A SURVEY OF STRATEGIC CHOICES IN FAITH BASED NON GOVERNMENTAL ORGANIZATIONS IN NAIROBI

BY

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DECLARATION

This project is my original work and has not been submitted for a degree in any other University.

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

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DEDICATION

To my late father and my mother

Rev Nicodemus Nyandwi and Elisabeth Niyakire

For their model of a godly life,

To my dear husband, Simeon Havyarimana,

For his continuous support.

To my children Gloria Kwizera, Elyse Ndayihimbaze,

Annie Irankunda, Alice Niyonkuru,

For bearing my absence as I pursue my dream,

To you all,

I dedicate this work.

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Most of all, I thank God who has brought me thus far.

May the Lord bless you all.

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LIST OF ABBREVIATIONS

NGOs: Non Governmental Organizations

SNGOs: South Non Governmental Organizations

NNGOs: North Non Governmental Organizations

CBOs: Community Based Organizations

SWOT: Strengths, Weaknesses, Opportunities, Threats

SIDA: Swedish International Development Authority

NIV: New International Version

KNCSS: Kenya National Council for Social Services

CLARION: Center for Law and Research International

NIV: New International Version

ABSTRACT

This research was a survey on Strategic Choices in Faith Based Non Governmental Organizations in Nairobi. The study had two objectives. Since there is no organization that operates outside the environment, there was a concern to find out about strategic choices in faith Based NGOs and factors that influence them in Kenya. Special focus was on Faith Based NGOs based in Nairobi.

The research was a cross sectional study on fifty Faith Based organizations randomly selected. 34 organizations responded, giving a response rate of 68%. Primary data was collected via a questionnaire with both open and closed questionnaires addressed to chief executive officers of the organizations. Data was collected through drop and pick method. Data was coded and analyzed using SPSS software package and the information was presented in form of tables, frequencies, percentages and proportions.

Findings reveal that the most popular strategy used by Faith Based NGOs is partnership (25%), followed by cost control (22%) and multiple source of funding (16%). The least used strategy is competition and business activities (3%). Findings suggest that for Faith Based NGOs, beneficiaries are better served through cooperation, partnership and networking rather than by competition. Major factors that drive strategic choices are recipients needs with the highest mean score of 4.61, followed by resources available with a mean score of 4.41, and mission and scope with a mean score of 4.38. Values and

culture occupy the fourth position with a mean score of 4.32. The least determining factor is competitors with a mean score of 2.89.

Because of the pace and speed of changes in the environment, there is no best strategy. The best strategy is a strategy that helps the organization to be sustainable and grow. Managers of Faith Based NGOs have to continuously find a match between the internal position of the organizations and the external environment. Faith Based NGOs should not lag behind changes in the environment.

CHAPTER ONE: INTRODUCTION

1.1 Background

Business environment has known various changes that have compelled managers of corporations, non-government organizations and institutions to develop and to adopt responsive strategies in order to remain relevant (Drury, 2000, Peng, 2000). Companies that have ignored the severity of environmental changes have shut down. Strategic choices are the core of strategic management. Successful companies have been those that can carefully select adequate strategies that take into consideration both the strategic position and the strategic implementation (Johnson and Scholes, 1999).

Being an open system, the NGO sector has not been spared of changes in its operating environment. In Western countries, in the 19th century, non-profit organizations were supported by the business sector that created a demand for schools, cultural activities and social services (Oster, 1995). Most of activities of early Non Governmental Organizations were supported by government grants and donations. The subsidizing bodies provided a virtually guaranteed income and seldom questioned the responsiveness of the recipient to the needs of his market or his internal efficiency in the use of the subsidy. As a matter of fact, entrepreneurial and marketing activities were non-existent in a majority of non-profit organizations. However, with the growing expenditures for government and social welfare, inefficiency could no longer be tolerated in the non-profits. Donors scrutinized the use of funds by non-profit organizations which have since then been under pressure

to emulate the efficiency of the business companies (Ansoff, 1979). According to Dees (1999), faced with the rising costs of doing business and the increasing competition for fewer donations and grants, non- profit companies have turned to commercial activities to leverage their traditional sources of funding.

NGOs are part of the civil society. According to Transparency International (2000), the civil society is the sum of those organizations and networks, which lie outside the formal state apparatus. They include non- governmental organizations, labor unions, professional associations, chambers of Commerce, religious groups, students groups, cultural societies, sport clubs and informal community groups. NGCs are organizations that are not part of the government and that are voluntary, non-profit making and non-partisan (Kobia, 1985). A Non-governmental organization may be receiving funds from governments as most non-profit organizations do. So it is not the absence of governmental involvement that makes the organization a non.-governmental organization (Muruku, 1999). In some countries, a non-governmental organization means staying away from interference into governmental affairs. An NGO is not supposed to criticize the government. For example, during the cold war, in the socialism regime, NGOs existed as long as they did not criticize the system that financed them totally (Smith and Weiss, 1997).

For the purpose of this study, non-governmental organizations are voluntary and non-profit organizations that do not pay dividends. They are created to provide goods and service to people, to educate and help the needy, provide advocacy for various causes on

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behalf of individuals or groups. A non-governmental organization is based on voluntary resources and services. It should neither be part of the government nor make profit (KNCSS, 1988).

1. 2 Faith Based NGOs

Faith means to trust, allegiance to duty, or a person. Faith means belief and trust in and loyalty to God (Merriam-Webester's collegiate Dictionary, 1993). Maudud (1993) states that faith is knowledge and belief. The Arabic word Iman means to believe and to be convinced beyond shadow of doubt. Faith is the firm conviction arising from knowledge and conviction. For Muslims, faith equals obedience and submission to the will of God. For Christians, their understanding of faith is very well expressed in the NIV Bible (1994). Faith is being sure of what you hope for and certain of, what you do not see. By analogy therefore, the bottom line of faith- based organizations is allegiance to their beliefs in their activities. Their intervention in the civil society stands out. UNICEF (1995) for example recognizes that religious groups play a central, integrating role in social and cultural life in most of developing countries. They are more religious workers than health workers. They have the advantage of being in closer and regular contact with all age groups in society and their voice is highly respected. In traditional communities, religious leaders are often influential than local government officials or secular community leaders.

Shah (2000) also found that the Third World Evangelical Christian NGOs and associations distinctively and powerfully contribute to civil society and development in unexpected ways that challenge the dominant scholarly and political conceptions of "civil society and development. Faith Based NGOs command respect and trust in their service delivery. President Bush said: " An America without faith Based Organizations caring for the people in need is an America without hope."(Weicher, 2003).

Estelle (1989) notes that the reason for the proliferation of NGOs in Africa is the expansion of churches which motivated religious people to increase their activities. The number of church-related schools, hospitals, and relief activities in all parts of the continent has increased significantly. Africa counts 800,000 non-governmental organizations and half of them are purely religious in orientation.

In Kenya, the government was supportive of NGOs after independence. They were seen as instruments to supplement the development programs of the public services (Kinyanjui, 1985; Dees,1998). NGO's sector has developed to counteract the government failure. Mbote (2000) notes that early NGOs were local charitable organizations largely Christian initiatives followed by indigenous ethnic welfare associations, which were involved in self-help activities, operating mainly in urban areas. The president of World Bank commented that it is not enough to talk about governments alone. World Bank must embrace all players: Civil Society including NGOs, foundations, faith based community groups. the private sector, bilateral, other multilateral, governments themselves. and their parliaments. However. as the scope and size of NGOs have enlarged. NGOs of all sectors

in Kenya face new challenges requiring relevant strategies. The present study intends to focus on the Faith Based sector to find out their strategic choices and factors that influence them.

Faith based NGOs found in Nairobi are both local and international. To date, there are about 200 faith based NGOs in Kenya of which about 130 operate from Nairobi. They are found in every sector of the society (Kenya National Council of NGOs, 2002; Government Coordination Bureau for NGOs, 2002). Despite their contribution to the economic and social development of the country, little is known about their strategic choices and what factors influence their strategic decisions.

1. 3 Statement of the Study Problem

As stated in the background, the operating environment NGOs in Kenya has changed. Changes in the environment have affected NGOs in general and Faith Based NGOs in particular. It is known that worldwide, NGOs handle huge resources but sometimes they have been accused of corruption and fraud and mismanagement (Herzlinger,1999). Their stakeholders especially donors are more cautious to check on NGOs' accountability and ability to deliver than before. Shaw Bond (2000) observes that while the civil society enjoys the support of donors, its impact is limited by lack of effectiveness, financial weaknesses, competition, bribery in business community to win businesses.

Sustainability constitutes a major concern in NGOs in general and in Faith Based NGOs in particular. They serve already 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. Donors argue that continuous grants creates dependency among the recipients (Letts et al, 1999; Mbote, 2000). To respond to the ongoing decrease of donor funding, NGO have found that to survive they have to engage in commercial activities (Dees, 1999). Unfortunately, Faith Based NGOs that have opted for income generating activities have been accused of falling away from their first intent.

There is a shift from traditionalism to modernity that is touching the core of NGOs and mainly Faith Based NGOs. The majority of Kenya are religious. The issue of gay bishops that has aroused in the Anglican Community from August 2003 (Nation Media Group, September, 2003) has an impact on where to source funds and the choice of recipients. Should Christian based NGOs for instance accept funds from gay donors or should they condemn them thus losing financial support? Should faith Based NGOs discriminate gays recipients when delivering their services?

Since NGOs in general and Faith Based in particular operate today in a turbulent environment, they need to constantly assess their policies and strategic choices (Center of African Family Studies, 2001; Kenya National Council for NGOs, 2001). All stakeholders have high expectations towards Faith Based NGOs in their selection of strategic choices (World National Council of Churches, 1999). They are supposed to give

spiritual direction and moral guidance in their communities and beyond. In view of the above challenges, what are the strategic options of Faith Based NGOs and what are the factors that influence their strategic choices?

Previous studies undertaken on strategic management have focused either on profit organizations sector or other sub-sectors of NGO industry. Ndiao (2001), an unpublished MBA project, has studied factors that influence strategic choices in relief and development NGOs in Kenya. Bwibo (2000), an unpublished MBA project has focused on management of strategic change in NGOs. Gakuo (2003), an unpublished MBA project, has studied governance practices among Non Governmental organizations in Nairobi. Barbara et al (1999) has researched on the role of the board in Non profit organizations in American setting. None of the past studies has analyzed the strategic choices in the faith based NGOs sector. The present study intends to fill the gap.

1. 4 Objective of the Study

The study has two objectives:

a. To document strategic options taken by Faith Based NGOs

b. To establish the factors that influence strategic choices in Faith Based NGOs.

1.5 Importance of the study

a. Managers of Faith Based NGOs will be able to understand the importance of strategic choices, the factors that influence the strategic choices and therefore get to more knowledge on how to choose the best strategic options.

b. Policy makers will find in the study complementary information in the area of strategic choices, especially how to best cooperate with faith based NGOs in government policies.

c. The donor community and their advisors will find the study informative on the strategic choices in Faith Based NGOs.

d. The research will avail more knowledge in strategic management and specifically on strategic choices in Faith Based NGOs.

CHAPTER TWO: LITERATURE REVIEW

This section covers available literature that put forward the significance of strategic choices in organizations. It is aimed at providing secondary data available to highlight the concept of strategy choice, models of decision- making process, strategic options, factors that influence strategic choices and the selection of an effective and sustainable strategy.

2.1 The concept of strategic choice

Decision- making suggests that the individual or the organization has a choice to make among alternatives in solving a problem or a set of problems. Strategic choice is the process of choosing among alternatives generated by SWOT analysis. The organization has to evaluate various alternatives against each other with respect to their ability to achieve the firm's major goals (Hill and Jones, 2002). A decision is an episode beginning when an organization first becomes aware of a motivating concern and ending with an implementation attempt. A strategic decision can be defined as one having considerable importance due to the resources required or expected consequence (Hickson et al., 1986; Mintzberg et al., 1976). (Nutt, 2002) notes that the decision making approach depends upon the demands of the decision task.

Ledka (1998) found that strategic choice can change completely the process of strategic planning. Strategic choice process involves the understanding of the underlying bases guiding the organization's future strategy, generating strategic options for evaluation, and

selecting among them (Johnson and Scholes, 1999). Strategic management decisions vary according to the level of strategic activity. Decisions at the corporate level tend to be more value oriented, more conceptual and less concrete than decisions at the business level and functional level. Strategic decisions are less costly, risky, potential profitable than corporate and business decisions (Pearce and Robinson, 1997). Part science, part art, decision making is one of an executive's primary accountabilities. A firm's success or failure relies heavily on the quality of the decisions of its top managers make on allocating resources and determining the future corporate direction (Doran G.T and Gunn J, 2002)

Strategic choices are made in different environments. The environment is ever dynamic. Dynamism can be increased by rapid technological changes involving either products, processes, or uses will mean changes are likely to occur quickly and that organizations may stay aware of the activities of their suppliers, and potential suppliers, customers and competitors (Thompson, J.L 3rd edition). For that matter, Thompson argue that risk taking and creative entrepreneurial leadership may well be required as strategies pursued in the past or modification of them may no longer be appropriate.

On the African continent, Rutashobya (1999) predicted that the competitiveness of African firms in the twentieth first century would depend on the managers' ability to understand and to respond to external environment forces, as well as to think globally. Environmental turbulence has become one of the most critical forces managers face.

No institution or company can survive without a strategy. A strategy provides a framework for making decisions and setting policies that will take a company to where it wants to go (Bhide, 1999). A strategy is a set of decision-making rules for guidance of the organizational behavior. Strategies are yardsticks by which the present and future performance of the company will be measured (Ansoff, 1990). Unfortunately, most NGOs do not have a clear defined purpose or strategy (Ngethe, 1989). Ngethe argues that the reason for the lack of strategies in NGOs is that they are meant to respond to short-term objectives. However, the success or failure in the performance of any organization lies within the choice and implementation of the best strategies for the organization (Porter, 1991).

2.2 Strategic choice models

Organizations reach strategic decisions through different methods. A lot of literature exists on the decision- making models. According to Thompson model, strategic choice can be arrived at through analysis, judgment, bargaining and inspiration (Nutts, 2002). Analysis is recommended when both the objective and the means to achieve them are known. In such circumstances, performance measures inferred from objectives are used to evaluate options available for the organization (Churchman et al, 1957). A judgmental approach is more applicable when the objective can be identified but the means of producing the results is ambiguous or unknown. This type of decision arises when management is facing decision on cutting edge ideas, new technologies, or unfamiliar problem, making unclear what steps are needed to produce the desired results. Under

such conditions, the firm seeks an expert to identify the option benefits that meet the performance norms proposed by the expert's experience (Mintzberg et al 1976). However some critics suggest that decision makers use experts to sanction what they want to do (March, 1994).

Bargaining approach is recommended when decisions in which means are clear but objectives lack clarity. Such decisions for example can arise when prospective customers, suppliers, or oversight bodies have unknown or shifting expectations. To decide on the course of action, stakeholders must negotiate and sometimes the dominant coalitions need to meet and discuss the merits of each option reaching the best decision by consensus or by vote (Hackman,1990; Pleffer,1992). Success depends on whether management can cater for pluralism.

The inspirational approach is preferred when the objective and the means of producing a result lack clarity, therefore, a volatile decision task is created in which there is no rational basis to make a strategic choice thus necessitating a call for inspiration. Nutt and Backfoff (1997) observe that when faced with inspirational decision, decision makers would use their political skills to network with key stakeholders. Although the Thompson model depicts decision process in a business environment, the same guidelines apply to faith based NGOs because they face similar situations. For example, Kihia (2002) states that many lobbying groups in Kenya have demonstrated against the government policy of distributing condoms to combat Aids pandemic. Catholics and Muslims have formed a coalition to fight against any effort by the government to encourage the use of condoms.

Talking about power in non- profit organizations, Ansoff (1979) concurs in confirming that while strategic leadership is absent, political influence is rampant in the non profit. Decision leadership is concerned with making strategic choices. This involves establishing levels of aspirations, selecting suitable strategic thrusts and selecting strategies and product-market moves.

Comerford R. A and Callagham D. W (1985) have advanced a model in which they recognize the differences between the individual context, the group context, the organization context and the institution context. The individual decision maker can make rational decisions, intuitive decisions and adaptive decisions. A decision is rational when it affectively and efficiently assures the achievement of another value. A rational decision maximizes the net value achievement where the sacrifice in one value necessitated by a decision is more than offset by an increase in the achievement of another value (Lang J.M et al., 1978). The problem of rational decision- making process is that the value of the choice has different meaning for different people. As a matter of facts, the definition of rational decisions outcomes can change from manager to manager even from situation to situation. Managers of NGOs pursue different objectives upon which depend the value they attach to strategic choices. The tendency is for managers to stop analyzing strategic alternatives when a suitable but not maximum choice is found.

Managers can use the intuitive approach while making strategic decisions. Steiner (1979), describes the model as one in which managers make gut-level decisions as to which strategy choices is the right one. Intuitive decisions generally apply within short-

term future and to entail distant forecasting and planning. The model requires that decisions come out as a result of many years of management experience and a high level of confidence on the part of the decision maker. The adaptive model suggests that strategy selection be based on determining the minimum threshold values for each goal and reject each strategy choice that is not expected to reach the minimum (Ansoff, 1965).

Miller D and Friesen P (1978) have researched on the group context. Their findings confirm that balancing the interests of internal and external groups in strategy selection consists of finding the group equilibrium. When the relative power of groups changes, strategy will change to establish a new equilibrium. Strategy will move in the direction desired by the groups gaining in influence and away from the desires of groups loosing influence. In the organization model, decision makers seek to understand the important elements of the environment that place the demands on the organization, the characteristics of the organization that will allow it to transform demands into strategy, how the environmental inputs affect the content of strategy and how does the selected strategy affect key actors in the environment through feedback (Comerford R. A and Callagham D. W, 1985). The two scholars also hold that there is no one best way for all companies. But companies will benefit if they use to some degree a formal, rational, structural approach taking into consideration the constraints and the characteristics of the situation. Kaplan, S and Beihocker, E (2003), bring a different view on strategic choice as a part of strategic planning. For them, strategic planning is not to make plans but it is an important tool to create prepared minds within their management teams in the process of making key strategic decisions. The goal of a formal strategic planning process is to

make sure that key decision makers have a solid understanding of the business, share a common fact base, and agree on assumptions. But real strategy is made in real time.

2.3 Factors that influence strategic choices

Many factors come into play in determining the course of actions that organizations choose to adopt. They include ownership, mission and scope, leadership, culture and values in the organization, stakeholders' preferences and external environment such as government policies and regulations, change in customers' demands, economic changes, social changes and technological changes.

In the business environment, the perception of the firm as an ongoing concern and the amount of stake owned in the company can encourage management to focus on long-term plans. In large Japanese companies for example, institutional ownership is proposed to affect corporate productivity both directly or indirectly through a set of four strategic choices: product/market development, R& D intensity, capital intensity, and leverage (Chodhury, Shamsud D (2001). Ownership of major Japanese companies is concentrated in a few large institutions especially banks and insurance companies. Japanese industrial organization is characterised by groups of enterprises composed of firms in many different industries. At the heart of these corporate groupings are cross shareholdings and the centrality of banks and other financial investors. Besides holding a large amount of equity, these financial institutions also assume the role of major lenders to these firms, often supplying a wide range of services. As a result, institutional stockholdings are not

considered as merely straightforward investments for capital gains, rather these stockholdings symbolize durable relationships with other firms in the trading network (Abegglen and Stalk, 1985; Gerlach, 1987, 1992; Porter, 1992; Sheard, 1989, Taylor, 1990). This dual role of institutional owners has allowed Japanese firms to focus on continuous product/market development, corporate groups, development of employee skills, technological innovation, and long-term growth. Because of the emphasis on the continuity of the firm, which is embedded in the need for maximizing the wealth-producing capacity of the firm, owners support management, as long as the company performs according to its business plan (Drucker,1991).

The studies made in UK about ownership, control and stakeholders interests show that in the 1980's, the managerial priorities were interests of owners and shareholders. But in 1990s and 2000, managerial priorities in strategic decisions were the focus on consumer interests (Poole et al., 2003). The study failed to conclude that the number of shares owned by managers in a company will compel management to focus primarily on the interests of the owners in their strategic choices. The intensification of international competition and the opening up of markets on a global basis greatly enhance today a commitment to consumers intended to ensure both the prosperity and the survival of modern company.

In the non- profit organizations, there is a lack of clarity of ownership. Since one cannot talk of shareholders, staff, clients, volunteers and the board vie for control at one time or another. In western non- profit organizations, the key stakeholders who play a great role

in the direction of strategic choices are the donor, staff and the client (Oster, 1995). In the

Kenya context, donors seem to take preeminence in determining the future of the non-

profit organizations(Rindell, 1997). Most NGOs are supported by donors' funding with a

high degree of unpredictability. NGOs seldom know from one reason or another one day

to the next which donors are going to support them, for what reasons and for what period.

In fact, NGOs are vulnerable to the predilections of the latest aid manager arriving on the

scene, to political considerations and to a variety of other donor vagaries (Smilie,1997).

Such NGOs will tend to focus on short- term plans that threaten their continuity. Unlike

in Japanese firms, managers of NGOs with a high degree of donor dependency will not

be free from short term and risk averse attitude in strategic decisions and in developing

the attitude of self-help behavior (Johnston, 1995). Self-serving behavior by management

results in the appropriation of a firm's valuable resources by these managers (Bird and

Wiersema, 1995).

Mission and scope play a vital role in the strategic choice process. In the business world,

an organization mission is generally defined as the broadly stated identification of the

business basic scope and operations that distinguish it from other organizations. Among

non-profits, a mission statement helps to identify both the audience and the product or

service being offered. The mission statement stipulates implicitly or explicitly the core

values of the organization or the founder (Oster, 1995). A mission statement is an

expression of the raison d'être of the organization. If there is substantial disagreement

within the organization or with stakeholders as to its mission, it may lead to real problems

in strategic direction of the organization (Johnson and Scholes, 2002). The mission

should clarify if the organization wants short term profits or long term profits, focus on highly related businesses or a more diversified set of business, to a global coverage or a focus on selected countries, to invest in internal innovation and new products or acquisition of new businesses. Clarity of mission or vision provides a basis on which future strategic choices are likely to be made. In non profit organizations, for a mission statement to be viable, it should evolve from joint efforts of staff, volunteers, the executive director and large donors (Oster, 1995).

Leadership guides the direction of the organization in its strategic choices. The leadership system is how leadership is exercised throughout the company. It is the basis for the way key decisions are made, communicated, and carried out at all levels. The essence of leadership is connecting people with the purpose of the organization (Cartin, 1999). Therefore, leadership plays a key role in strategic choices of a company. Bourgoies (1984) notes for example that the most senior members of an organization have a significant impact on expenditure decisions. Top management or dominant coalition always retain a certain amount of discretion to choose a course of action that serve to align organization's resources with its environmental opportunities and to serve the values and preferences of management. In the public sector, strategic choice will be influenced by politicians (Ring and Perry, 1985). Public managers have no objective of their own. they simply follow the instructions of their political masters. To the extent that these instructions are not clear or incomplete, public officials seek to fill in details by knowing the minister's mind (Heclo and Wildavsky, 1974).

In private firms, leadership succession is a significant contributor to the direction of the organizational change. Upper-level executives have a predominant influence on what happens to the organization (Finkelstein and Hambrick, 1996). Substantial power to steer organizations rests in the hands of its leaders (Cannela and Monroe, 1997; House and Aditya, 1997). Managers do not dispassionately assess strategic course to steer. Their decisions are often influenced by their own vision of how to compete and how to position the firm and what image they want the company to have (Guth and Tagiuri, 1965). The principle has been supported by Pfeffer and Salancik (1978) who say that that new leaders are not just victims of the environment, they have the discretion to interpret their environment in line of their preferences.

Management's attitude toward risk determines which strategic decision managers will favor over another. Strategic options depend on the assessment of the organization' position in the environment. Although assessment of the strengths and weaknesses and of the opportunities and threats facing the organization can have objective basis, they are often influenced by subjective perceptions and interpretations (Scheider and Arnaud de Meyer, 1985). Environmental uncertainty can be assessed objectively through industry analysis (Porter, 1980), yet it is perceived differently by different managers (Duncan, 1972). Perceptions of environmental uncertainty and of organizational control and capability influence the choice of proactive versus reactive strategic behavior (Dutton and Duncan, 1987; Daft and Weik, 1984). It is important therefore to understand the relationship between perceptions of environment and the organization, interpretations of events and the strategic response.

Risk avoiders favor conservative strategies that minimize risks and have a quick pay-back and produce sure short- tem profits. Risk takers lear. more toward opportunistic strategies with a more focus on long-term profits. Risk takers prefer innovation to imitation and strategic offensives to defensive conservatism (Thompson and Strickland, 1993). For NGOs, they exist anyway for short-term projects. But if they are to have a long- term impact, business management principles do apply. If the donor is risk averse, he/she will opt for short term plans and if he/she is a risk taker, he/she will disburse funds to support long- term projects.

Institutional transitions matters in strategic choices. Globally speaking, it was not long ago that competition was all absent. Markets were closed, industries protected, and strategizing not necessary. In contrast, pervasive changes are now the striking feature, thus calling for firms to employ diverse competitive strategies to navigate the turbulent waters than institutional transitions (Peng, 2000). Institutional transitions can be defined as fundamental and comprehensive changes introduced to the formal and informal rules of the game that affect organizations as players (North, 1990: 3; Scott, 1995). Peng (2000) distinguishes strategic choices for incumbent, entrepreneurial and foreign firms. In the beginning firms rely on relation- based, personalized transaction structure calling for a network centered strategy based on personal trust and informal agreements among managers and officials in order to overcome uncertainties (Gullen, 2000; Peng and Heath, 1996). During the beginning of transitional period, who you know is more important than what you know (Peng, 2003). The expanding scale and scope of transactions require

gradually formal institutional mechanisms to support the increased complex transaction structure. The organization moves from a relation-based strategy to market based strategy. Networking strategy emphasizes intangible assets embodied in managers' interpersonal ties and inter-organizational relationships with various players (Powel, 1990). Market-based strategy concentrates on competitive resources and capabilities such as quality, finances and marketing.

Strategic choices during institutional transitional essentially focus on the question of how do organizations play the new game when the new rules are not completely known. Many organizations may initially exhibit extensive inertia for the new institutional realities to become better defined. Both market and non market forces exercise a pressure on organizations sometimes in a conflicting manner (D'Aunno et al. , 2000; Olivier, 1992). As a result, there may be a good deal of apparent randomness as many firms display strategically confused behavior because they are unable to cope with the rapid changes (Newman, 2000). Non profits as well travel through transitional periods in which they experience both internal and external pressures. In the early life of the non- profit is dominated by the mission. At this stage, management worries less about waste or inefficiency, instead, much of their time is spent on selling the mission to their clients and donors. As the organization matures, bureaucratization follows and cost considerations grow in importance becomes more visible. The role of professional staff increases and their political power goes higher. External forces also exert pressure for change. Among external changes are economic, social demographic and political changes.

The non-profit organizations have seen considerable changes in their operating environment. For example, in the American setting, in the last thirty years, the share of resources going to the arts and the environment has increased substantially while those going to human services have declined. Similar changes have been observed in Norway where organizations devoted to arts and language have increased greatly at the expense of missionary and humanitarian organizations. The non-profit sector has become more international. In addition, the use of more businesslike management techniques in the sector has increased. Therefore, when environmental changes like customer needs and donor preferences change, individual organizations that are no longer suited to that environment die and the other organizations, more well-matched to the new environment grow up (Oster, 1995).

Ansoff (1979) findings support the influence of environmental changes on the organizational strategic choices. He noted, during the past decades, a major escalation of environmental turbulence has taken place. For the firm, it has meant a change from familiar world of marketing and production to an unfamiliar world of strange technologies, strange competitors, new consumer attitudes, new dimensions of social control and above all, questioning of the firm's role in the society. For non-profits, change has meant a transition from centuries of old introverted perspective to opening doors to the environment. On one side, society challenges the social relevance of non-profits, on the other hand, there is an increasing demand for expansion of their services and effectiveness. NGOs have become more vocal and operational in many contexts that were once the exclusive preserve of governments (Wapner, 1995).

The same can be said in Kenya operating environment. Following the growing NGOs' provision for numerous international services including relief, election monitoring, development assistance, environmental action, gender issues, human rights, health services, NGOS face a strategic decision for what business to be in and which strategies to adopt. The aid market pushes NGOs to diversify and provide multiple services in order to secure a large portion of the subcontracting business with international bodies. In doing so, NGOs run the risk of finding ways to work within crises and manage their symptoms than deal with root and alleviation of poverty (Smith, 1997).

Critics argue that the new solicitation of NGOs by UN means hundreds of subcontractors delivering similar goods and services in a disjointed and competitive market place. Part of the dramatic growth of NGOs is driven by NGOs themselves, a phenomenon pronounced in the humanitarian and development sub-sectors (Bennett, 1995). Miller (1989) supports that NGOs almost by definition operate on a micro-scale in somewhat scattered manner. Their micro-specific genius is further unbalanced by their notorious inability to coordinate development initiatives among themselves.

Indeed even Faith Based NGOs in Kenya form a very fragmented sector with little coordination among them. If well coordinated, networking helps to build synergy among companies or NGOs. Because of changes in the environment. network strategy is fundamental to the success of companies. Advocates of new economic and social paradigms believe that the world is changing fundamentally. They assert that new

technologies and economic globalization are ever changing the very nature of business with great emphasis being place on the centrality of knowledge, value creation and innovation generated increasingly through networks. Andreasen A. R (1979) holds non-profits organizations must develop explicit ties with for-profit corporations. They should enter into cause-related marketing alliances with corporations to implement their strategies at low cost. The alliances must add value to the both the corporations and to the non-profits. Non- profits should not be linked to a company whose business practices are completely unethical to the non- profit mission.

Strategic choices in NGOs in general and in Faith Based NGOs in particular, are also sometimes driven by stakeholders' preferences especially donors. Influence from funding bodies may be high in terms of formulation of the organizational strategies in NGOs. For example, in Bangladesh, to receive Swedish funding, the NGOs must comply to SIDA's five development assistance goals: economic growth, economic and social equality, economic and political independence, democratic development, and environmental quality. Since such organizations might dependent on funds which emanate not from the users but the sponsors, there is a danger that NGOs be concerned more with resource efficiency than with service effectiveness (Johnson and Scholes, 1999). The task of managing different donor expectations while widening an NGO's choices, may add to its administrative burden and potentially limit its autonomy (Lewin, 1994). In fact, NGOs should be accountable not only to their benefactors but also to the very people they exist to serve. Unfortunately, almost universally, organizational award and system focus on

satisfying the demands from the top. Personnel are rewarded for implementing the project or program rather than for responding to the demands and needs of the target group (Kobia: 1985)

NGOs in developing countries have continually faced the problem of the lack of direct funding. Northern NGOs want to receives funds from the donors and come to developing countries to implement their projects. Their relevance is sometimes questionable. Donors want to know if the proposed inputs solve or contribute to the solution of a particular set of problems (Smith, 1997). Kenya for instance has enough educated staff who are able to implement NGOs ' projects if they could only receive direct funding from the donors. Bowen (2000) proposes that there should be some mechanisms for checks and balances in the relationship between partner and donor to prevent donor-dominance in the funding strategies. As Edwards (1996) elegantly puts it, there is a potential crisis of identity and legitimacy among NNGOs as increasingly effective SNGOs take over of most of activities previously carried out by organizations from the North. Indirect funding has the problem of paternalistic view of local needs which rests on an outsider preconceptions than on local and cultural realities (Lewis, 1999).

Culture and values in the organizations set the tone of strategic decisions. They are particularly important in faith based NGOs. For example, Christian faith based NGOs differ from others in the core values that dictate their strategic choices. Lee et al (2003) found that Christian faith matters in business. Christian Executives handle managerial issues differently especially the ones that are ethically controversial.

The parent culture and values influence the strategic choices the business units will select. All organizations have a culture. Culture includes the set shared values, beliefs, attitudes, customs, norms, personalities and heroes in the firm. A firm's culture can become antagonistic to new strategies and the results may be confusion (David,1997). Culture can also be an asset to the success of the organization. Shrivastava (1985) explains that not only has the right corporate culture become the essence and foundation of corporate excellence but success or failure of needed corporate reforms hinges on management' sagacity and ability to change the firm's driving culture in time and in tune with required changes in strategies.

2.4 Strategic options

Firms and organizations take into consideration of both their internal and external operating environment when they choose their options. Porter M.E (1998) holds that all firms compete with industry rivalry, bargaining power of buyers, bargaining power of suppliers, threat of entry, and the threat of substitutes. To counter the five competitive forces, firms can use the generic strategies, which are cost leadership, differentiation and focus. Cost leadership requires aggressive construction of efficient-scale facilities, vigorous pursuit of cost reduction, tight cost and overhead control, avoidance of marginal accounts and cost minimization in areas like R&D, service, sales force, advertising and so on. Managers have their attention to cost control. However, a low cost strategy cannot protect the company against all the five competitive forces because bargaining can only

continue to erode profits until those of the next most efficient competitor are eliminated. The cost leadership strategy is vulnerable because the firm may not be able to see the required product or service or marketing change because of the attention placed on cost.

The differentiation strategy consists of differentiating the product or service offering of the company, creating something new that is perceived industry wide as being unique and the consumer is willing to pay premium price for the value addition. It can take the form of design or brand, image, technology, customer service, dealer network, or other dimensions. Differentiation can imply a trade off with cost position because the activities required in creating it are inherently costly such as research, product design, highly quality materials or intensive customer support. Moreover, some customers may not be willing to pay for the value added. Differentiation strategy can be challenged by imitation. Imitation narrows the perceived differentiation. With the new world disorder, differentiation cannot guarantee margins. As Checa N et al (2003), observes, when it comes to invest in today's unstable environment, companies' tactical choices about market entry and management matter a greater deal more than they did in 1990's. Barney gives the illustration of the competition that Coca Cola is facing. Taking the advantage of the current backslash against US products in the Middle East, a French Born Tunisian is producing Mecca-Cola, a mimic of Coca-Cola, which is targeting the Muslim community. Value addition of this product relies in the promise that 20% of the profits will sponsor Palestinian and Muslim charities.

The focus strategy consists of focusing on a particular buyer group, or product segment line, or geographic market. The firm would serve a particular target very well, and each functional policy is developed with this in mind. The assumption is that the company is able to serve its narrow target more effectively than the competitors who are competing more broadly. The benefits of focus strategy may be eroded if competitors find sub-markets within the strategic target and out focus the focuser.

Competition does exist in non- profit organizations. Non- profits are highly interdependent, and consequently, understanding the likely actions of both their partners and rivals is very important. Non- profits organizations can use the game strategy in tracking the moves of their competitors. The only difference between profit and non-profit organizations is that the latter have to act both competitively and cooperatively (Oster,1995). Non- profit cooperation is encouraged by the existence of differential resources among organizations, externalities across groups, commonality of mission, and pressures by government and funding individuals or organizations. Cooperation is also made easy by the prevalence of networks, formal and informal among these organizations. Having the commonality of interests in social issues, many NGOs feel that their collective action serves the great good.

2.5 Effective strategy selection

An organization's strategy describes where is it is going in the future. The strategy could move the organization away from its current business interests. For that matter, whatever the direction, strategy analysis must be carried out before taking important decisions (Levicki,1996).The central thrust in strategy is to achieve a long term sustainable advantage over key competitors (Hax and Majlug, 1996). Various strategies have to be evaluated before choice is made (Weirich and Koontz, 1993).

According to Johnson and Scholes (1999) and Thompson (3rd edition), a strategy to be effective, it needs to be suitable, feasible and acceptable. Managers should evaluate if there is a fit between the resource capability of the company and its environment or if resource capability can be developed or stretched to yield new opportunities. In the feasibility analysis, management should inquire to what extent the strategic option can be implemented. Sufficient funds should be available at the right time, staff recruited and trained to reflect the sort of image the firm is trying to project. It is important to anticipate the reactions of competitors and to incorporate a flexibility plan. The strategy should help the organization to satisfy its needs and to close any gap. The strategy should be acceptable to stakeholders and to the corporate culture. Johnson and Scholes (2002) argue that the final choices and prioritization may be difficult as stakeholders may place desirability over suitability because of their interests. On the other side, if a preferred strategy is implemented successfully, it will be rationalized as appropriate. As a matter of

fact, the role of judgment in strategic choices should not be overlooked. Individual subjectivity and judgment play an important role in strategic choices.

For other scholars, the best strategy is a strategy that helps the organization to be profitable and to grow; for that matter, the strategy should be sustainable in terms of generation of revenues and capacity building. Researchers found that in a venture environment, as market imbalances disappear, companies that have not developed distinctive capabilities or established defensive competitive positions disappear as well (Bhide, 1999). Although faith based organizations are not profit making, donors want to see value for their money therefore they should adopt business principles. Williams (2003) does not even agree that non profits based organizations are not businesses. He holds that non- profits are first and foremost businesses. While they do not generate a profit, they generate revenue and what they do with it is to expand their business to serve more business. Therefore, they must be financially solvent.

Business principles however should not be applied to non-profit blindly. As Rangan (1999) observes, conventional marketing strategies are not always effective when used in social change. Many social programs are bedeviled a- what is- in- it for me reaction from the target groups. Very often benefits from product or service delivery are less than the costs. Many who work in non- profit are uncomfortable with the style of operations common to profit organizations especially those who operate in developing countries. In micro loan projects, when it is time to reimburse, the business like behavior is interpreted as a lack of compassion (Dees, 1999). The challenge therefore is to find ways of reducing

the organization's dependency in grants and enhance its mission related performance. Managers of non- governmental organizations in Africa and in Kenya in particular, have to find a financial structure that reinforces the organization's mission, uses scare resources efficiently, is responsive to changes and is practically achievable.

Letts et al. (1999) criticize non- profit to have been conditioned by the exiting grant-seeking process to camouflage their organizational expenses and needs. They argue that non- profits do not need to conceal their weaknesses but rather they should sell those weaknesses by explaining that they know where to strengthen their organizations and how to deploy resources efficiently and strategically to get the job done. Non-governmental organizations should be able to articulate compelling organizational strategies and ask foundations to invest in those strategies. In application to this, Faith based organizations in Kenya, should show to donors a clear plan that justifies longer-term support. A good program should not lack support. In view of the characteristics of a good strategy, one may be tempted to believe there exists one. Porter (1991) holds that since the number of variables is substantial and environmental change is continuous, the problem is not selecting good strategies but creating a flexible organization that learns and is able to continually redefine its strategies.

2.6 Specific issues of Strategic choices in Faith Based NGOs

Faith NGOs have faced a number of challenges that have compelled them to redefine their strategies to remain effective. The main issues include accountability, lack of

reputation, reduction of donor funding threatening sustainability, wave of secularism, fragmentation, competition among many others.

The problem of accountability has many facets (Herzlinger. R.E, 1979). The NGO may fail to accomplish its social mission. For example, an NGO whose mission is to offer medical services may overcharge its clients. Managers may get excessive wages and benefits for themselves. When managers, employees or board members use resources for their own benefits, instead of the organization' purpose it is pure abuse. Another form of abuse is to take excessive risks when NGOs borrow money to place in speculative projects. Although Herzlinger studies were done in an American setting, the same reality is observed in Kenya. Governance in NGOs is less to be desired. There is little disclosure of performance information for Non- profits especially the measures of effectiveness such as client satisfaction; financial information is often lacking as well.

Show Bond (2000) has criticized poor effectiveness in NGOs. He found that while the civil society enjoys the support of donors and is popular with people, its impact could be limited by financial weaknesses, competition among members, lack of effective networking systems and corruption with its precincts for example bribery in the business community to gain business. They are sometimes self -promoting and irresponsible.

Faith Based NGOs face moral choices especially when it comes to corruption and secularism. A current burning issue is the impact of the spread of homosexuality in churches today affecting Faith Based strategies. NGOs are supposed not to discriminate

when offering their services. Should Faith Based NGOs espouse homosexuality or oppose the school of though and then loose the favors of their sponsors? Should they accept to serve gay people or being served by them?

Faith indeed matters in Faith Based NGOs or other business conducted by religious people. In some countries, corruption is too high that it is almost to conduct business forcing the closure of the organization if the manager is not willing to bribe (Kam-Hon et al, 2003). How then do executives handle managerial issues, especially the ones ethically controversial? Yet for Christians for example, the rationale is to obey Christ above all. However, sometimes, in the name of faith, the organization can also fail to serve the customer by having a don't care attitude. Even for NGOs, there must be a drive to serve the customer to the extent of exceeding his expectations without undermining the moral values.

To address corruption and accountability, the role of boards has been reinforced. Many NGOs have today a function board and CEO who is accountable to the board and whose performance is reviewed annually by a board committee. Where the board is not a rubber stamp, they have an assigned mission and their performance is reviewed annually against performance objective (Drucker,1993-1994). Drucker observes that non-profits are becoming more conscious of having a well defined mission. a new commitment to social responsibility and to values.

NGOs have experienced a continuous decrease of donors' funding. Mbote (2000) and Kenya National Council of NGOs (2001) agree that Kenya NGOs are dwindling for financial resources. Fund reduction is mainly the result of change in donor policies, political transformation and economic recession. The situation has been worsened by the September 11th attack on American interests. NGOs including Faith Based NGOs have to engage in commercial activities for sustainable incoming generating activities, which sometimes compromise their first intent of helping the poor. Non profit executives are forced to spend large part of their time to fundraise the money needed to run their activities (Letts et all, 1999). Their donors require periodic financial reports but are not willing to contribute the services of an expert to work with the NGO on financial planning. NGOs today have to be more entrepreneurial than when funds were secured (Dees, 1999). To diversify sources of funding their programs, NGOs They easily accept contracts from government agencies to build schools, hospitals and to lead training programs to name but a few. The danger of commercialization of NGOs' activities and Faith Based NGOs in particular is the loss of focus on the first mission. For example, YMCA in USA, in the attempt to be self sustainable by putting up fitness centers, it has been accused of having lost its sight of its mission to promote the spiritual, mental and social condition of young people. One wanders if YMCA and many other faith based organizations in Kenya cannot be told the same.

Networking is the language of the day. For example, Show-Bond (2000) argues that networking and teamwork by NGOs and other actors that undertake similar activities help increase their effectiveness. They have adopted partnership with similar organizations in

order to share cost and expertise. For instance, if legal based NGOs can assist in training paralegals to work with local communities to teach them new skills that will give them more confidence in their work. Apart from legal training, there is a need for sharing researched information to better serve the market. Most of the time, non profits lack the funds to track the clients' needs and how those needs are changing (Letts et all, 1999) Therefore they undertake programs that have little impact to show since the delivery of services is not based on a market research. For example, development programs have become more popular then charity services because of change in societal demands. Development programs are replacing charity programs that are becoming less credible (Institute for Development Studies, 1985). Charity programs respond to short- term crisis thus create dependency. Governments are requiring NGOs to engage in sustainable development programs.

In view of the issues facing NGOs in general and Faith Based NGOs in particular, the researcher found important to look further as on what are their strategic options and what factors do they consider in their strategic choices?

2.7 Findings in Strategic Choices in Kenya

The issue of strategic choices has triggered a number of researchers. Kioi (2001), in her study of the strategies and forces influencing them within Kenya's Dairy Industry, affirms that the most commonly used strategies are those focused on increasing market share and facilitating growth. Market development and product development were also

commonly used. Players in the industry are responding to a changed competitive business environment. The study has shown that factors that influence strategy are existing competition, bargaining power of customers and suppliers, infrastructure, and government policies. Political connections and substitute products are not the major determinants of strategic choices.

Bett (1995), found that due to 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 principal 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. The researcher has proposed a similar study of other sectors of NGOs to provide valuable information on the state of strategic management in general.

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

Kihia (2002) found that various promotion strategies were being used by NGOs to create awareness and to convince target groups to increase the use of condoms. She found that religious groups were opposed to the use of condoms as a strategy to fight against HIV/AIDS.

From the stated past studies, none has researched on faith based NGOs in the any area of strategic management. Faith Based NGOs have their distinctiveness in their strategic choices and product / service delivery. As Nelson (1991), puts it firms cannot just be treated as black boxes because they differ and differences matter. There is an urgent need to find out what are if the strategic options in faith Based NGOs and what the factors influencing their strategic choices.

CHAPTER THREE: RESEARCH DESIGN

3. 0 Introduction

The study was a cross sectional study which is a common method of data collection in social sciences (Nachmias et all, 1996). This method allowed the research to collect a large amount of descriptive information that was statistically analyzed. It also allowed for the generalization of the findings.

3.1 The population

According to the Kenya National Council of NGOs (2003) and the Government Coordination Bureau for Non Governmental NGOs (2002), there are 2600 Non Governmental Organizations registered in the country of which about 200 are faith based and about 130 are based in Nairobi. The Faith based Organizations to be studied were drawn from this sampling frame of 130 Faith Based NGOs based in Nairobi.

3.2. The Sample

The research proposed to investigate a total of 50 Faith Based Organizations. This size was appropriate given the limitation of time and resources. Simple random sampling technique was used to draw a representative sample from the sampling frame. Given that the sampling frame was 130, the 50 Faith Based Organizations were identified by selecting every second organization on the list. The first organization was selected by using a random sampling table.

3. 3. Description of variables.

Variables include, the organization profile, strategies adopted, factors that influence strategic choices, and challenges encountered while implementing strategic choices.

The profile of the organization helps to know the organization and to understand better the strategies they choose. The organization profile was assessed by inquiring about the mission and the age of the organization, the level of education of the staff employed, type of organization, the areas of operation and the budget.

It was also important to identify the strategies adopted in the last five years, who is involved in the process of strategic choice and find out factors that influence strategic choices. Strategic choices show how the organization is creating a match between its internal capabilities and its external environment (Aosa, 1988). According to past findings, a number of factors influence the choice of strategies. They include mission and scope of the organization, leadership, ownership, management perception of risk, culture and values of the organization, stakeholders' preferences, and the external environment such as change of government policies, change in recipients' needs, economic changes, social changes, and technological changes. In the implementation of the strategies chosen, organizations face sometimes obstacles. They include the resistance to change, lack of resources, inadequate internal capabilities to counter the challenges posed by external environment.

3.4 Data Collection

Primary data was collected using a questionnaire wit both open and closed ended questions. The questionnaire was addressed to the chief executive officers of the selected Faith Based NGOs. A letter of introduction was sent to the organization together with the questionnaire, introducing the research and explaining the objectives of the study. The questionnaire was tested to one organization before the large distribution. The researcher decided to distribute herself the questionnaire since a number of CEOs requested a personal contact before responding to the questionnaire. The distribution was followed by telephone calls to ensure that the intended respondents got it. The questionnaires were picked after completion, an exercise which took two months. Upon collection of the questionnaire, the researcher checked completeness of answers given and sometimes had to go back to the respondent for more clarification while other respondents did not allow any second contact. Personal contact increased the response rate (Nacmias et all. 1996) As it is stated in literature review, in conducting a research in Faith Based NGOs, whom you know is more important than what you know.

3.5 Data Analysis

The questionnaire was edited to ensure that they are well completed and that responses were consistent. SSPS software was used for data analysis. Descriptive statistics such as tables, frequencies and percentages were used to capture the organization profile and strategies chosen. Mean score was used to identify factors influencing strategic choices in the population sample under study.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents analysis of the findings based on research objectives. The data collected was coded, analyzed and presented using descriptive statistics and summarized in tables. The research was a descriptive study meant to document strategic options in Faith Based Non Governmental Organizations and establish factors that influence their strategic choices. Frankford (1996) says that descriptive statistics enable the researcher to summarize data in an effective and meaningful way. They provide tools for describing collections of statistical observations and reducing information to an understandable form. Cooper and Emory (1995) assert that a descriptive study is used to learn the who, what, when, where and how of a topic.

4.2 Findings

4.2.1 Response Rate

Out of the 50 Faith Based NGOs, which received the questionnaire, 34 responded, giving a response rate of 68%. The time of data collection coincided with budgeting, strategic planning and traveling for some executive officers. For others, they found the subject of study as suspicious and declined to respond. Even in their absence, some CEOs did not allow their deputies to answer the questionnaire, which made the projected completion

period of the research to go up to two months despite daily follow up. This may imply that information is rather centralized. It is important however to mention that the topic in itself required that the organization uncovers many sensitive issues. In addition, in some Faith Based NGOs, though genuine, the nature of the sensitive geographical areas of their target groups limited the amount of information they were allowed to deliver even about their mission, objectives or types of activities.

4.2.2 Description of the organization profile

The description of the organization profile includes the mission and the years of operation in Kenya, type of the organization, types of activities involved in, level of education of its staff and the budget. The questions on the above characteristics were a mixture of open and closed ended question where the respondent was required to fill as appropriate.

The mission of the organization is captured in the mission statement. The understanding of the mission helps to grasp the strategic choices of the organization. Mission statements serve as a boundary that motivates both staff and donors and helps in the process of evaluation of the organization. A clear mission statement would also reduce struggle within an organization, because it attracts which decisions will be made (Oster,1995). The mission guides the choice of the activities to be involved in. To assess the mission of the organization, an open- ended question was addressed to respondents in which they were asked to state their reason of existence.

Table 1: Mission of the organization

Mission	Frequency	Percentage
Evangelism	22	28.9
Biblical Training	4	5.3
Education	1	1.3
Translation and Distribution	3	4.0
Health	3	4.0
Development	13	17.1
Child Care	2	2.6
Advocacy	8	10.5
Relief	3	4.0
Peace & Justice Promotion	8	10.5
Capacity Building	9	11.8
Total	76	100

Source: Research Data   **N=34**

The findings in Table 1 show that the mission of majority of Faith Based NGOs is evangelism (28.9%) followed by development (17.1%) and capacity building (11.84%). Advocacy, peace and justice promotion occupy the third position with 10.5% as conflicts in central Africa countries and the horn of Africa have increased. Education (1.3%) and Child Care (2.6%) are the least preoccupation of Faith Based NGOs. Being the bottom line of most Faith Based NGOs, evangelism is complemented by other activities, which make the organizations address the needs of the beneficiaries in a holistic manner. The increase of development and advocacy programs indicate that societal demands have changed when compared to the period of 1960's (Mbote, 2002). NGOs distributed clothes, food and some iron sheets as part of their relief programs. But today, government policy is to reduce dependence of the target group by teaching them to fish rather than give them fish. The political instability has led to focus on advocacy and peace promotion in the region. Faith Based NGOs cannot afford to remain silent. In order to be able to

deliver, a good number of organizations have taken upon themselves to empower similar organizations and the target groups to meet the changes in the environment as reflected in Table 1. 9 out 34 organizations have the mission of capacity building.

The age of the organization indicates the sustainability of the organization over the years. The choice of a base of an organization can be a response to favorable environment to accomplish its mission. The researcher found that it was important to assess the age of the organization in the country in order to find its possible link between strategies chosen and the challenges in implementing them. Therefore, through a closed ended question, respondents were asked to state how many years the organization has been operating in Kenya.

Table 2 Years of operation in Kenya

Number of years	Frequency	Percent
1-9 years	9	26.5
10-18	3	8.8
19-30	13	38.9
Over 30	7	20.6
Non committal	2	5.9
Total	34	100.0

Source: Research data   **N=34**

The study shows that the highest number of Faith Based Non Governmental Organizations have been operating in Kenya between 19 and 30 years representing 38.9% of the sample. The following category of 26.5% has served in Kenya between 1 to 9 years and 20.6% have operated in Kenya for more than 30 years. Looking back to the founding

of the organization, the oldest Faith Based NGO dates back in 1809 while the youngest was formed in 1999 (Table2).

The scope of activity influences strategies to adopt. It was important to assess areas of operations of Faith Based NGOs. A closed ended question was asked to respondents to categorize their organizations between local, regional and international.

Table 3: Type of the organization

Source: Research Data   **N= 34**

Findings reveal that majority of Faith Based NGOs view themselves as international in scope. This group is represented by 70.6%. Local Faith Based NGOs and regional as well count only for 15%. This may suggest that most of Faith based NGOs have been founded by foreign missions and continue to have a hand on the local offices even after many

years of operation. It may also suggest that the bigger the scope, the better the image of the organization. But headquarters do not always add value to local offices. As expressed by respondents in the research data, challenges mentioned in relation to the scope of activity included the desire for local and regional offices to distinguish the role of the parent organization vis à vis the offices in Nairobi. The relation seems to be more for financial limitation than for efficiency. Once the parent organization withdraws funding, very few NGOs can survive. Therefore, they have to serve more than the local and regional zones to continue attracting funds. Data in Table 3 do not concur with findings of Kanyanga (1990) that assert that foreign NGOs are almost half local. It depends on which sector of the NGOs. This also suggests that the only factor which is not constant is time. Realities of 1990 have changed.

Choosing area of operation is part of the corporate role in the strategic choice process. An open- ended question was therefore asked to respondent to mention which geographical areas they are serving.

Table 4. Geographical areas of operation

Country of operation	Frequency	Percentage
Kenya	14	41.2
East Africa	7	20.6
Horn of Africa	6	17.6
Rest of the world	7	20.6
Total		100.0

Source: Research Data   **N=34**

Findings in Table 7 indicate that although based in Kenya, majority of Faith Based NGOs (58.8 %) serve beyond the border in more than one country and 41.2 % operate in Kenya only. Most of them prefer to be based in Kenya probably because of infrastructures, peace and stability the country has enjoyed for so many years.

Staff and their level of education have an impact on strategies to choose. The choice of strategies and their successful implementation depends upon the quality of staff employed. To assess the quality of staff in Faith Based NGOs, respondents were asked to state how many staff they have in each level of education provided in the closed ended question.

Table 5: Staff and level of education

Level of education	Frequency	Percentage
High school certificate and diploma holders	382	51.6
Undergraduates	225	30.4
Masters' degree holders	114	15.4
Doctorate degree holders	19	2.6
Total	740	100.0

Source: Research Data   N=34

The study shows that high school certificate holders constitute the majority of the personnel of Faith Based NGOs (51.6%) followed by undergraduate degree holders (30.4%). Masters' degree holders form 15.4% and doctorates 2.6% (Table 5). Organizations that have most educated staff tend attract more trust from the donors and partners in the capability of making the right strategies and to implement them (Similie, I. 1997). In Bangladesh setting, Smilie found that direct funding has tended to benefit the

large, well established NGOs where economies of scale, English- language abilities among educated NGOs leaders make management of funding links relatively straightforward. This is a case of strategies adopted by parent organization towards local organizations. The quality of staff has therefore a direct impact on the types of strategies to adopt and especially on the match between strategies and competences to put them into action.

Resources available influence strategies to adopt. It was important to find out the budget that Faith Based NGOs run annually. A closed ended question was addressed to respondents in which they were asked to state the amount of money they have used per year in the last five years. Table 6 summarizes findings of the budget used each year versus the percentage of the number of organizations in each category of the budget.

Table 6: Annual Budget for the last five years

Amount in Kenya Shillings/Number of organizations in percentage

Year	Less than 1 Million	1-10 million	10-20 million	20-30 million	30-40 million	40-50 million	Over 50 million	Non Committal	Total
1999-2000	5.9	11.8	11.8	11.8	5.9	0	11.8	52.9	100.0
2000-2001	2.9	8.8	14.7	5.9	2.9	2.9	14.7	47.1	100.0
2001-2002	8.8	5.9	11.8	8.8	2.9	2.9	17.6	41.2	100.0
2002-2003	5.9	8.8	8.8	8.8	5.9	0	17.6	44.1	100.0
2003-2004	2.9	14.7	11.8	5.9	8.8	2.9	17.6	35.3	100.0

Source: Research data   N=34

Findings in Table 6 show that for the year 1999-2000, 11.8% used over ksh 50 millions, 5.9% between 20 and 30 millions, 11.8% between 10 and 20 Millions and only 17.7% have used between 1 to 10 Millions. For the year 2000-2001, 14.7% have used over 50 Millions, 5.9% between 20 and 30 millions, 14.7% between 10 and 20 millions and only 11.7% have used a budget between 1 and 10 Millions.

For the last three years, the study reveals that about 47% have used more than 10 millions, and 17.6% have used over 50 millions. The company with the highest budget was running ksh 300 millions per year and the lowest run less than one million. The increase of the budget for the last three years may indicate that some organizations were able to attract funds for programs that respond to changes in the environment like economic and socio-cultural changes that compelled them to invest in more current issues like the fight against HIV/AIDs pandemic, engage in peace reconciliation programs, advocacy to name but a few.

4.2.3. Strategic Options

Strategic choice is a step in strategic management process in which managers consider alternatives strategies and choose those to pursue. There are strategic choices made at both corporate level and business level. At corporate level, strategic choices include the scope of an organization, the relationships between parts of the businesses. At business level, strategic choices show how an organization will compete in the markets (Pearce and Robinson, 1997). To assess strategies chosen in Faith Based NGOS, respondents

were asked to indicate who is involved in the strategic choice process and to state strategies their organizations have adopted in the last five years.

4. 2.3.1 People involved in strategy selection process

Involvement of stakeholders in strategy selection increases acceptability during implementation. In order to understand strategy selection in the organizations under study, a closed ended question was addressed to respondents in which they were asked to state who is involved in the strategic choice process.

Table 7. The people involved in strategic choices.

People involved in strategic choice process	Frequency	Percentage
Board of Directors	23	67.6
Chief Executive Officer	7	20.6
Departmental heads	2	5.9
Other Staff	1	2.9
Total	33	2.9
Non Committal	1	2.9
Total	34	100.0

Source: Research Data   **N=34**

67.6% say that the board of directors decide which strategy to adopt and 20.6% admit that the CEO choose the strategy while in very few organizations (5.9%), departmental heads and other staff (2.9%) get the chance to be involved (Table 6). It may imply that strategy selection is from up to bottom where the involvement of low levels is very much limited. In most Faith based Non Governmental organizations researched on, information is very much centralized. Strategy selection seems to be a matter of mainly the board and

sometimes in the association of the CEO. Yet some CEOs that the researcher was able to interact with, expressed their frustrations saying that there are conflicting roles between the board and other bodies and that the board is not as active as it should be. This implies that the board should do more than just elaborating strategies, it should also get involved in their implementation (Table 7).

4.2. 3. 2 Strategies adopted

Strategic choices are very important to the organization, being profit making or non profit. Strategies chosen have to address the strategic position of the organization, be feasible in terms of resources and competences required to implement them and be acceptable to the different stakeholders (Johnson and Scholes, 2002). Strategies translate the priorities of the organization. To assess strategic choices in the organizations under study, the researcher gave a list of strategies where respondents were asked to state which strategies they have used for the last five years. Respondents were also asked to mention criteria for choosing a partner

Table 8. Strategies adopted in the last five years.

Strategies adopted	Number of times mentioned	Percentage
Cost control	66	22
Diversification	28	9.3
Niche	12	4.0
Partnership	75	25.0
Use of multiple source of funding	48	16
Good governance	39	12.9
Capacity building	24	8.07
Other Strategies	9	3
Total	301	100.0

Source: Research Data   **N= 34**

Table 8 summarizes strategies adopted by faith Based NGOs in the last five years. It is important to mention that strategies are not mutually exclusive since one organization may have used more than one strategy in the defined period. The study reveals that the most popular strategy used by Faith Based NGOs was partnership (25%). Partnership in this study includes also cooperation and networking. Indeed, with turbulent environment, businesses today cannot survive alone. Networking and teamwork by NGOs and other that undertake similar work help increase their effectiveness as they share their competitive advantages (Centre for law and Research International, 2001). Cost control comes second with 22%. Cost control is understood here as a combination of restructuring, downsizing, overhead control and cost sharing.   The use of multiple sources of funding strategy occupies the third position with 16%. In this analysis, use of

multiple funding also includes use of marketing activities and business activities. The use of multiple source of funding may have been the result of reduction of donor funding. Diversification of sources of funds creates more funds for different programs. One donor may be interested in one program or one aspect of the program while another would be ready to finance another area. Use of multiple sources of funding gives opportunity for stakeholders to intervene according to their interests. Other strategies that constitute 3% mentioned by organizations researched on include competition, improvement of information technology, decentralization of activities and use of their own facilities instead of letting all of them.

Since partnership is crucial to the success of Faith Based NGOs, the researcher went further to assess the criteria taken into consideration when choosing the right partner. Respondents were given a list of criteria and they were to fill it as appropriate to their organization.

Table 9: Criteria for partner selection.

Criterion	Frequency	Percentage
Area of coverage	27	16.07
Similar beliefs	31	18.30
Quality of service delivery	24	14.20
Past success	20	11.86
Easy access to grass root	27	16.07
Political linkage	4	2.46
Donor requirements	14	8.30
Resource sharing for cost control	22	13.0
Total	169	100.0

Source: Research Data   **N= 34**

According to findings in Table 9, 31 out 34 Faith-Based NGOs consider mostly similar beliefs in choosing a partner followed by area of coverage and easy access to the grass root as evidenced by 27 out 34 organizations. Political linkage is the least taken into account. Advantages of working together for the benefit of the beneficiaries cannot be overemphasized. NGOs in general and Faith Based in particular are an expression of people's need for organization, self- improvement and change. Those that extend beyond their own community can reach places that governments and multilateral agencies cannot, dealing directly with the poor. As they come together, resources are better utilized to improve the quality of life of the beneficiaries. However partners should be selected on the basis of track record and expertise (Similie, I, 1997)

4. 2. 4 Factors that influence the strategic choices

The assessment of the factors that influence strategic choices in faith Based NGOs was done by asking three questions. The respondent was asked to indicate which environment

the organization is working in and what changes in the environment has affected the strategic choices. Then a list of factors mentioned in the literature review was put for the respondent to indicate which one has been considered in strategy selection and to which extent.

4.2.4.1 Nature of environment

The understanding of the environment is crucial to grasp the forces that exercise to the organization. Organizations do not operate in a vacuum. In fact, as Chandler (1962) and Porter (1991) observe, firms are environment dependent and changes in the environment shape the opportunities and challenges facing the organizations. The understanding of the environment guides the organization as it seeks to define its objectives and develop competitive strategies. Porter emphasizes that the environment through its attributes such as demand conditions, factor conditions, related and supporting industries affect both a firm's initial conditions and its managerial choices. Changes in environment compel organizations to continuously change their strategies if they have to remain relevant.

To assess the nature of environment Faith Based NGOs operate in, a closed ended question was given to respondents and they had to state if their environment is stable or turbulent.

Table 10: Nature of environment

Nature of environment	Frequency	Percentage
Stable	13	38.2
Turbulent	21	61.8
Total	34	100.0

Source: Research Data   **N= 34**

The study shows that majority of organizations (61.8%) operate in a turbulent environment and only 38.8% describe it as stable (Table 10).

4.2.4.2 Changes in the environment

Chune (1998) studied changes in business environment in Kenya and how they influence food manufacturing firms. The researcher concluded that a changing external business environment is likely to be the norm in the business world and therefore they must anticipate influence of external environment. Similarly, it was important to find out what are the environment changes that have affected the Faith Based NGOs in their strategic choices. An open- ended question was addressed to respondents in which they were asked to list the environment changes that they have faced per category.

Table 11: Environment changes that have affected strategic choices

Changes	Frequency	Percentage
Economic Changes	33	35.5
Technological changes	18	19.4
Political changes	25	26. 9
Socio-cultural changes	17	18.2
Total	93	100.0

Source: Research Data   **N=34**

As shows Table 11 a number of changes in the environment have affected the strategic choices in the organizations researched on. Economic changes have affected strategic choices in 33 Faith Based NGOs out 34. Changes were mainly reduction of donor funding, changes in priority, increased cost of doing business, retrenchment of supporters and liberalization. The changes forced the organizations to reduce staff hence delayed meeting objectives. However reduction of finances has encouraged sustainability programs (Table 11). Adverse conditions urge the organization to create new opportunities for survival and for growth.

Socio-cultural changes affected half of the Faith Based NGOs sample. Some of the socio-cultural factors include peculiar merging issues like HIV/Aids, working in new circumstances like terrorism and cross cultures and dependency syndrome. Therefore the organizations had to adopt case of tailored approaches, diversify staffing, encourage dialogue and adopt cost sharing (Table 11)

Findings assert that 18 out 34 organizations have been influenced by technological factors which include mainly rapid changes in information and communication.

Respondents observe that there was poor embracing of information and communication technology (ICT) and lack of modern ICT machines. Computers are mainly used by urban dwellers. In more than 50% of the sample, changes led to a gradual introduction of new software for more efficiency, engaging experts for in-house training, and reduce of operation costs and speed (Table 11).

25 out 34 Faith Based Non Governmental Organizations have been influenced by political changes like peace talks, attainment of political sovereignty and democracy, new government policies. The political changes have led to increased conflicts and overheads, introduction of advocacy for socio-economic and health justice, framework for dialogue and the increase of literacy programs so that people get informed (Research data: table 11).

4.2.5 Factors of strategic choices

Strategic decisions are influenced by both internal factors and external factors. They include mission and scope, values and expectations of different stakeholders, the culture of the organization, perception of risk by managers of the organization, internal capabilities such as resources available and competences within the organization. Therefore, strategic choices are about a search for strategic fit to match the organization's resources and activities to the environment in which it operates (Johnson and Scholes,1999, Johnson and Scholes, 2002). To assess the extent to which factors of strategic choices in faith Based NGOs, a closed ended question was presented to

respondents asking them to state the factors and rank them using the Likert scale where 1 meant no extent and 5 a very large extent. Table 12 summarizes findings on factors of strategic choices as captured in mean scores of ranking factor

Table 12: Factors that influence strategic choices

Factor	Mean Score
Mission and Scope	4.38
Values and Cultures	4.32
Leadership and management	3.36
Resources available	4.41
Donor Policies	3.60
Competitors	2.89
Recipient needs	4.61
Government policies and regulations	3.60

Source: Research data   N= 34

The data in Table 12 on ranking factors, show that recipients' needs are the most determining factor in strategic choices in Faith based NGOs with the highest mean score of 4.71. Needs of the recipients determine strategic choices to a very large extent as the mean score shows to be above 4.5. Resources available come in the second place with a mean score of 4.41 followed by mission and scope with a mean score of 4.38. Values and culture influence strategic choices to large extent with a mean score of 4.32. Policies of the government and of donors equally determine strategies to adopt at a large extent as evidenced by the mean score of 3.60. Leadership and management influence the choice

of strategies to a good extent with a mean score of 3.36. Competitors seem to be the least determining factor for strategic choices in Faith Based NGOs as it indicates a mean score of 2.89.

4.2.6 Faith and strategic choices

Being the bottom line of Faith Based NGOs, faith is taken into consideration in strategic choice process. With that assumption in mind, a separate question was asked to respondents to state if or not faith of the founders and managers have an impact on strategies to be chosen.

Table 13: Faith as a factor for strategic choices

Faith as a factor	Frequency	Percentage
Yes	33	97.1
No	1	2.9
Total	34	100.0

Source: Research Data   N=34

As Table 13 shows, an overwhelming number of organizations (97.1%) said that faith determines strategy while only one organization did not find it as a factor to consider. Reasons given included biblically grounded values guide their decisions, faith is the corner stone for all their operations and faith directs their mission therefore their strategies.

4.2.7 Challenges facing organizations in implementing strategies

Strategies are chosen to be put into action. Adequate strategies are strategies that can be implemented. Therefore the researcher found important to assess the difficulties encountered in the implementation of strategies chosen. Through an open- ended question, respondent were asked to state the problems they faced.

Table 14: Challenges faced in implementing strategies

Challenge	Frequency	Percentage
Resistance to change	8	23.5
Insufficient resources	12	35.5
Change of context challenging universal strategies	3	8.8
Overwhelming donor requirements	3	8.8
Difficulty to synchronize partners and needs	6	17.6
Non committal	2	
Total	34	100.0

Source: Research Data   **N=34**

According to findings in Table 14, majority of organizations (35.5 %) did not have sufficient funds to implement the strategies chosen, for 23.5% it was the resistance to change while 17.6% state that it was hard harmonize partners and needs of the target group. Other obstacles include inadequate strategy to different contexts, donor requirements. This suggests that strategic choices is a complex issue that must take into consideration both the internal and external look to find a match between them.

4.2.8 Improvement of strategic choices

In view of the challenges faced in the implementation of strategies chosen, the researcher found necessary to have the views of the respondents on ways for improvement of the strategic choices. An open ended question was asked to respondents in which they were ask to share how strategic choices can be improved.

Table 15: How to improve strategic choices

Proposition	Frequency	Percentage
Strengthen participatory partnership and use of local resource	17	50.0
Insist on organization's mission as a guide	2	5.9
Focus on commercial activities	1	2.9
Involvement of the board and the staff in capacity building	7	20.6
Non- committal	7	20.6
Total	34	100.0

Source: Research Data   **N=34**

The results from Table 15 affirm that half of the organizations under study have proposed that partners be involved in the process of strategic choice and local resources be used as opposed to external donor funding. 20.6 % advance that the board and the staff should be involved in capacity building.   Only one organization has proposed to focus on commercial activities.

4.3 Discussions on findings

Discussions on findings turn around the two objectives of the study. The first objective of the study was to document strategic choices in Faith Based. This objective was analyzed along 2 key variables: Who is involved in strategy selection and various strategic adopted by Faith Based NGOs in the last five years. The second objective was to establish the factors of strategic choices.

4.3.1 Discussions on Strategies adopted.

Findings in Table 6 suggest that strategic choices in the majority of organizations under study falls to mainly the board of directors as evidenced by a high percentage of 67.6. The CEO gets involved in strategic choices in only seven organizations. One of the major roles of the board of directors is to set the general direction of the organization and strategic planning (Gakuo, 2003). The involvement of the board in strategy selection increases support from them during implementation and they can attract funding for the programs voted for. Ducker (1994) found that many non- profits have now what is still the exception in business functioning board. The CEO is fully accountable to the board, and his performance is reviewed annually. The board of directors contributes a large sum money themselves and are expected to bring in donors as well. However management can escape to take responsibilities for the failure of the strategic choices if the process is much controlled by the board of directors. On the other hand, other findings affirm that the executive committee makes all- important decisions and expects the rest of the board

to comply. The executive committee forms a little closed club of people who give lip service to inclusiveness but don't' really practice it. The board may also have little to do with follow up of strategies. They are passive as they practice the idea of not fix it if it is not broken (Barbara et all, 1999). Because the board of directors is not involved in day-to- day management of the organizations, some profitable opportunities may not be pursued for slack in acting at the right time (Weihrich and Koontz, 1993).

Table 7 shows that staff and departmental heads are not involved the strategy selection in most faith based non-governmental organizations. Yet, strategies' changes affect existing resources, organizations structures, management roles, functions and systems, shareholders, bankers, managers, employees and customers (Thompson, 3rd edition). If not associated in strategic choices, staff tends to sabotage the implementation stage. In ideal situation, all stakeholders including employees should be consulted in strategic selection process.

Table 8 gives strategies used by Faith Based NGOs in the last five years. Results of the study reveal that partnership with 24.5 % was the most popular strategy followed by cost control with 22% and 6% have adopted multiple source of funding and 12.9 % have adopted good governance translated in requiring management to give regular financial reports and the increase of the role of the board. The least popular strategies under the category of others (3%), include competition and information technology, reuse of their own facilities.

Findings in Table 9 indicate that organizations seek partnership with organizations with similar beliefs. Others include areas of coverage and easy access to the grass roots. Partnerships help organizations to spare scare resources that society needs. Choosing the right partner may be a hard exercise. Andreasen (1999) argues that organization should look at reputation. A non-profit organization' most valuable asset is its image. Managers of the organization should scope out partners that might be a good fit and that will be able to demonstrate how the relationship will complement the organization's long-term strategy.

In business environment, Peng and Heath (1966) comment that many firms survive and grow by using a network-based strategy based on personal trust and informal agreements among managers and officials in order overcome the institutional uncertainties. Table 4 indicates that the average number of staff in Faith Based NGOs is 23. Half of them run annual budget of less than Ksh 100 million. Yet 51.2% serve in more one country. They cannot afford to work alone if they have to remain relevant to the environment. Networking has become increasingly important when negotiating for funds. Faith Based NGOs should continue to work together with similar NGOs that have the same missions and goals. They should complement the government in development programs to avoid duplication of efforts. The government should associate Faith Based NGOs in policy making. Networking should also help organizations involved to share experiences. Faith Based NGOs should have a resource center where experiences and achievements are documented.

In the use of cost control strategy, Sorensen and Associates (2004), found that non-profits organizations have much in common with business and differences at the same time. To be successful, they both must have strong leadership, responsible fiscal control and efficiency operations. But non- profits are not necessarily focused on making money. They are rather focused on accomplishing their mission.

However, cost control although popular in business world in general and in Faith Based NGOs in particular, it may not solve the problem facing an organization. Restructuring by reducing the staff should be applied only if they were the cause of the poor performance in the company. Poor performance may be caused by unplanned circumstances such as rapid changes in the donors' policies, government regulations, beneficiaries' needs among many more. Leadership and management should analyze the root of the challenges and not the symptoms so that they adopt appropriate measures. Improving the image of the organization through high quality service delivery may lead to the expected results without having to cut down cost.

LA PIANA Associates Inc (2004), advise strategic restructuring to control cost. Strategic restructuring is a tool available to nonprofit organizations interested in meeting environmental challenges, addressing organizational problems, strengthening services, and better accomplishing their mission. It brings to mind the old adage, "together we stand, divided we fall," offering nonprofits the opportunity to leverage the talents of their own and other organizations by working together in an increasingly competitive environment.

In American setting, many nonprofit organizations are considering a fundamental change in organizational structure because of economic pressures: increased competition from business, government, and other nonprofits; decreasing federal and private funds; a shrinking supply of experienced leaders willing to remain in the sector for inadequate wages; and increasingly urgent and complex community needs. Strategic restructuring is seen as way to provide more comprehensive services to the community, streamline the services that are offered, or expand geographically.

The management consulting firm, share that that there are many potential benefits of strategic restructuring. These include a greater ability to pursue mission, increased stability, reduced duplication, and less inappropriate competition. Strategic restructuring may lead to positive outcomes such as increase in services provided, administrative capacity and quality of services and market share. There are also risks involved. Strategic restructuring is not always successful. Organizations that are not truly ready to engage in the negotiation process, and/or those that do not have the necessary structure and processes in place to undertake integration, are less likely to be successful. A failed strategic restructuring effort can have devastating outcomes including negative publicity, lost time and money, and/or damaged relationships.

Because of reduction of donor funding, Faith Based NGOs have resorted to the use of multiple sources of funding including governments and multinationals organizations through contracts. Organizations seek a diversity of funding sources to provide a cushion in case one source declines or disappears (Dees, 1999). Many organizations are looking for ways to make their programs rely less on donations but more on fees and contracts.

In America. Knippernberd (2003) affirms that governments nave long worked with faith based service providers like Salvation Army and Catholic charities to implement social programs. But these organizations have for the most separated themselves from sponsoring denominations and become purely professional and secular. Faith Based NGOs who access funds from multinational organizations or from governments face the dilemma to meet the needs of the beneficiaries on one hand. On the other hand, they may surrender exactly what makes them distinctive and distinctively effective. If they can no longer challenge their clients to change their heart, then they cannot live out their calling.

Data in Table 8 indicates that competition, use of marketing activities, and business activities, are not popular strategies used by Faith Based NGOs. The fact that majority of organizations under study did not respond to the environment by competition does not imply that they do not face competition. Faith Based NGOs not only compete among themselves and other NGOs to access funds, but also compete with governments. Masinde (2002) notes that NGOs constitute the only organizations that compete directly with the government in the area of social development. The high number that did not use competition strategy may suggest that they have ignored the forces of the environment. Oster (1995) affirms that there is considerable evidence that competition among non-profit is substantial and growing. He views competition among non- profit organizations as a way to increase efficiency and responsiveness and in other times, society is better served by cooperation than by competition.

The use of business activities as an alternative to external funding faces some obstacles in Faith Based NGOs. In view of the quality of the staff they use, the problem may not lie in competences but in the government scrutiny to pay taxes on every income perceived. The introduction of business activities even in the few Faith Based NGOs concurs with findings of Ansoff (1979). He states that changes in the environment have forced non-profits into product- market entrepreneurial activities previously reserved for the firm. However, Dees (1999) observes with the drive to become more business like, non- profits face the dangers of cultural changes and operational challenges that can undercut their social mission. It may be that fear that prevents many Faith Based NGOs from engaging in business like activities. Because the conditions in the environment have changed, Faith Based NGOs should respond accordingly. They should not have strategy that lag behind changes in the environment. Business activities would enable them to be less dependent on external donor funding. Free services or continuous relief create dependency syndrome.

4.3.2 Discussions on Factors of strategic choices

In an ideal situation, recipients' needs should drive strategies to adopt. An organization, which ignores the needs of the recipients cannot deliver its services efficiently and effectively. Resources available are part of important internal capabilities to implement the strategies. The mission sets apart the organization and guides all other components of strategic management. Leadership and management can influence the choice of strategy

depending on different interests. In business environment, it is very common to change the CEOs before introducing major changes in organization.

Table 11 indicates that many environment changes have affected strategic choices in Faith Based organizations. 33 organizations say that they were affected by economic changes, 25 were affected by political changes. Half of the organizations were affected by socio cultural changes. 61.2 % admit that they operate in a turbulent environment (Table 10). Findings go in line with Ansoff (1979). He asserts that in a short space of time, the historical quiescent environment of non- profit has become highly turbulent. Therefore because of the speed and the magnitude of the transition, the non- profits have even had the difficulty of adjusting to the new climate than most conservative business firms. Under the pressure of globalization, Faith Based NGOs have to constantly monitor what is happening not only in Kenya but around the world. Change in foreign policies will definitely affect then locally. As Checa et al (2003) note, local experts may provide full eyes and ears on the ground but are not in a position to know how the western policies will affect a country where they are based. Policies made by outsiders will frequently affect local environment far more than events on the ground. Faith Based NGOs in Kenya but proactive and not reactive. They must strengthen their internal resources to be change ready.

Table 12 summarizes the main factors that influence strategic choices in Faith Based NGOs. Recipients' needs with the highest mean score of 4.71. It is followed by resources

available (4.41), mission and scope (4.38) in the third position, values and cultures of the organization with a mean score of 4.32.

To be driven by needs of beneficiaries in strategic choices assumes that Faith Based organizations can evaluate them objectively. As Letts et all (1999) note, because of lack of funds, a good number of NGOs including Faith Based have not been able to track the needs of their clients and how those needs are changing. A market research requires more means that Faith Based NGOs do not have. On the other hand, even when the needs are known and funds are made available, donors channel funds to programs that serve their own interests rather than the needs of the community (David, 1999). Therefore, Faith Based NGOs have the challenge to resist to present dramatic cases of human suffering that appeal to donors. It requires honesty to keep humanitarian response to the fore and to manage this in such a way that is not driven by the availability of funds (Sylvia, 2000).

Availability of funds in Faith Based NGOs determines strategies that the organization will adopt. Table 8 indicates cost control comes in the second position and was used by 22% of the sample. More than half of the organizations have used restructuring, overhead control, but only 11 organizations have been able to use diversification of activities, and 17 out 34 have used expansion strategy. Organizations with less funds tend to control costs while organizations with more funds can afford to expand the scope of their activities. However, organizations should seek the best combination of resources they have for their better use instead of concentrating only on cost control. Failure of the organization may find its origin in non- motivated staff, or in changes in the environment

such as market conditions. Reducing the staff and overhead control will not necessary improve effectiveness and efficiency.

Johnson and Scholes (1999) demonstrate that in business environment, the mission should clarify if the organization wants short- term profits or long term profits. focus on highly related businesses or more diversified set of businesses. The mission usually translates the aspirations of the founder of the organizations or sometimes can result from a new leader. A clear mission provides a basis on which further strategic choices could be made. Drucker (1994) found that the best non- profits devote a great deal of their time to define the organizations' mission. A well- defined mission helps to remind constantly of the need to look outside the organization not only for customers but also for the measure of success. The pace of environment changes suggests that Faith Based NGOs might need to redefine their mission.

Values and culture of the organization influence strategic choices. Guth W and Tagiuri, (1965) assert that an organization's policies, practices. philosophical beliefs and ways of doing things combine to give it a distinctive culture. In Some cases, core beliefs and culture even dominate the choice of strategic moves. Culture related values and beliefs become so embedded in management's thinking and actions that they condition how the organization will respond to external environment. However organizations can develop a cultural driven bias about how to handle issues and what strategic moves it will consider or reject.

Knippernberg (2003) affirms that values direct choices and quality of programs adopted by Faith Based NGOs. He demonstrates the differences between Faith Based NGOs and secular NGOs in their strategic choices. In delivering counseling and training programs, all staff in Christian NGOs, have to serve as Jesus served: with compassion, concern and love for all persons, regardless of race, creed, background or whatever sins a person is struggling to overcome. Because of values embodied in their mission statements, Faith Based NGOs may decline funding from sponsors who want to divert their first mission. For example, in USA, the fact that the government's purpose in providing funding must be secular seems to limit the sorts of activities that government can fund and some Faith NGOs refused government funding that would reduce their autonomy in the choice of programs to offer to the community, their autonomy of hiring and firing. Faith Based NGOs should not trade their values for competition of funds.

Culture can be an impediment to respond to changes in the environment. Burnes (2000) argues that a successful culture is one based on values and assumptions appropriate to the environment in which the organization operates. It is important that the culture of the organization be appropriate to the competitive needs. If the culture is an obstacle to respond to the internal and external environment competitively, organizations may decide to change their culture. Faith Based NGOs need to re-evaluate elements of their culture that are no longer relevant to the present and future environment and dismantle them.

Leadership and management have great impact on strategic choices in Faith Based NGOs (Table 12). Gutt and Tagiuri (1965) note that managers' decisions are often influenced by

their own vision of how to compete and how to position the enterprise and by what image and standing they want the company to have. The leaders of an organization have the discretion to choose strategies that match the environment. Their principal mission is to set the direction and purpose of the company. However, it is important to acknowledge the factor of internal politics. Tough data in Table 12 seems to undermine the role of internal politics in strategic choices, it is known that power is often shared between different levels of the formal organizational hierarchy (Cannella and Monroe, 1996; House and Aditya, 1997). But the substantial power to steer organizations rests in the hands of their leaders. Strong leaders enhance the image of the organization by choosing relevant strategies but also by creating good reputation that is very valuable especially in Faith Based Organizations.

Findings in Table 12 show that competition determines strategic choices in Faith Based NGOs only to a moderate extent with a mean score of 2.89. Competition may not be recognized in Faith Based NGOs but it exists. Show Bond (2000) affirms that, though the civil society enjoys the support of donors and is popular with the people, its impact could be limited by financial weaknesses and competition among members, lack of effective networking systems and corruption.

Government and donor policies influence strategic choices to a large extent with a mean score of 3.60 (Table 12). Through rules and regulations, the government has an impact on strategies to adopt in NGOs in general and in Faith Based in particular. For example, with the new regime. Faith Based NGOs as well have to be tax compliant. Owiti et al (2003)

share a different view. Since NGOs' roles and responsibilities are legitimate, it would be more meaningful that they too be beneficiaries of public taxes. Another trend is that, instead of being the opponent of the civil society as it used to be, the Kenya government today is the partner that is going to attract funds at the expense of the civil society to which Faith Based NGOs belong. Since they fought together to bring down the former regime, some members of the civil society have been appointed to be part of the new government. Therefore, in view of all government changes, Faith based NGOs have to redefine not only their strategies but also their mission.

Donors impose which kind of programs they want to fund thus reducing autonomy of the organizations they are trying to help. For example in Bangladesh, Smith (2003) observes that the Swedish church based NGOs took a paternalistic view of Bangladesh women' needs, which rested strongly on outsider preconceptions than on local social and cultural realities. In Kenya, Owiti et al (2003) note that there is a significant lack of coherence in donor policies. Donors tend to have regular policy changes. NGOs that depend on donor funding have to follow changes for purposes of survival. Smith (2003) continues to argue that the task of managing different donor expectations while widening an NGO's choices may add to its administrative burden and potentially limit its autonomy.

Dependency on Northern NGOs for funds should be reduced (Mbote, 2002). Faith Based NGOs should develop a large network of supporters from churches to be able to generate funds locally. They should also invest more in sustainable programs. Churches on the other hand should support the work of Faith Based NGOs to meet the needs of the

communities. Amalgamation of Faith Based NGOs with similar visions, missions and goals should merger to maximize the better use of scarce resources. Faith Based NGOs should be able to share their respective expertise to generate more income like consultancy services and be involved in industry, multilateral finance and other government 's projects.

Table 13 shows that in 97.1% of the sample, faith constitutes an important determining factor of strategic choices. As a matter of fact, all stakeholders, when negotiating with Faith based NGOs on specific strategic issues, they should bear in mind that faith matters a great deal in strategy selection by Faith Based NGOs.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The chapter gives summary of the study and conclusion. It also shows the limitation of this study and gives recommendations on further areas of research.

5.1 Summary

The study had two objectives: to document strategic options taken by Faith Based NGOs and to establish the factors that influence strategic choices in Faith based NGOs. In order to achieve the objectives, a questionnaire was conceived, comprising of both open and closed ended questions. The questionnaire was tested before the distribution to ensure that respondents would understand it and give adequate information for the purpose of the study. The questionnaire was sent to organizations based in Nairobi. 34 responded, giving a response rate of 68%.

The literature covered the concept of strategic choice, the strategic choices models, the strategic options, factors that influence strategic choices and the relevance of each component to Faith Based NGOs. The literature reveals that organizations choose different strategies that they find fit for their environment and many factors drive the choice of strategies.

Factors that influence the strategic choices in Faith Based NGOs include needs of recipients, resources available, mission and scope, values and cultures, leadership, management perception of risks, owners' preferences, donors and government policies together with changes in the environment. Different options are available to create a match between the internal and external environment. Successful organizations seek to use different strategies to create a match between internal capabilities and external environment. Organizations can use generic strategies or grand strategies as appropriate. Cost leadership strategies aim at cost control, diversification helps to offer different unique products with added perceived value by customers while niche strategy serves the organization to focus on a particular segment of the market. A successful strategy has to be suitable, feasible and acceptable. Most scholars agree that there is no best strategy per se. The best strategy is the strategy that helps the organization to be profitable and to grow.

The research methodology was a cross sectional study because it allows collection of a large amount of information at a point of time and to draw conclusions that apply to the whole population. The sample was selected through a random sampling method. Data was analyzed using SPSS computer package and findings were presented in forms of frequencies, percentages, proportions and mean scores.

5. 2 Conclusion

The findings of this research concur with the literature available on strategic choices. Every organization needs a strategy that matches the internal capabilities with its external environment. The results of the study reveal that Faith Based NGOs select strategies on the basis recipients' needs, resources available, mission, scope of activities, values, culture, leadership, management, government policies, donors' preferences, and changes in the environment. Economic and political changes have influenced strategic choices in more than half of the organizations. In addition, faith is the corner stone of Faith Based NGOs therefore is the most determining factor for strategies to adopt. Competitors constitute the least factor that Faith Based NGOs consider in strategy selection because the market is better served through cooperation rather than competition.

According to the findings of this study, in the last five years, Faith based NGOs in Kenya have mostly used partnership, cost control followed by multiple source of funding. This can be explained by the reduction of donor funding and the changes in recipients' needs. Majority of organizations have reinforced the production of regular financial reports for more accountability. Many organizations have not yet embraced the marketing of their activities and business activities. The role of the board has not been reinforced for more than half of the organization. Very few organizations have used competition, business activities and niche as their strategy. Majority of Faith Based NGOs have not used improvement of information technology as part of their strategies.

To sum up, all the study variables were relevant to strategic choices in Faith Based NGOs. Propositions given along the study need due consideration. Faith Based NGOs need to constantly review their strategies to check if they are relevant to the environment. Policies makers should associate Faith Based NGOs in policy- making process. No single government can serve the poor or respond to crisis leaving behind the contribution of NGOs. Donors should consider the frustrations of Faith Based NGOs as they formulate strategies to implement donor driven projects. Donors should help to build capacity that can respond to fast changes in the environment for the benefit of target groups.

5. 3 Limitations of the study

The study had some limitations. Due to the sensitivity of the topic and the timing of the study, 16 organizations decline to respond, giving a response rate of 68%. Among those who did not respond, some CEOs had traveled for a long period. Others were doing strategic planning and budgeting for their organizations. Information is centralized that limited other senior staff to overtake the filling of the questionnaire. Some NGOs targeted could not be found through the indicated addresses. The researcher had to readjust then list of the sampling frame. Some questions were not thoroughly answered because of the sensitivity of the information on one hand and because of not enough familiarity of the subject with the respondent on the other hand. Time frame could allow the researcher to contact the respondent for the second or third time.

5. 4 Recommendations of further areas of research.

This study has focused on strategic choices in Faith Based NGOs in Nairobi. A similar study could be undertaken in other African countries to establish differences and similarities of strategic choices n different settings. There is a need to study other aspects of strategic management in Faith Based NGOs such as strategic position, strategy implementation and management of change. A further study could focus on strategic choices in Faith Based NGOs from the donors' point of view. Lastly, all respondents were of protestant faith. It could be important to do a further research on strategic choices in Catholic and Muslim NGOs in Kenya.

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LIST OF FAITH BASED NGOS SAMPLED

1. Christian Aid UK/I
2. All Africa Conference of Churches
3 SGN International
4. Church World Service
5. Christian Medical Fellowship
6. Christian Aid Mission
7. Lutheran World Releif East African Region Office
8. Africa Leadership and Reconciliation Ministries
9. Trans World Radio
10. World Relief International
11. Emerging Young Leaders
12. Association of Evangelicas in Africa
13. Compassion International
14. World Student Christian Federation
15. Tear Fund UK-Regional Office Kenya and Tanzania
16. Peace Building   Healing and Reconciliation Prgramme
17. Scripture Union of Kenya
18. National Council of Churches of Kenya
19. Focus on the Family
20 International Bible Society
21. Fellowship of Christian Council of Churches in the Great Lakes and Horn of Africa
    (FECCLA)
22. Food for the Hungry International
23. Christian Partners Development Agency
24. The Bible League
25. New Sudan Council of Churches
26. Africa Alliance of YMCAS
27. The Navigators
28. MAP International
29 Language Recordings International- Kenya
30 United Bible Society of Kenya
31. Africa Centre for Mission Finish the Task
32. Chritian Reformed World Releif Committee
33. Adventist Development and Releif Agency (ADRA)
34. World Vision International
35. Crown Financial Ministries
36. Peakcare Counselling and training Services
37. Release Ministry
38. Samaritan Purse
39. Jesuit Relief Services
40. Catholic Relief Services
41. Salvation Army
42. World Assembly Muslim Association
43. Young Muslim Association
44. Life Ministry
45. Corner Stone Mission Center
46. ADRA Somalie
47. Panafrican Christian Women Association
48. Scripture Union Africa.
49. Islamic Relief Agency
50. United Bible Society Africa

STRATEGIC CHOICES IN FAITH BASED NON-GOVERNMENTAL ORGANIZATIONS BASED IN NAIROBI

Section A: Organization Profile

1. Name of the organization---
2. Email address of the respondent ---
3. Telephone Number -- ------------------------------
4. Mailing address--
5. When was the organization formed? ------------------------------------
6. For how long has it been operating in Kenya? --------------------------

7. What is the mission of your organization?

----

8. What are the objectives of your organization?

9.Type of organization:

- Local   [   ]

- Regional   [   ]

- International   [   ]

10. a. Please indicate the number of staff your organization employ per category. Tick as appropriate.

- Local   (   )

- Regional   (   )

- International   (   )

b. How many people per category described below do you have in your organization? Please fill the brackets by the right figure.

High school (   )   Undergraduate (   ) Master's degree (   )   Doctorate degree (   )

11. What type of activities is your
organization in? Please tick as appropriate.

Development	[ ]
Relief	[ ]
Advocacy	[ ]
Human rights	[ ]
Information technology	[ ]
Environment	[ ]
Gender issues	[ ]
HIV/Aids	[ ]
Charity	[ ]
Children issues	[ ]
Education	[ ]
Training	[ ]
Publishing	[ ]

Others (specify) --

----

12. What are your geographical areas of operation? Please fill the space bellow:

Section B: Strategic options

13. Who is responsible for strategy choices in your organization? Please tick as appropriate to whoever is involved in the process of strategic choices among the following:

Board of Directors   [   ]
Chief Executive Officer   [   ]
Department Heads   [   ]
Others staff   [   ]

14. Is strategy selection in your organization arrived at through:
(Please tick as appropriate).

Solo approach   [   ]
Participatory approach   [   ]

Other (specify):

----

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

Restructuring   [   ]
Downsizing   [   ]
Overhead control   [   ]
Cost sharing   [   ]
Diversification   [   ]
Expansion   [   ]
Niche   [   ]
Competition   [   ]
Networking   [   ]
Partnership   [   ]
Cooperation   [   ]
Use of multiple source of funding   [   ]
Marketing of activities   [   ]
Introduction of business activities   [   ]
Reinforcement of the role of the board [   ]
Regular financial reports   [   ]
Internal Capability building   [   ]

Other (specify) ---

---

16. 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
Restructuring	[ ]	[ ]	[ ]	[ ]	[ ]
Downsizing	[ ]	[ ]	[ ]	[ ]	[ ]
Overhead control	[ ]	[ ]	[ ]	[ ]	[ ]
Cost sharing	[ ]	[ ]	[ ]	[ ]	[ ]
Diversification	[ ]	[ ]	[ ]	[ ]	[ ]
Expansion strategy	[ ]	[ ]	[ ]	[ ]	[ ]
Improvement of Information Technology system	[ ]	[ ]	[ ]	[ ]	[ ]
Decentralization of activities	[ ]	[ ]	[ ]	[ ]	[ ]
Partnership strategy	[ ]	[ ]	[ ]	[ ]	[ ]
Networking strategy	[ ]	[ ]	[ ]	[ ]	[ ]
Niche	[ ]	[ ]	[ ]	[ ]	[ ]
Use of multiple sources of funding	[ ]	[ ]	[ ]	[ ]	[ ]
Marketing of activities	[ ]	[ ]	[ ]	[ ]	[ ]
Introduction of business activities	[ ]	[ ]	[ ]	[ ]	[ ]
Reinforcement of role of the board	[ ]	[ ]	[ ]	[ ]	[ ]
Regular financial reports	[ ]	[ ]	[ ]	[ ]	[ ]
Internal Capability building	[ ]	[ ]	[ ]	[ ]	[ ]

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

Section C: Factors influencing strategic choices

18. How will you describe the environment you are operating in? Please put S: for stable and T for turbulent.

Stable   [   ]

Turbulent   [   ]

19. What changes in the environment have affected strategic choices in your organization? And how? Please describe briefly in the lines bellow and feel free to use the back of the page for any additional information.

Economical changes:

Socio-cultural changes:

Technological changes:

Political Changes:

----

20. What factors do you consider in your strategic choices? Please rank from 1: no extent to 5: very large extent

   1. *No extent*
   2. *A less extent*
   3. *Moderate extent*
   4. *Large extent*
   5. *Very large extent*

	1	2	3	4	5
Mission	[ ]	[ ]	[ ]	[ ]	[ ]
Scope	[ ]	[ ]	[ ]	[ ]	[ ]
Owners preferences	[ ]	[ ]	[ ]	[ ]	[ ]
Perception of risk involved	[ ]	[ ]	[ ]	[ ]	[ ]
Values	[ ]	[ ]	[ ]	[ ]	[ ]
Culture of the organization	[ ]	[ ]	[ ]	[ ]	[ ]
Leadership vision	[ ]	[ ]	[ ]	[ ]	[ ]
Resources available	[ ]	[ ]	[ ]	[ ]	[ ]
Donor policies	[ ]	[ ]	[ ]	[ ]	[ ]
Competitors	[ ]	[ ]	[ ]	[ ]	[ ]
Recipients needs	[ ]	[ ]	[ ]	[ ]	[ ]
Government policies and regulations	[ ]	[ ]	[ ]	[ ]	[ ]
Internal politics	[ ]	[ ]	[ ]	[ ]	[ ]

Other (please specify) ---

--- -----------------------------------

----

21. Do you think faith of the founders and managers has an impact on strategies choices in your organization? Put Y for yes and N for No.

Yes   [   ]

No   [   ]

22. If your answer to no 21 is yes please explain how?

----

23. Which organizations or groups do you partner with in delivering your products or services?

----

24. What criteria does your organization consider in choosing your partners?
(Please tick as many as appropriate).

Area of coverage   [   ]
Similar beliefs   [   ]
Quality of delivery of services   [   ]
Past success   [   ]
Easy access to the grassroots   [   ]
Political linkages   [   ]
Donor requirements   [   ]
Resource sharing for cost control   [   ]

25. What was your average annual budget for the last five years? Please fill in the table bellow the amount in Kenya Shillings:

Year	Budget

26. According to you, which strategies were the most effective and why? Please feel free to use the back of the page if the space bellow is not sufficient.

----

27. What can you propose to improve the effectiveness of strategic choices in your organization? Please elaborate briefly.

Thank you for your precious time and cooperation.