Community Services (CCS) in Kenya to changes in their environment. The need for this study arose from the fact that Christian Community Services (CCS) plays a critical role in shaping the lives of Kenyan Communities by involvement in community development. The manner in which CCS responds to environmental changes is therefore of great interest to all the stakeholders. Organization's success or failure is to a large extent dependent on making the right strategic decisions- upon doing the right things rather than doing things right (Howe, 1986)

Economic recession, inflation, poverty, political instability, insecurity and uncertainty, HIV/AIDS, income inequality between the rich and the poor people. Computerization, the Internet and mobile telephone were identified as the major changes that had taken place in the country during the period. The study revealed that the CCS responded to these challenges by coming with appropriate strategies. Findings also reveal that the most popular strategy used by Christian Community Services in order to effectively respond to environmental changes are cost control, partnership, cooperation and networking.

The study also revealed that CCS had responded to these changes through such initiatives such as introduction of income generating activities, organizational restructuring, diversification, Investment in human resource development, formulation and implementation of strategic planning and computerization.

To respond more appropriately to environmental changes, the CCS will need to appreciate more on the environment they are operating in and appreciate more on how the environmental changes are affecting them and come up with strategies that will enable them to respond appropriately to those changes.

1.1 Background of the study

1.1.1 The Environment and Strategic Responses

All organizations exist as open systems. A system is considered an open system if it interacts with its environment. Organizations are therefore neither self-sufficient nor self-contained but are environment dependent. Ansoff and McDonnell (1990) state that environment serving organizations are in constant two-way interactions with the environment. They take in an assortment of resources from the environment and add value to them and deliver them back to the environment in the form of goods or services. They therefore affect or get affected by external conditions that are largely beyond their control. Therefore, to successfully position an organization in competitive situations its strategic managers must look beyond its operations.

According to Pearce and Robinson (2003) the modern executive must respond to the challenges posed by the firm's immediate and remote external environments. The remote external environment comprises factors that originate beyond any single firms operating environment and comprise Economic and Social conditions, Political factors and technological developments all of which must be anticipated, monitored, assessed and incorporated into the executives decision making. Environments thus present organizations with opportunities, threats and constraints.

In the last 20 years the world has experienced tremendous and unprecedented developments in literally all aspects of life. The end of cold war and subsequent fall of states, which were sympathetic to communism in Europe, were subsequently followed by the popularly called new world order where openness, transparency, accountability and renewed call for Human rights have dominated the agenda of many organizations.. Globalization and liberalization have opened up the economies and organizations to fierce competition. Adverse climatic conditions in most parts of Kenya, rapid population growth rate, low economic growth rates and unemployment have resulted in increased poverty, increased crime rate and reduced purchasing power of the population .New laws and regulations have been promulgated, existing ones amended. Information technology on the other hand has transformed the mode and speed of communications and business processes. On the social front the effects of globalization and information technology have enabled the masses to be sophisticated and

more demanding for their rights. HIV/AIDS has emerged as a major health issue (Government of Kenya Economic survey 2001and2004). In order to survive, Organizations should respond to these environmental developments appropriately, by coming up with a clear paradigm shift in the way organizations do their business.

1.1.2 Christian Community Services (CCS)

Christian community services (CCS) are Faith Based Non Governmental organizations. Faith means belief and trust in and loyalty to God (Merriam-Webster's collegiate Dictionary, 1993). Faith is the firm conviction arising from knowledge and conviction .It is obedience and submission to the will of God. Faith is being sure of what you hope for and certain of what you do not see.

Right from the time the church was founded in Kenya by overseas missionaries it did not ignore the development of the whole man: Spiritual, Physical, and Mental. Education institutions and medical/social services were founded wherever they went. The overall goal remained that of fighting poverty, ignorance through education, improvement of communal health and transformation of man .The involvement of the Anglican Church of Kenya (ACK), formerly known as the Church of the Province of Kenya (CPK), in community development goes back to the 19th century. In 1980's, Church leaders held consultation to consolidate their ideas and experiences as an expression of the mission of Gospel teachings. The Biblical justifications for the Church's involvement in community development is clearly articulated in the theology and philosophy of development document of the ACK published in 1983,which outlines the agreed mandate, approach and nature of the Church's role in participatory development. This forms an important foundation upon which all Regional Christian Community Services (RCCS) efforts are based. The basic pillars in this philosophy and theology is mainly founded on the precinct that development is an act of worship, this means good work and actions to fellow humanity and creation in order to glorify God. Full realization of each person's potential in life is key. It recognizes that each person has a role and purpose accompanied by certain responsibilities and rights, Stewardship of resources for sustainability and glory of God and Proclaiming salvation to the total person and hence addressing all needs-spiritual, physical, social, economic and intellectual through a holistic ministry.

This philosophy and theology was affected through the establishment of the Regional Christian Community Services (RCCS) as the development arm of ACK. The CCS implements program at national and regional levels and aims at impacting on poor at community level. The main program include:-Integrated Rural Development Programme with components on food security, Water Development, Preventive health care education, limited curative health care for human and livestock and environmental conservation; secondly, Capacity building programmers which aims at enhancing skills and knowledge to community members and programme staff on a wide range of topics, for example, participatory development approaches, gender, advocacy, leadership and community organization; thirdly are disaster reduction, preparedness and management which incorporates peace creation, conflict resolution and mediation plus emergency response, fourthly is the institutional/organizational capacity building, fifth is the HIV/AIDS awareness, Counseling and Home Based Care; sixth is the Governance and Democracy incorporating justice and human rights issues and Micro-enterprise development.

UNICEF (1995) recognizes that religious groups play a central, integrating role in social and cultural life in most of developing countries. They have the advantage of being closer and in regular contact with all age groups in society and their voice is highly respected Faith Based non governmental organizations command respect and trust in their service delivery. Sustainability constitutes a major concern in Faith based organizations and CCS in particular. They serve in a country where 56% of the population lives under the poverty line (Government of Kenya, 2000), therefore many a time; programs they undertake cannot be self-sustainable after the withdrawal of donors. To respond to on going decrease in donor funding the CCS have found that to survive they have to engage in commercial activities to leverage their traditional sources of funding (Dees, 1999).

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1.2 The Research Problem

In a fast changing environment where poverty knows no boundaries Christian Community Services (CCS) can no longer do business as usual. They have to be strategic in their commitment to addressing issues of poverty. This research will aim to add knowledge on the strategic responses that Christian Community Services (CCS) has adopted as a result of changes in their environment. Many changes have occurred and have continued to occur which have in most instances continued to alter the environment in which organizations are operating in Kenya. These changes have continued to create opportunities and also posed challenges and threats to organizations.

There cannot be a genuine economic growth, peace and security in any environment if the issue of poverty is not addressed. Faith Based Organizations and in particular the Christian Community Services (CCS) have for a long period of time associated themselves in programs geared to uplifting the life of the socially challenged people in the society. One would expect Christian Community Services (CCS) like other organizations would also have responded or adapted to the environmental challenges.

A review of the literature shows that there have been several studies on organizational responses by Kenyan Companies to change in their environment (Kombo H.K (1997). "Strategic Responses by firms facing environmental conditions", Kandie P.Y (2001): A Study of the Strategic Responses by Telkom Kenya Limited in a competitive environment, Kiptugen E.J. (2003): Strategic Responses to a changing competitive environment; the case study of Kenya commercial bank.). Each of these studies has focused on a specific aspect of an organization and none of them has focused on strategic responses adopted by Faith Based Organizations (FBO) and specifically Christian Community Services (CCS) in order to cope with changes in the environment. This has left a gap in the area of research on the strategic responses of CCS in Kenya to changes in their environment.

1.3 Objective of the study

This research aims to determine the strategic responses of Christian Community Services. (CCS) in Kenya to changes in their environment.

1.4 Significance Of The Study

The study is significant in many aspects: -

a) The research will avail more knowledge in strategic management and specifically on strategic responses adopted by CCS. Thus it will contribute to the existing literature in the area of strategic response.

b) This study will benefit the CCS management as it will sensitize them on the impact that macro-environmental changes are having on each of the CCS establishment.

c) The Current partners/Donors and Potential partners/Donors and other stake holders will gain greater appreciation of the opportunities and challenges facing Christian Community Service (CCS).

d) The Christian Community Service (CCS) governance system has to be strategic in the way they govern.

e) The public in general who will gain new insight about the efforts being undertaken by Christian Community Services (CCS) to uplift the well being of the people.

d) Scholars who will use it for further research in the same area/or relayed field and for teaching in Universities and other institutions of learning.

1.5 Structure of the Research Project

This research project has five chapters. Chapter one contains an introduction to the study. Chapter two has literature review. Research methodology is presented in chapter three while data analysis and findings are in chapter four summary, conclusions and recommendations and suggestions for further research are in chapter five.

CHAPTER TWO
LITERATURE REVIEW

2.1 The Concept of Environmental Changes

Organizations exist in a complex commercial, economic, political, cultural and social environment. This environment is not static but is under constant change, which almost invariable affects the organizations that operate within it. These environmental changes are more complex to some organizations than others. For survival an organization must maintain a strategic fit with the environment. The environment is important and an organization has to respond to its dynamism, heterogeneity, instability and uncertainty (Thompson, 1967). In addition, the competitive environment has been and continues to be driven by technological innovation, globalization, competition, and extreme emphasis on price, quality, and customer satisfaction. As a result, organizations must continuously create and innovate in order to stay relevant and be successful.

A sustainable competitive advantage is achieved when there is a strategic fit between the external and internal environment. An organization's external environment includes economic factors, social, cultural, demographic and technical factors while its internal environment includes organic systems, resource capability and corporate culture (Pearce and Robinson, 1997).

Suave (2002), noted that the environment is a critical factor for any organization's survival and success. It should be seen as a biosphere in which individuals and organizations live over the long term and as a community project in which to be actively involved. It is a source to be managed and to be shared, hence the need to effectively manage the value chain system, establish collaborations partnerships and to get involved in social responsibility. This will enrich this resource and enhance the corporate image of the organization.

Fundamental forces of change have experienced in the global business environment resulting in unprecedented competition. Organizations responding to these changes have realized their existing strategies and configurations may no longer serve them (Ansoff & McDonnell, 1990). An organization's external environment is one of constant change. Both the degree of change and the rate of change are important factors and determine whether an Organization's external environment is relatively stable or unstable. External environmental factors are most

responsible for change, which include competition, culture, customers, politics, technology, and the labor force. Individuals in organizations must often make decisions under conditions of risk and uncertainty. These decisions reflect the environmental forces that those individuals cannot control, but that may in the future influence the outcomes of their decisions.

It is imperative that managers apply critical investigations into the realities of the changing environment of this millennium through enlightened diagnosis of the problem it poses. Commercial, economic, political, social, cultural and technical factors, for example, can influence the lifestyle and health of people. This same environment should also be seen as a system that calls for profound understanding in order to improve decision making and recognize the links between past, present, and future and also between local and global matters.

2.2 Strategic Management

Ansoff and McDonnell (1990) define strategic management as a "systematic approach to a major and increasingly important responsibility of general management to position and relate the firm to its environment in a way, which will assure its continued success and make it secure from surprises." Pearce and Robinson (1997) define strategic management as "that set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives."

According to Wheelen and Hunger (1995), strategic management is a set of managerial decisions and actions that determines the long run performance of a corporation and includes environmental scanning strategy formulation, strategy implementation and evaluation and control. Strategic management is defined as the art and science of formulating; implementing and evaluating cross-functional decisions that enable an organization achieve its objective (Gakuru, 1997). As this definition implies, strategic management focuses on integrity management, marketing, finance, accounting, and production, operations, research and development, human resources and information systems aspects of an organization or business to achieve success

Strategic management basically involves determining where an organization is, where it would like to go and how it intends to get there. It inevitably therefore includes numerous tasks such as developing a mission statement to determine its purpose; writing a vision; assessing internal strengths and weaknesses; analyzing the external environment so as to

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come up with options that the organization can pursue to its available resources, developing compatible long term objectives as well as short-term strategies.

Many scholars have attempted to look at how strategies are formed in organizations. Johnson and Scholes (1997) view strategies as coming about in a number of ways such as: the result of managerial intent and planning. This brings about intended strategy, which is basically the expression of desire to move in a certain strategic direction; the imposition by external forces that are supreme and beyond the organization's control such as changes in information technology, the outcome of cultural and political processes developed over time.

Strategic response is the result of strategic thinking and planning leading to strategy formulation and its subsequent implementation. Hax and Majluf (1996) view strategic planning as a disciplined and well-defined organizational effort aimed at the complete specification of a firm's strategy and the assignment of responsibilities for its execution

Strategic planning provides the link between strategic management and the external environment in which the organization operates. The strategic planning process involves both industry and competitive situation analysis and the organization's situation analysis. This leads to the identification and evaluation for the organization's strategy options.

Huger and Wheelan (1996) define strategy formulation as "the development of long range plans for the effective management of environmental opportunities and threats, in light of corporate strengths and weaknesses.

For a strategic response to be effective, good strategies must be developed. Besides focusing on customer needs, organizations need to cope with their competitors' strategies. Such as explicit attention to competitive factors will provide an organization with a proactive disposition toward shaping the competitive environment and its own strategy (Day and Wensley 1988).

2.3 Strategic Responses

Ansoff and McDonnell (1990) note that strategic responses involve changes to the organizations behavior. Such responses may take many forms depending on the organization's capability and the environment in which it operates.

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Thompson(1997) defines strategic adaptations as a change that takes place over time to the strategies and objectives of an organization. Such change can be gradual or evolutionary, or more dramatic or even revolutionary

Well-developed and targeted strategic responses are formidable weapons for a firm in acquiring and sustaining a competitive edge. The results of strategic activity are new products, new services, new processes, new markets, abandoned markets, new competitive strategies for attacking the markets and new responses to social and political challenges. The overall responsibility for effective strategic response belongs to the general management of the firm.

Strategic response is where the strategy will achieve the best fit for an organization, given its situation, is implemented. By selecting a good strategy given the organizations circumstances, competitive advantage will be built. Literature on strategy formation and choice generally support the use of sophisticated analytical techniques if an organization is to improve its chances of selecting the most ideal strategy that would be relevant to its situation. However, Keith et al (1998) notes that Managers involved in strategy formulation still rely heavily on gut feel and intuition when selecting the most appropriate strategy.

Since the effectiveness of a particular strategic response is largely a function of the firm's environment (Andrews, 1971) a strategy that is effective under one set of environmental conditions may be much less effective under a later changed set of conditions.

2.3.1 Information & Communication technology

The computer and developments in telecommunications are the most important aspects of Information and communication Technology that have transformed the business environment and process. According to Porter (1998) technological change especially Information Technology, is amongst the most important forces that can alter the rules of competition. The computer has enabled the automation of many processes in business organizations which has led to dramatic improvements in productivity and reduction in costs while telecommunications have dramatically improved the speed with which information is transmitted thus facilitating speedy decision making.

Information technology has become an indispensable ingredient in several strategic thrusts that businesses have initiated to meet the challenges of change. Such strategic thrusts include

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internet working, the Internet, intranets and other types of networks, which have become the primary information technology infrastructure that supports the business operations. This is especially evident in electronic commerce. Using information technology for business processes re-engineering frequently results in the development of information systems that help give a company a competitive advantage in the market place. These strategic information systems use information technology to develop products, services and process and capabilities that give a business a strategic advantage over the competitive forces it faces in its industry (O'Brien, 1999)

2.3.2 Leadership

According to Kotter (1990), leadership is about coping with change. Part of the reason leadership has become so important in recent years is that the business world has become more competitive and more volatile. Major changes are more and more necessary to survive and compete effectively in this new environment. More change always demands more leadership.

Pearce and Robinson (2003), observe that organizational leadership involves action in first guiding the organization to deal with constant change, clarifying strategic intent and shaping the culture to fit with opportunities and challenges that change affords and send, identifying and supplying the organization with operating managers prepared to provide leadership and vision.

Ansoff and McDonnell (1990), characterize organization leadership as a general management capability. They define general Management Capability as the propensity and ability of the general management to engage in behavior, which will optimize attainment of the firm's short and long term objectives. They see general management's role as that of a developer of the firm's future. The successful performance of this role requires a climate within the firm, which welcomes and seeks change ,a competence to anticipate, analyze and select attractive opportunities. They recognize that general management capability is determined by qualifications and mentality of key managers, social climate (culture) within the firm, power, structure, systems and organization structure and capacity of general management to do managerial work.

According to Pearce and Robinson (2003) organizational culture is the set of important assumptions (often unstated) that member of an organization share in common. An

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organization's culture is similar to an individual's personality – an intangible yet ever present theme that provides meaning, direction and the basis of action.

Insightful leaders nurture key themes or dominant values within their organizations that reinforce the competitive advantages they posses or seek, such as quality, differentiation, cost and speed.

The most typical beliefs that shape organization culture include a belief in being the best, a belief in superior quality and service, a belief in the importance of details of execution, the nuts and bolts of doing the job well, a belief the customers should reign supreme e.g.one approach to develop a culture of quality is through Total Quality Management (TQM) whose ideas and principles were empowered by Deming (1950). TQM focuses Management on the continuous improvement of all operations, functions and above all, processes of work. It is built around an intense focus on customer satisfaction, on accurate measurement of every critical variable in a business's operation, on continuous improvement of products, services on work relationships based on trust and teamwork. An important tool of TQM is benchmarking whose objective is to identify the "best practices" in performing an activity to learn how lower fewer defects costs, or other outcomes linked to excellence are achieved.

2.3.3 Culture Change

Brown (1998) defines organization culture as "the pattern of beliefs, values, and learned ways of coping with experience that have developed during the course of an organizational history and which tend to be manifested in its members". Thus an appropriate and cohesive culture can be a source of competitive advantage. This is because it promotes consistency, coordination and control and reduces uncertainty while enhancing motivation and organizational effectiveness of which facilitate the chances of being successful in the market place. Therefore corporate cultural identity, for the marketer, is a strategic tool that is used to manipulate consumer perceptions of an organization and its products and services.

The culture of organization would need to be changed when it does not fit well with the requirement of the environment or the organization resources, the company is not performing well and needs major strategic changes, or the company is growing rapidly in a changing environment and needs to adapt.

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Kotter (1996) notes that truly adaptive firms with adaptive cultures are awesome competitive machines. They produce superb products and services faster and better even when they have fewer resources or less market share.

Culture change and corporate learning are interdependent. The rate of organizational learning is dependent on culture while the rate and content of organizational learning fundamentally influence culture.

2.3.4 Organizational structure

Wilson and Rosenfeld(1990) define organization structure as the established pattern of relationships outlining communication control and authority patterns. With regard to the number of levels in the structure of the organization often referred to as the scalar chain, Drucker (1989) suggest that those should be as few as possible. Too many levels bring difficulties in the understanding of objectives and communicating both up and down the hierarchy.

Successful organizations once required an internal focus, structured interaction, self-sufficiency, and a top-down approach. Today and tomorrow, organization structure reflects an external focus, flexible interaction, inter-dependency and a bottom-up approach (Pearce and Robinson 2003). One of the strategic responses to environmental turbulence is restructuring. At the heart of restructuring is the notion that some activities within the business's value chain are more critical to the success of the business strategy than others. Business process re-engineering (BPR) popularized by consultants Hammer and Champy (1993) is one of the more popular methods by which organizations have undergone restructuring efforts to remain competitive. It is intended to reorganize a company so that it can best create value for the customer by eliminating barriers that create distance between employees and customers. It involves fundamental rethinking and radical redesign of a business process to achieve dramatic improvements such as reduce cost, improve quality and service and improve on speed.

Re-engineering and a value orientation here led to downsizing, outsourcing and self-management as three themes influencing organizational structures. Downsizing is eliminating the number of employees particularly middle Management in a company. Downsizing results in increased self-management, larger spans of control and more work for those that remain. Outsourcing is obtaining work that was previously done by employees

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inside the organization from sources outside the Company. Many organizations have outsourced some activities such as information processing, various personnel activities and production of parts that can be done better outside the company. Outsourcing then, can be a source of competitive advantage and result in a leaner, flatter organization structure.

2.3.5 Competitive strategy

Porter (1998) states that the goals of a competitive strategy for a business unit in an industry is to find a position in the industry where the company can best defend itself against the five competitive forces – entry, threat of substitution, bargaining power of buyers, bargaining power of suppliers, and rivalry among current competitors. These five forces constitute the industry structure and it is from industry analysis that the firm determines its competitive strategy. He identified three potentially successful generic strategy approaches to outperforming other firms in an industry. These are, overall cost leadership, differentiation and focus. In formulating its strategic response to changes in its environment, a firm must have first decided on a core idea of generic strategy about how it can best compete in the market place. Pearce and Robinson (1997) states knowledge of these underlying sources of competitive pressure provides the grounds work for strategic agenda of action. The highlight of the critical strengths and weaknesses of the company, animate the positioning of the company in its industry, clarify the areas of strategic changes and may yield the greatest payoff.

2.3.6 Marketing

Kotler (2000) defines marketing as a societal process by which individuals and groups obtain what they need and want through Creating, Offering and Freely exchanging products and services of value with others. It has also been defined as the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual and organizational objectives.

An excellent way to analyze marketing as a strategic response is to use the product – Market Expansion Grid proposed by Ansoff (1957)

Table 1: PRODUCT MARKET - EXPANSION GRID

PRODUCTS / MARKETS	CURRENT PRODUCTS	NEW PRODUCTS
CURRENT MARKETS	1. Marketing Penetration Strategy	3. Product Development Strategy
NEW MARKETS	2. Market Development Strategy	4. Diversification Strategy

SOURCE: Kottler (2000)

Market penetration strategy involves marketing current products in current markets. This is not a viable strategic response in a changing environment.

Market development strategy consists of marketing current products often with only cosmetic modifications, to customers in new markets by for example adding channels of distribution or by changing the content of advertising or promotion.

Product development involves substantial modification of existing products or the creation of new but related products that can be marketed to current customers through established channels. An alternative term for product development is innovation. The key to success in today's competitive environment is continual substitution of new products and services, which are superior to the historical products, and services. Firms, which do not innovate, do not survive (Ansoff and McDonnell 1990).

The foregoing key components of the firm constitute a firm's potential capability. A firm's strategic response is concerned with adjustments in these components to accommodate changes in its environment and create competitive advantage for the organization.

2.3.7 Diversification

Diversification makes sense when good opportunities can be found outside the present businesses. Kotler (2000) states that a good opportunity is one in which the industry is highly attractive and the company has the mix of business strengths to be successful. Three types of diversification are possible. The company could seek new products that have technological and /or marketing synergies with existing product lines even though the new products

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themselves may appeal to a different group of customers (concentric diversification). Second, the company might search for new product that could appeal to its current customers even though the new products are technologically unrelated to its current product line (horizontal diversification). Finally, the company might seek new businesses that have no relationship to the company's current technology, products or markets (Conglomerate diversification)

Strategic responses to a changing competitive environment therefore entail substantial changes to an organizations long-term behavior. These adaptations may be gradual or revolutionary depending on the nature and circumstances facing the organization

2.4 Other related studies

In a study on the Telkom Kenya, Kandie (2001) found that despite a major change in the environment of Telkom Kenya occasioned by the liberalization of telecommunications, the corporation's strategic aggressiveness was not consistent with the environment turbulence and its organizational capability was not in line with the strategy. This had adversely affected the competitive position of the firm.

Kiptugen (2003) established that, as a result of the economy's progressive decline and liberalization, legislative changes and technological advances, Kenya Commercial Bank Limited had responded by restructuring its operations through closure of branches, disposal of non core assets, developing of new marketing strategies, acquisition of a flexible IT system to provide better quality customer service and culture change.

Bett (1995) found that due to the ongoing economic reforms in the country, firms in the dairy industry made some adjustments, in their marketing mix components of product, price, promotion and place in order to adapt to the changes and remain competitive.

Kombo (1997) holds that the liberalization of the motor industry led firms operating in that industry to make changes in the principle components of their missions. Before liberalization growth and profitability were the main strategies but now survival is the most important goal followed by growth and profitability. Firms have changed operating policies to ensure efficiency and effectiveness.

Ndiao (2001) reveals that the main factors influencing strategic choices in the sub-sector under studies were mainly leadership, organization structure, management, mission and scope, donor community and the increased presence of graduates in management of NGOs.

Gakombe (2002) found that hospitals in Nairobi have adopted cost leadership strategy, new product development. Diversification was the least strategic option considered by hospital in Nairobi because it requires new skills competencies and substantial resources. Ownership, financial objectives, competition were the major factors influencing strategic choices.

CHAPTER 3
RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides information on the research design, population and the data collection technique applied in this study.

3.2 Research Design

The Research was a census study whose aim was to identify the strategic responses of CCS in Kenya to changes in their environment. A census of the CCS was necessitated by the relatively small size of the population.

3.3 Population

The Population consisted of all 9 Regional CCS head offices which are located in Mombasa ,Kirinyaga, Wamunyu, Nakuru, Kakamega, Kisumu, Nyeri ,Isinya and the national head office in Nairobi. The Regional CCS are registered as separate legal entities with management boards and committees which are constituted by church leaders.

3.4 Data Collection

The data collection was carried out using self- administered questionnaires with closed and open-ended questions(Appendix 1) .The closed ended questionnaires enabled the researcher to collect qualitative data based on the frequency while open ended gave the respondent complete freedom of response. Respondents were Chief executive officers (CEO) or senior managers of the CCS since they are the ones mainly involved in prime strategic corporate and shaping business issues of their organizations. The following approaches were followed; First, contact by telephone numbers to the CEOs or the senior managers as the case may be to persuade him/her to participate in the survey and use personalized cover letter explaining the purpose of the study.

3.5 Data Analysis

The results of the study (editing, coding and entry into the computer) were analyzed by the use of descriptive statistics such as the measures of the central tendency, mean and standard deviation, frequency distribution and percentiles. The statistical package for the social sciences (SPSS) was used. Survey of similar studies indicate that Factor analysis is used to

classify a large number of interrelated variables into a limited number of dimensions or factors while at the same time identifying the underlying constructs in the data.

CHAPTER FOUR
DATA ANALYSIS AND FINDINGS

4.0 INTRODUCTION

In this chapter, the results of the study are presented and discussed. Data was collected from 9 Christian Community Services (CCS) in Kenya and the national office in Nairobi. This Christian Community Services consisted of all 9 regional CSS offices which are located in Mombasa, Kirinyaga, Wamuyu, Nakuru, Kakamega, Nyanza, Nyeri ,Isinya and the national head office situated in Nairobi. The 9 regional CSS are registered as separate legal entities with management boards and communities which are constituted by church leaders.

The objective of the study was to determine the strategic responses of Christian Community Service (CCS) in Kenya to changes in their environment.

The data was collected was coded and entered in SPSS package where analysis was done. Percentages and charts were used to present the findings upon which interpretations were made.

4.1 Organization Structure

Table 4.1.1   Organizational Structure

Response	Frequency	Percent
Yes	10	100.0

All the respondents interviewed had a formal organization structure in their organizations.

Table 4.2.2 Revision of the Organizational structure .

Time	Frequency	Percent
Within the last two years	6	60.0
The last five years	3	30.0
Has never changed	1	10.0
Total	10	100.0

Figure 1   **The last time the organizational structure was revised**
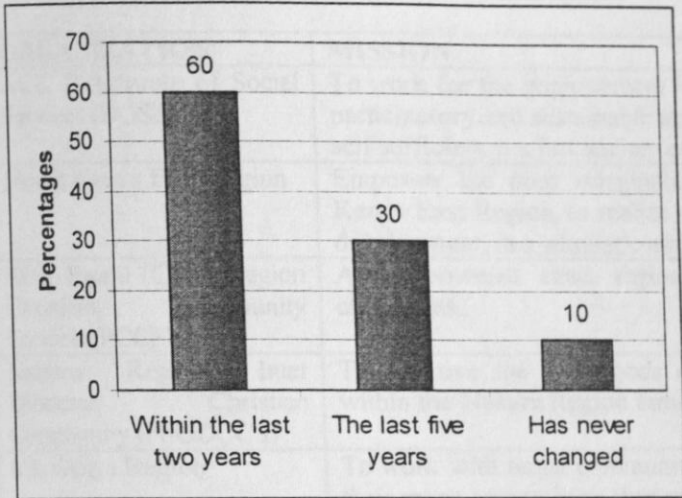
60% of the Christian Community Services organizations structure has been reviewed within the last two years. This has been necessitated by need of the organizations to respond effectively to emerging environmental challenges.

Table 4.2.3:   **Written Vision Statement**

Response	Frequency	Percent
Yes	10	100.0

All the companies represented had vision statements.

Table 4.2.4   Organization mission

The table below shows the mission statement of the organizations sampled.

ORGANIZATION	MISSION
ACK Directorate of Social Services (DOSS)	To work for the improvement in the quality of life for all Kenyans through participatory and sustainable approaches with a view to attaining household self sufficiency, a just society and human rights.
Mount Kenya East Region	Empower the poor marginalized and destitute communities within Mt. Kenya East Region, to realize their potential and be in control of their own development, in a wholistic and sustainable way.
ACK Pwani (Coast) region Christian Community Services(PCCS)	An empowered coast region community, able to cope with all life challenges.
Nakuru Region Inter Diocesan Christian Community (NRIDCCS)	To improve the livelihoods of the need and marginalized communities within the Nakuru Region through holistic development.
Mt. Kenya Region	To work with target communities, strengthening their capacities, increasing their reach empowering then to address poverty and its impact in their lives.
Ukamba Christian Community Services(UCCS)	To empower target communities through participatory processes and Christian principles to achieve a better quality of life.
Inter diocesan Christian Community Services limited (IDCCS Ltd)	To enable the communities of the member diocese to achieve fullness of life and integrity of creation through sustainable participatory and integrated community development programmes.
Western Region Christian Community Services	We exist to reach and empower physically and spiritually the poor and marginalized communities in Western Kenya.
Maasai Rural Training Centre (Kajiado)	To empower the communities to protect, manage and utilize sustainability the available resource and talents to their advantage so that they may grow in faith and have life in its fullness.
ACK Eldoret Region CCS	To facilitate the progressive transformation of people in the North Rift from political, social, mental, physical and spiritual poverty to abundant life in its fullness.

It can be seen from table 4.2.6 above that majority of the organizations had a common goal, to empower the poor and transform and improve their quality of life, spiritually, physically and socially.

Objectives of the organization

The objectives of the organizations sampled have been tabulated in the table below.

Table 4.2.5   Objectives of the organization

ORGANIZATION	OBJECTIVES
ACK Directorate of Social Services (DOSS)	To spearhead ACK development issues and positive social transformation i.e. leading conceptualization, stirring and steering action.
Mount Kenya East Region	To mobilize, build various capacities, give platform for lobbying advocacy and sustain operations.
ACK Pwani (Coast) region Christian Community Services(PCCS)	-To enhance the capacity of PCCS to effectively deliver services to the community on sustainable basis. -To strengthen the capabilities of the community especially women to claim their rights and demand accountability from development actors especially the state. - To improve access to profitable and sustainable markets for the producer goods in the region. - To improve agriculture sector in an effort to enhance household food security and income generation. - To improve agriculture sector in an effort to enhance household food security and income generation. - To improve access to domestic water for coast region community. - To improve community health through primary health care initiatives and mitigation of HIV/AIDS projects.
Nakuru Region Inter Diocesan Christian Community (NRIDCCS)	-To promote food security. -To improve general health of 1,200 community members per year. -To facilitate 1,300 households access safe and clean water for domestic and livestock use. -To ensure communities are economically empowered. -To have a vibrant NRIDCCS that empowers.
Mt. Kenya Region	-To alleviate poverty among the socially, politically and economically marginalized people. -To work for the improvement in the quality of life for Kenyans with a view to attain household self-sufficiency. -Challenge injustice and uphold the rule of law and human rights.
Ukamba Christian Community Services(UCCS)	-To initiate and promote income generating activities (IGA's) for sustainability purposes at UCCS and community level. -To facilitate the community and UCCS to be able to address the challenges affecting them e.g. HIV/AIDS, water health, disaster preparedness e.t.c. -To strengthen links with other organization having similar objectives as UCCS for exchanging information. -To address in any manner possible and attainment of the highest standard of environmental and resource management and conservation. -To ensure that UCCS has its own training centre and offices. -To strengthen fund development initiatives for UCCS and the community and build capacities for the same.
Inter diocesan Christian Community Services limited (IDCCS Ltd)	-To develop programmes implemented and managed by communities within members Dioceses. -To establish a sustainable system of governance and management for efficient utilization of resources. -To invest in productive activities for resource development to sustain the institution and service to the community.
Western Region Christian Community Services	-To ensure food security through diversification of agricultural practices in production, storage, processing and marketing. -To address issues of advocacy and policy, research; IT.
Maasai Rural Training Centre (Kajiado)	-To train farmers on proper crop and livestock husbandry practice. -Supply breeding stock to farmers at subsidized prices. -Make known the love of God in Christ by the communities.
ACK Eldoret Region CCS	-To empower and strengthen the target groups towards self-determination and improved livelihoods. -To educate and motivate the church on the meaning and process of participatory development. -To have improved food security that is sustainable. -To experience improved health conditions in the community. -To have strong and improved economic base among the target groups.

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As clearly illustrated in the table above, the findings suggests that majority of the organizations sought to obtain their goals by addressing the issues of food insecurity, health conditions in the community (HIV/AIDS projects), agricultural practices (both crop and livestock agriculture), economic, political and social issues by empowering and strengthening the target groups.

Table 4.2.6   Strategic plan

Response	Frequency	Percent
Yes	10	100.0

All the organizations had a strategic plan.

Table 4.2.7 The Time the Strategic plan was introduced

Year	Frequency	Percent
1978	1	10.0
2000	1	10.0
2001	1	10.0
2002	1	10.0
2005	2	20.0
2006	2	20.0
Total	9	90.0

According to table 4.2.9 above most of the organizations had their strategic plan between the year 2005 and 2006, as represented by 20% in each case.

Table 4.2.8   Revision of the Strategic Plan

Time	Frequency	Percent
Every year	2	20.0
Every two to five years	6	60.0
We never receive it	2	20.0
Total	10	100.0

According to table 4.2.12 above, most (60%)of the CCS reviewed their strategic plan every two to five years, the rest reviewed their plans every year or never received it, as represented

4.3 Strategic Responses

Table 4.3.1 Analysis of Political Environment

Time	Frequency	Percent
Continuously	5	50.0
Semi-annually	1	10.0
Annually	3	30.0
Never	1	10.0
Total	10	100.0

Majority or 50% of the companies analyze the political environment continuously while a minority or 10% analyses semi-annually or never analyses at all.

Table 4.3.2   Analysis of Economic Environment

Time	Frequency	Percent
Continuously	7	70.0
Semi-annually	1	10.0
Annually	1	10.0
Never	1	10.0
Total	10	100.0

Most (70%)of the companies sampled analyzed the economic environment continuously the rest of the companies either analyzed semi-annually, annually or never did it at all as represented by 10% each.

Table 4.3.3   Analysis of Social Environment

Time	Frequency	Percent
Continuously	7	70.0
Semi-annually	2	20.0
Never	1	10.0
Total	10	100.0

When asked to state how often their companies analyze the Social Environment most or 70% of the responses were that their companies analyzed the social environment continuously a minority or 10% of the companies never analyzed the social environment.

Most (70%)of the companies sampled analyzed the economic environment continuously the rest of the companies either analyzed semi-annually, annually or never did it at all as represented by 10% each.

Table 4.3.3   Analysis of Social Environment

Time	Frequency	Percent
Continuously	7	70.0
Semi-annually	2	20.0
Never	1	10.0
Total	**10**	**100.0**

When asked to state how often their companies analyze the Social Environment most or 70% of the responses were that their companies analyzed the social environment continuously a minority or 10% of the companies never analyzed the social environment.

Table 4.3.4   Analysis of Political and Legal Environment

Time	Frequency	Percent
Continuously	5	50.0
Semi-annually	2	20.0
Annually	2	20.0
Never	1	10.0
Total	**10**	**100.0**

According to the table above, majority of the companies analyze the political and legal environment continuously, only 10% of the companies never analyzed.

Table 4.3.5   Analysis of Technological Environment

Time	Frequency	Percent
Continuously	5	50.0
Semi-annually	2	20.0
Annually	1	10.0
Never	2	20.0
Total	**10**	**100.0**

As shown in the table above, a high percentage of organizations continuously analyzed the technological environment as accounted for by 50%, a minority (10%) of the organizations analyzed annually.

Table 4.3.6   Identifiable strategies that are pursued by the company

Response	Frequency	Percent
Very often	1	11.1
Often	5	55.6
Fairly often	3	33.3
Total	**9**	**100.0**

Majority or 55.6% of the respondents were of the opinion that the political, economic, political and legal, social, and technological environment analysis that is done by the company oftenly results to identifying strategies that are pursued by the company. Only 11.1% were of the opinion that this analysis very oftenly results to identifiable strategies.

Strategies adopted in the last five years

The table below shows the strategies that were adopted by the companies in the last five years.

Table 4.3.7   Strategies adopted in the last five years

Strategies	Frequency	Percentage
1.Restructuring	8	6
2.Re-engineering	6	5
3.Outsourcing	7	5
4.Downsizing	7	5
5.Strategic Alliance	8	6
6.Overhead Control	9	7
7.Cost Sharing	10	8
8.Diversification	9	7
9.Expansion	9	7
10.Computerization	10	8
11.Use of multiple source of funding	10	8
12.Marketing of activities	9	7
13.Introduction of business activities	9	7
14.Reinforcement of the role of boards	10	8
15.Internal capacity building	10	8
Total	**131**	**100**

Table 4.3.8 Strategies used to respond to the environment
Descriptive Statistics

Strategic Issues	Mean	Std. Deviation
To what extent did your organization use restructuring to respond to the environment.	4.00	1. 20
To what extent did your organization use re-engineering to respond to the environment.	3.29	1.38
To what extent did your organization use outsourcing to respond to the environment.	2.87	1.13
To what extent did your organization use downsizing to respond to the environment.	3.11	1.05
To what extent did your organization use strategic alliance to respond to the environment.	3.14	1.07
To what extent did your organization use overhead control to respond to the environment.	4 .22	.67
To what extent did your organization use cost sharing to respond to the environment.	4.22	.67
To what extent did your organization use diversification to respond to the environment.	4.00	.71
To what extent did your organization use expansion to respond to the environment.	3.44	1.33
To what extent did your organization use computerization to respond to the environment.	3.60	1.26
To what extent did your organization use competition to respond to the environment.	3.50	1.60
To what extent did your organization use networking to respond to the environment.	4.10	.99
To what extent did your organization use partnership to respond to the environment.	4.33	.71
To what extent did your organization use cooperation to respond to the environment.	4.22	.67
To what extent did your organization use multiple source of funding to Respond to the environment.	4.20	.63
To what extent did your organization use marketing of activities to respond to the environment.	3.33	1.22
To what extent did your organization use introduction of business activities to respond to the environment.	3.78	1.30
To what extent did your organization use reinforcement of the role of Boards to respond to the environment.	3.90	.99
To what extent did your organization use internal capacity building to respond to the environment.	3.60	.70

As shown in the table above, the strategies that were used to a good or very large extent to respond to the environments includes partnership at 4.33, overhead control, cost sharing, and cooperation as represented by 4.22 in each case. While strategies that were used to the least extent were outsourcing, downsizing, strategic alliance and re-engineering each as accounted for by 2.87, 3.11, 3.14 and 3.29 respectively. The figure below provides a graphic representation of the same.

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Figure 3 Strategies used to respond to the environment

Figure 3 Strategies used to respond to the environment

Label	Value
A	3.60
B	3.90
C	3.78
D	3.33
E	4.20
F	4.22
G	4.33
H	4.10
I	3.50
J	3.60
K	3.44
L	4.00
M	4.22
N	4.22
O	3.14
P	3.11
Q	2.87
R	3.29
S	4.00
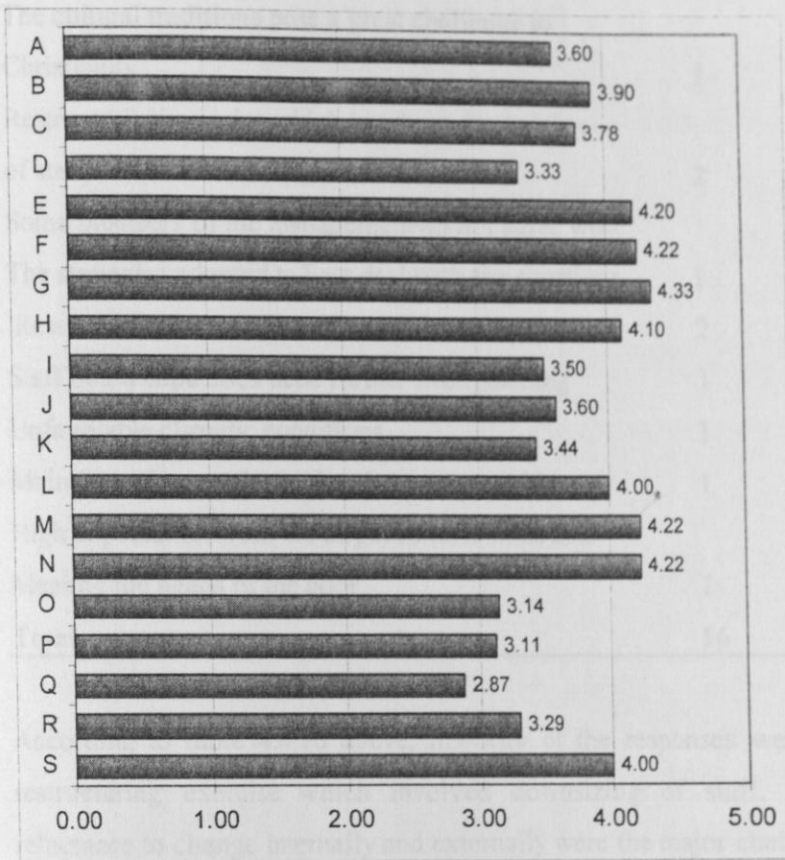
Key

A	Internal capacity building	J.	Computerization
B	Reinforcement of the role of boards	K.	Expansion
C	Introduction of business activities	L.	Diversification
D	Marketing activities	M.	Cost sharing
E	Use of Multiple source of funding	N.	Overhead Control
F	Cooperation	O.	Strategic alliance
G	Partnership	P.	Down sizing
H	Networking	Q.	Outsourcing
I	Competition	R.	Re-engineering
		S.	Restructuring

Table 4.3.9   Challenges in implementing the strategies chosen

Category label	Count	% of Responses
Reluctance to change internally and externally	2	12.5
Desire to maintain status quo	1	6.3
Failure to embrace corporate practice	1	6.3
Internalizing by stakeholders and taking appropriate responsibility	1	6.3
Dualism- the misunderstanding of the Christians call to Social development	1	6.3

The cultural traditions pose a great challenge to Christianity	1	6.3
Restructuring exercise which involved downsizing of staff	2	12.5
Some members of the management do not agree with The strategies adopted to best deal with the situations	1	6.3
Resource limitations	2	12.5
Staff board capacities need further strengthening	1	6.3
Unfavorable climatic conditions	1	6.3
Mainstreaming gender in development activities	1	6.3
High expectation from the target communities and Meeting the needs of the poor.	1	6.3
Total responses	**16**	**100.0**

According to table 4.4.10 above, majority of the responses were of the opinion that the restructuring exercise which involved downsizing of staff, Resource limitations and reluctance to change internally and externally were the major challenges in implementing the strategies chosen as represented by 12.5% in each case. The rest of the responses were each represented by 6.3% as shown above.

CHAPTER FIVE
SUMMARY, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary discussions and conclusions for the research findings in line with the objectives of the study .Based on the findings, recommendations have been given on the changes in the external environment that have affected the Christian Community Services(CCS) in Kenya and the responses of the CCS to the said changes. The limitations of the study suggestions for further research will also be discussed

The study used a cross sectional survey design to collect data. The collected data was analyzed using SPSS software and the study findings set in chapter four above.

5.2 Summaries and Conclusions

The study sought to investigate the strategic responses of Christian community service organizations (CCS) in Kenya due to changes in the environment under which they operate.

5.2.1 Changes in the External Environment

There have been many changes in the external environment. They include Economic, Technological, Social Political and Legal. The analysis revealed that all these factors affected the CCS in varying degrees.

Economic factors concern the nature and direction in which a firm operates. Decreased level of donor funding for the last five year has forced many of the CCS to restructure their operations. On the political front, the introduction of Constituency Development Fund(CDF) by the government is seen as a great opportunity to network with the Government agencies

to meet various challenges facing the Kenyan communities. This have positively impacted and complemented on the development work of CCS to the community.

5.2.1 Strategic Responses

An impressive majority of organizations analyze their political, economic, social, political – legal, and technological, environment continuously as opposed to few organizations who analyze their political environments semi - annually or not all.

Some of the leading strategies adopted by the organizations to effectively face the emerging challenges included networking, partnerships, diversification, cooperation , use of multiple source of funding, cost sharing, computerization, reinforcement of the role of boards, internal capacity building and adoption of income generating activities, restructuring and re – engineering.

It was noted that technological changes affected the CCS to a very large extent .The positive effects were that there is ease of communication and enhanced operational efficiency .The study revealed that the means of communication to their stakeholders had improved.

On the economic front, Continuous reduction of support by key partners has impacted negatively on the operations of the CCS. Effects of inflation have resulted to increased operational cost. Wide spread poverty, unemployment were noted to have put pressure on limited available resources. The major political changes noted is the expanded political space, which allows people to operate without fear of apprehension by the state.

Various social factors were noted to have evolved and affected the CCS in a significant way. Ethnic conflicts between various communities were identified as a challenge facing CCS

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programs. Common conflicts identified included cattle rustling particularly among the pastoral community and politically instigated tribal clashes. Programs have been initiated to address these challenges. HIV/AIDS was also identified as a key challenge facing many Kenyan communities .A full fledged department has been set up to address this challenge.

5.3 Recommendations

5.3.1 Organizational Structure

The management of the CCS needs to continually reassess the organizations strategic direction. The most important strategic issue facing CCS is the need to structure its business in a way that generates long-term value for its owners, employees and all other stakeholders.

5.3.2 Information Technology

Information Technology is driving change globally .It offers considerable scope for operational efficiency in terms of cost savings and improvement in the quality of service. CCS should deepen the utilization of information and communication technology.

5.3.3 Leadership

Leadership is the force that makes things happen. The CCS should continue with the efforts of empowering its leadership by continuous training and sharing experiences with other organizations. The study highly recommends the organizations to continue holding strategic workshops more regularly. Strategic alliance and networking strategies should be used to a large extent in overcoming organizational weaknesses hence exploiting the emerging opportunities effectively.

5.3.3 Human Resources Management

Motivation, intellect, skill, experience, creativity and management talents of employees ranging from senior executives to subordinate staff are what matter in determining the success of any organization. The CCS should come up with effective scheme for rewarding achievers and committed employees. The CCS should continue building on this area for guarantee of sustainability and future growth.

5.3.4 Competitive Strategy

According to Michael Porter there are three potentially successful generic strategic approaches that companies can follow to outperform other firms in an industry. These are Cost leadership, Differentiation and Focus. CCS in Kenya appears not to pursue one clear generic strategy but pursue all three in combination; they are stuck in the middle. CCS should endeavor to pursue one and not all the strategies to strengthen their strategic situation.

5.4 Limitations of the Study

This study focused on strategic responses of CCS in Kenya to changes in their environment. Strategy and Strategic Management is a complex subject, which goes to the core of the organizations existence. Some of the responses to the questionnaire were therefore likely to be inaccurate.

Time allocated in the study may also have affected the quality of response given the fact that the respondents have very short time duration to fill the questionnaire.

5.5 Recommendations For Policy And Practice

According to this study, the Economic, Technological, Social, Cultural, Political and Legal environmental factors all led to change in the Christian Community Services (CCS). It is evident that the CCS are not immune to the environmental factors that affect other corporate

organizations .It is therefore imperative for the CCS management to regularly do an environmental analysis so as to determine the factors that affect them and also to establish the factors that have changed and how they should respond to the said changes.

From the study it is evident that the CCS has geared to Initiate Income Generating Activities (IGA) to supplement what they get from partners. There is a need to develop sustainable financing strategies in order to solidify what has already been achieved and establish sound base for future growth. Most of the CCS have been operating for more than five years and can thus easily formulate self-sustainability plans that can work well.

On donor funding, CCS management need to be proactive towards donor funding patterns changes. The CCS has not yet fully exploited the local profit making companies as a source of funding. The formation of strategic alliances with the local profit making companies should be encouraged. The pronouncement for example by the Minister of Finance in the budget of 2006/2007 that donations towards charitable work is now tax exempted means that companies will now be more willing to support financially projects geared to uplifting the welfare of the poor.

The other major environmental factors that led to change in the CCS is the technological factor. Any organization that does not keep abreast with the fast changing technology will become irrelevant. Whereas some efforts have been made on this line, more resources needs to be directed to invest in technology as effectiveness and success of organizations will be determined how fast an organization is able to embrace and utilize the emerging technology.

5.6 Recommendations For Further Research

This study was a census survey focusing on strategic responses of CCS in Kenya to changes in their environment. A study could be carried on the strategic responses to changes in environment for all Faith Based Organizations.

The study recommends a change management study on Christian community Service organizations CCS management so as to establish how they manage change that is usually inevitable.

Further the study recommends a major study on strategic planning and implementation of the same by CCS organizations.

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APPENDIX 1

QUESTIONNAIRE

This questionnaire seeks to identify the various environmental factors that have favourably or unfavourably affected the CCS in Kenya in the last 10 years and to establish how the CCS has responded in order to remain relevant

SECTION A

1. Name of the CCS --

2. Name of Respondent --

3. Respondents Job Title in the Company. Tick as appropriate.

   Board Member   (   )   Any Other (Specify) ------------------------------

   Top Management (   )

4. How long have you been in this organization ----- (Years).

5. What percentage of your administrative /support staff falls in each of the following categories in terms of their academic background ? (Please indicate)

   a) Secondary school level --------------------------- %

   b) Certificate --- %

   c) University graduate ------------------------------- %

6. What are your geographical areas of operation? Please fill the space below.

----

7. Does your organization have a formal organization structure? Yes ( ) No ( ).

8. If your answer to 7 is "No", proceed to section B. If "Yes" when was it put in place (state years) ----------

9. When is the last time your organization structure was revised (tick one)

   a) Within the last two years   (   )

   b) The last five years   (   )

   c) Has never changed   (   )

SECTION B

1. Does your company have a written Vision statement Yes ( )   No ( )

2. What is the mission of your organization?

----

3. What are the objectives of your organization?

----

4. Do you have a strategic plan? Yes ( )   No ( )

5. If your answer to question 4 is No proceed to section C. If your answer is Yes

   a) Since when have you had a strategic plan (state year)

   b) Why was it introduced ---

   ----

6. What period does your strategic plan cover?(Please tick as appropriate)

   a) Less than two years   ( )

   b) Between two and five years   ( )

   c) Over five years   ( )

7. How often is your strategic plan reviewed? ( )

   a) Every year   ( )

   b) Every other year   ( )

   c) Every two to five years   ( )

   d) We never review it   ( )

8. Is strategic plan communicated to all staff members

   Yes ( )   No ( )

9. Do you hold strategic management workshop

   Yes ( )   No ( )

10 If yes, how often is it held?

a) Every year   ( )

b) Every other year   ( )

c) Every two to five years   ( )

11 Developments in the external environments can have a favorable or unfavorable impact on a business under each of the following identified broad external factors, please highlight the major Economic, Political, Legal, Social and Technological changes that in your opinion have favourably affected the long term direction of CCS in the last 10 years.

a) Social and Demographic Changes

----

b) Political Changes

----

c) Economic Changes

----

d) Information Technology Changes

----

e) Other Changes

SECTION C STRATEGIC RESPONSES

1. By ticking in the relevant box, please indicate how often your organization analyses the following environmental factors.

	Continuously	Semi-annually	Annually	Never
Political Environment	( )	( )	( )	( )
Economic Environment	( )	( )	( )	( )
Social Environment	( )	( )	( )	( )
Political and legal Environment	( )	( )	( )	( )

Technological Environment ( ) ( ) strategies ( ) in ( ) respond to the

2. Does the analysis in number 1 above result in identifiable strategies that are pursued by your company (Indicate as appropriate)

Very often   Often   Fairy often   Rarely   Never

3. What strategies have you adopted in the last five years? Please tick as appropriate;

			1	2	3	4	5
i)	Restructuring	( )					
ii)	Re-engineering	( )					
iii)	Outsourcing	( )					
iv)	Down sizing	( )					
v)	Strategic alliance	( )					
vi)	Overhead Control	( )					
vii)	Cost sharing	( )					
viii)	Diversification	( )					
ix)	Expansion	( )					
x)	Computerization	( )					
xi)	Competition	( )					
xii)	Networking	( )					
xiii)	Partnership	( )					
xiv)	Cooperation	( )					
xv)	Use of Multiple source of funding	( )					
xvi)	Marketing of activities	( )					
xvii)	Introduction of business activities	( )					
xviii)	Reinforcement of the role of Boards	( )					
xix)	Internal capability building	( )					
xx)	Other (Specify) ---						

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4. To what extent did your organization use the strategies chosen to respond to the environment? Please range from 1 : No extent to 5 : Very large extent

        1. No extent
        2. Least extent
        3. Moderate extent
        4. Good extent
        5. Very large extent

		1	2	3	4	5
i)	Restructuring	( )	( )	( )	( )	( )
ii)	Re-engineering	( )	( )	( )	( )	( )
iii)	Outsourcing	( )	( )	( )	( )	( )
iv)	Down sizing	( )	( )	( )	( )	( )
v)	Strategic alliance	( )	( )	( )	( )	( )
vi)	Overhead Control	( )	( )	( )	( )	( )
vii)	Cost sharing	( )	( )	( )	( )	( )
viii)	Diversification	( )	( )	( )	( )	( )
ix)	Expansion	( )	( )	( )	( )	( )
x)	Computerization	( )	( )	( )	( )	( )
xi)	Competition	( )	( )	( )	( )	( )
xii)	Networking	( )	( )	( )	( )	( )
xiii)	Partnership	( )	( )	( )	( )	( )
xiv)	Cooperation	( )	( )	( )	( )	( )
xv)	Use of Multiple source of funding	( )	( )	( )	( )	( )
xvi)	Marketing of activities	( )	( )	( )	( )	( )
xvii)	Introduction of business activities	( )	( )	( )	( )	( )
xviii)	Reinforcement of the role of Boards	( )	( )	( )	( )	( )
xix)	Internal capability building	( )	( )	( )	( )	( )

xx)   Other (Specify) --

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5) What were the challenges in implementing the strategies chosen? Please elaborate briefly.

Thanks and God bless you abundantly

APPENDIX 2
LETTER TO RESPONDENTS

Kimani J.M
P.O. Box 7623
NAIROBI
Tel.0721773105

August 2006

To --------------------

Dear Sir or Madam:

REF: **REQUEST FOR PARTICIPATION IN RESEARCH STUDY IN YOUR ORGANIZATION**

I am a final year MBA student at the University of Nairobi. My area of specialization is Strategic Management. I am currently undertaking research study on the Strategic Responses of Christian Community Service (CCS) in Kenya to Changes in their Environment.
I would be grateful if you could spare some time from your busy schedule and complete the enclosed questionnaire .All the information provided will be treated with utmost confidentiality .A copy of the final report will be made available to you on request.
I will be grateful if you could complete the questionnaire by August 26, 2006.

Yours truly,

John Muhoho Kimani