

**STRATEGY DEVELOPMENT IN FAITH-BASED HEALTHCARE
INSTITUTIONS IN THE COAST REGION OF KENYA**

BY

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DECLARATION

This is my original work and has not been presented for a degree in any other
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DEDICATION

To my dad, the late Mzee Omar Maganga, and my mum, Mwanasha Mzungu, for having laid the foundation on which future sponsors have only but continued helping to widen my knowledge and scope and to their eldest daughter, sister Nchuo, for being a beacon of hope through and through.

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ABSTRACT

The role of faith-based organizations (FBOs) in development and in community work cannot be gainsaid. Faith-based healthcare institutions (FBHIs) are a unique subgroup of FBOs that have unexplained commonalities with secular healthcare providers and while lying on the opposite end of the spectrum do contribute to more than half the area of healthcare coverage map. Governments all over the world have come to the realization that FBOs are seen by beneficiaries of their services as accessible and trustworthy. Students of strategic management will not fail to generate interest in the wide scope of activities of FBOs. Included in the long list of questions such interest may generate is whether this wide reach is boosted by the sponsors or by missionary spirit. There is as well the unanswered call to help the minority groups in the society and the wish to handle healthcare taboos embedded in a people's faith. Cultural incompetency is known to be an impediment in delivering services or doing business with closed communities just as with those of wide diversity. The issue of diversity and inclusiveness has been accepted into management discussions and strategy plans only to a superficial level. Most managers accommodate diversity of faith for the sake of avoiding friction and personal differences but do not use this as input to strategy. The existing literature in this subject is focused how donor agencies use faith as channel of access to reach target populations and there is a lot of work done on evaluation of how charitable organizations get financial resources, how they account for their budgets and whether being faith-based earns them special policy privileges from host or donor governments. All these issues do not delve in the subject of development of strategy and there are no matching studies to highlight the approaches attributable to realized strategies. Schools of thought in strategic management dispose that the approaches to strategy development are a myriad but can be clustered in to three basic groups. This comprises of the prescriptive, descriptive and integrative schools. The theories posit a setting where none of the individual schools can exist in isolation such that an organization can be described as exclusively belonging to a specific school. Realized strategies are invariably a mix of multiple schools in varying proportions. The determinants to strategy development among FBHIs can be presumed to be largely faith-based. However, religiosity and faith permeation in business can be a self-limiting factor. It would therefore be the assumption that FBHIs serve faith communities with exclusion of out-groups but then this renders the organization short-lived since some faith communities are of small populations that cannot sustain the business. This study sought to expose the inclination of strategy development among FBHIs to the already established schools of thought. Further, it tried to bring out the determinants of strategy traceable such that policy makers, the government and new entrants can be guided accordingly. It was shown that religious affiliation is not a strong drive to strategic partnership and resourcing. Determinants of strategy emerged to be one of four categories; value-based, pricing-related, resourcing-related or faith-related. FBHIs exhibited strong presence of the cultural, positioning and political schools significantly stronger dominance than all the other six combined. There is lack of government policy that fosters mushrooming of FBHIs and the FBHIs do not have a common forum for nurturing their strategic ideals. It is recommendable that such a forum be institutionalized to boost inter-FBHI relations so that strategic management learning points are shared.

LIST OF ABBREVIATIONS

CHAK	-	Christian Health Association of Kenya
FBHI	-	Faith-Based Healthcare Institution
FBO	-	Faith-Based Organization
GOK	-	Government of Kenya
HMO	-	Health Management Organization
KEC	-	Kenya Episcopal Conference
MFL	-	Master Facility List
MOH	-	Ministry of Health
NGO	-	Non-Governmental Organization
SUPKEM	-	Supreme Council of Kenya Muslims

CHAPTER ONE : INTRODUCTION

1.1 Background of the Study

Strategy has been classified in many different ways including the approaches, the philosophies and the language usage. Rowe (2008) discussed the generic four approaches as classical, evolutionary, processual and systemic according to grouping by Whittington (1993). The classical group is grounded on analytical approach and sees strategy as a unitary and deliberate. The evolutionary approach leaves room for strategy to emerge and grow acknowledging that the environment is unpredictable. The processual approach takes a pragmatic view of the fact that knowledge may be imperfect and so may be the strategy that emerges from such knowledge. The systemic approach sees strategy as reflective of the social system in which the organization operates and so strategy is pluralist and deliberate.

Strategy development concept is discussed by Johnson, Scholes and Whittington (2008) as referring to the overall processes that give rise to organizational strategies and the scholars define two broad explanations of these processes. They categorize strategy development processes as being either intended or emergent noting the lack of mutual exclusivity in practice. The process of intended strategy development is conceptualized as consisting of visionary leadership and command, strategic planning and external imposition. On the other hand, the process of emergent strategy development is seen as one rich in cultural and political influence, resource allocation routines and as being founded on logical incrementalism. Ahenkora (2011) cited Giligan and Wilson (2003) who proposed that organizations should pursue 'umbrella strategies' where the broad outlines are deliberate while the details are allowed to emerge within them.

The theoretical perspective of strategy development is based on ten schools of strategy as classified by Mintzberg (1990). Samuels (2008) summarizes the ten schools of strategy and notes the uniqueness in each of them. The schools are categorized into three. In the first category are those schools that see strategy development as prescriptive in nature being more concerned with how strategies should be formulated rather than how they actually do form. In this class are the design school, the planning school and the

positioning school. The second class consists of schools of thought that see strategy development as process specific reflecting how strategies get made rather than prescribing some ideal approach. Here are the entrepreneurial school, the cognitive school, the learning school, the power school, the cultural school and the environmental school. The relevance of the structures that each school of strategy development proposes has peaked and declined over time (Mintzberg et al, 1998) but the complexities of strategy development process do not allow for isolation of the schools. The last class has only one school of thought, which is the configuration school which clusters the various elements of strategy making to describe life cycles of organizations.

The Ministry of Health of the Government of Kenya acknowledges the existence of facilities owned (and operated) by faith-based organizations (FBOs) The Master Facility List (GoK, 2011) classifies health facilities by ownership in to five as follows; MOH (those owned by the ministry of medical services and the ministry of public health), other government-owned, non-government organizations (NGOs), faith-based organizations (FBOs) and private. Accordingly, facilities owned by Christian Health association of Kenya (CHAK) consist of those affiliated to the Protestant churches while Kenya Episcopal conference (KEC) facilities are those owned by the Catholic Church. SUPKEM (Supreme Council of Kenya Muslims) facilities are those owned by organs affiliated to SUPKEM and not those owned by individual Muslims. There are facilities not owned by any of the above three groups but that are of religious affiliation. This includes facilities like MEWA (Muslim Education Welfare Association) hospital in Mombasa. The diversity of organizational contexts demands that strategy development processes shall not be seen as independent of each other although there are patterns that can be drawn by studying the evidence of the concepts.

Samuels (2008) established that much of the material available on strategy concerns situations where the purpose of strategy is to establish the basis on which the organization shall compete in the market place. The issues for strategy development in the context of faith-based healthcare institutions (FBHIs) may be different and may have aspects that are peculiar to faith or healthcare or both. Among the considerations are compliance to

national standards and the socio-political environment in which FBHIs operate. Research is lacking in this context.

1.1.1 Strategy Development

There is a noted shift in the development of strategies in modern day organizations. Kaplan and Norton (2001) helped reveal that strategies for creating value have shifted from managing tangible assets to managing intangible assets including customer relationships. Porter (1996) detailed how strategy rests on unique activities highlighting that it is about being deliberately different and delivering a unique mix of value that gives the competitiveness. Van der Heijden (1997) stated that distinctiveness is ultimately imitable because distinctive competencies are transitory. Porter (1996) said positioning is no longer the heart of strategy. He termed it as too static for today's dynamic markets and changing technologies because rivals can quickly copy a market position. Positioning therefore only achieves a temporary competitive advantage. Van der Heijden (1997) classified competencies as either productive distinctive competencies (include work force and know-how) or relational distinctive competencies (such as reputation and access to distribution channels). An organization takes cognition of envisioned future and strategizes on one or a mix of these.

Strategy development is seen by many scholars including Porter (1996) and Kraaijenbrink et al (2009) as largely behind one of two – either an implicit strategy model or a sustainable competitive advantage model. The earlier model is rich in flexibility and rapid responses to all competitive and market changes while the latter focuses on activities tailored to strategy and identifies clear trade-offs to a strategic fit vis-à-vis competitors. Outside intuitive emergent strategies, strategy making process has been studied by many researchers. Hart (1992) pays attention to the multi-dimensionality of strategy and picks three aspects as definitive in identifying which process is adopted. These are the role of organizational members, the role of top management and the style used. Van der Heijden (1997) qualified strategy development as a multi-step social process involving a high degree of human interaction emphasizing that it is not an off-the-shelf pre-pack but it is specific to the organization. It is evident that by studying the

activities of an organization, patterns can be traced on how its strategies are developed and the same can be matched to already pre-defined processes.

1.1.2 Faith-based organizations

Researchers have many ways of defining faith-based organizations (FBOs) and Kramer et al (2005) termed efforts to define FBOs as problematic flagging that FBOs are sufficiently varied that treating all as one class for analytic purposes is often uninformative. In all instances, there is lack of a straightforward definition and all that can be gathered is more of the generally accepted parameters as mentioned by Scott (2003). Sider and Unruh (2004) claim that this lack of clarity creates problems for studying, funding, and making policies as it hampers comparative research. There is risk of overstating or understating the role of faith in program outcomes. The pair of researchers also specified that studies may also miss the relationship between particular religious characteristics and other key variables such as resource level or organizational capacity. Ferris (2005) observed that faith-based organizations share many characteristics with their secular counterparts and are influenced by the same political, social and economic contexts. However, Lake (2012) states that they are grounded in the tenets and values of a particular faith, have a religiously oriented mission, receive significant support from religious organizations and/or are initiated by a religious institution. Banda et al (2009) classify FBOs as part of the “not-for-profit” sector suggesting that FBHOs conduct no profit making business. FBOs include congregations (churches, synagogues, mosques, and temples) and social service organizations with religious roots.

Kramer et al (2005) observed that there is no systematic evidence that the quality of services delivered by FBOs is superior to the quality of the same services when provided by other providers. They explained that claims about the success of particular faith-based programs are widespread but that there is typically no control group for comparison due to selection bias. Barker (2004) brings to the fore the fact that faith communities provide an established base for the implementation of healthcare activities because they offer access to target populations. Goffin et al (2011) proclaim that the majority of Christian Health Association of Kenya member health facilities are located in rural and remote

marginalized areas. Similar findings were made by Boulenger (2012) who observed that faith-based health facilities play an important role in African health systems, especially in rural areas.

1.2 Research Problem

The process of strategy development is overshadowed by the issue of participation. Mantere and Vaara (2008) state that whereas there is no consensus on who should participate to what degree in strategy formulation, scholars affirm lack of participation leads to poorly developed strategies, dissatisfaction and subsequent difficulties in implementation. Based on participation, strategy development processes have been classified as either those that impede participation or those that promote it. The two researchers identified three discourses associated with non-participatory approach to strategy development as mystification, disciplining and technologization. On the opposite end are self-actualization, dialogization and concretization associated with participative process. The evolution of strategy development has shown that strategy development evolved from a top-down task for top managers to one that is bottom-up or emergent.

From the work of Kaplan and Norton (2007), The Balanced Scorecard is shown as a strategic management technique allowing the organization to focus on its strategic goals and is at the same time a useful approach to development of strategy. The duet of scholars breaks down the path towards strategy development as first establishing mission and vision statements. A balanced score card is then used to translate a generic vision into a strategy that is understood and can be communicated. This is then followed by dividing the strategy into different objectives based on four perspectives viz; customer, financial, internal process and learning and growth. This approach is driven by an executive team who oversee the process down to business unit strategy level.

There are innumerable viewpoints on development of strategy and Kaplan and Norton (2008) single out the systematic deliberate strategy development process as one followed by most successful companies. The process of development of strategy among faith-based organizations does not feature much in literature. The research question for this

study in coastal Kenya is: how do faith-based organizations develop strategies for provision of healthcare services?

1.3 Research Objectives

The objectives of this research were:

- i. To establish the strategy development process in faith-based healthcare institutions
- ii. To identify the determinants of strategy in faith-based healthcare institutions

1.4 Value of the Study

Theoretically this research is expected to make contribution to the body of knowledge in strategic management with respect to gaps identified in the literature review. Existing literature has been seen to be scanty and not addressing the determinants of strategy or the process of strategy development among FBHIs

This research will help policy makers in understanding from a holistic viewpoint the mushrooming of FBHIs in coastal Kenya over the last decade or so. Among other significant outcomes of this research include serving as source of information on management practice by providing guidance on how FBHIs develop strategy. Such information is useful in the industry, to professionals in the government of Kenya and to potential investors.

This research will contextualize strategy development by exploring and describing the lived experiences on strategy in FBHIs and thereby shall open up new significant areas for further research. It also compliments the works of previous researchers like Kundu (2008) whose study on mission hospitals in Kenya helped align the scope of this study. Similarly the work of Cherutich (2007) on health management organizations (HMOs) created openings expected to be built on here.

CHAPTER TWO : LITERATURE REVIEW

2.1 Introduction

This chapter starts with a review of existing theories on strategy development and determinants of strategy discussing the strategy development process specifics. The second part discusses empirical studies done in this area of study taken first with a generic perspective before specifically looking at faith-based institutions. The last clause is an analysis to identify gaps in existing literature within the context of faith-based organizations.

2.2 Theoretical Perspective of Strategy Development

Karnani (2006) stated that the essence of strategy is about making controversial choices because that is where competitive advantage lies. Hofer and Schendel (1978) put strategy determination as based on the match between an organization's resources and skills and the environmental opportunities and risks it faces and the purposes it wishes to accomplish. Effendi (2012) used the framework of P-A-D-R (prospector, analyzer, defender, and reactor) introduced by Miles and Snow (1978) to explain how companies adapt themselves to environmental changes. In all cases, strategies and the determinants thereto are always embodied in some framework.

Van der Heijden (1997) discusses how strategic decisions are embedded in uncertainty and futurity of considerations. While acknowledging that most of strategy in organizations is retrospective and developed intuitively, he advocates for patterns in thinking rather than rolling a dice in order to improve chances of success. The hard rationalistic paradigm calls for strategy development through critical stepwise predictions and setting up of options towards only one best strategy and subsequent action plans. On the converse, strategy development through scenario thinking promotes use of evergreen process of introducing unknowable uncertainty and invalidating the concept of best strategy. This approach is likened to wind tunnel tests which may be so successful but never represent the real-life situation and so adjustments are made for every situation as the environment demands.

Bailey and Johnson (1996) give explanatory theories of strategy development and remark that it is a complex issue and it is not possible to be precise with choice of process. In the many possible processes, one is that an individual leader or top team determines the organization's strategic direction and subsequently drives its formulation and implementation. The duet of researchers itemize strategy formulation as being rooted in the social fabric of the organization (Mintzberg and Waters, 1985) and attributed to cultural influences as far as industry wide basis.

From above viewpoints the type of strategy formulation that results is termed intended or deliberate strategy. Christensen and Donovan (2000) commends such approach as being tailored to fit projects with a discrete beginning and end. The intuitive strategy process is not seen as a true strategy making process in view of the fact that managers make decisions to respond to immediate environmental signals. Christensen and Donovan (2000) termed these decisions as being of tactical character and as made in the absence of intentions. Emergent strategy development is backward-looking and is about learning what works and executing it.

2.3 The Process of Strategy Development

The process of strategy development has been studied by many scholars but the most fundamental classification is that by Mintzberg et al (1998) which was based on original classification by Mintzberg (1990). Ten schools of thought each defining a different approach were identified but later the schools were grouped into three as being either prescriptive leading to deliberate strategies, or descriptive of emergent strategies or being integrative of more than one approach at different occasions. Samuels (2008) review of strategy development through the ten schools of thought defined by Mintzberg et al (1998) reveals the shortfalls of each of them when used exclusively.

2.3.1 Prescriptive Schools of Thought

Baranyi (2001) sums the approaches of the prescriptive schools as the creation of strategy based on a clear methodology that should be followed by the managers otherwise the organization will fail. Kaplan and Norton (2008) define a three-step approach involving

crafting the mission, vision and value statements, defining the value gaps and then performing strategic external and internal analyses. The design school makes rigid guidelines on how to develop strategy resulting in a fixed and inflexible strategy that impedes change. It also devalues participation by other organization members and centralizes thinking to the chief executive officer. This thought does not allow for learning and requires that strategies are explicit. Mintzberg et al (1998) propose the applicability of the design school as limited to situations of central strategists and when the organization operates in a stable environment where the main instrument for strategy is the SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis.

The planning school prescribes strategy development to follow the approach of the design school but removing control from the chief executive officer. Instead the planning process is a huge labour intensive activity where strategy is broken down into component parts thereby discouraging an exploration of the whole entity. Baranyi (2001) says this approach is about identification and systematization of steps necessary to reach a desirable future. The positioning school approaches strategy development with a defensive portfolio plan to secure a position from competitors and works well where organizations have control of their environment. Porter (1985) defined positioning approach to have only two generic strategies as end result – low cost and differentiation. Ahenkora (2011) provided guidelines to development of strategies and advised against developing ‘stuck in the middle’ strategies that represent compromise between lower costs and greater differentiation. The positioning school is shown to favour large organizations in the private sector where segmentation is more practical and so static formal plans are workable (Krauss and Kaurenen, 2009).

2.3.2 Descriptive Schools of Thought

The entrepreneurial school proposes strategy development as a mixture of deliberate and emergent process as Giligan and Wilson (2003) specify where the process is deliberate in its broad lines but emergent in the details to be adapted en route. It focuses strategy formation as exclusive to a visionary leader and finds application in private, public and voluntary organizations. The key aspect of this school is that the organization must be

malleable to respond to the leader's requirements whenever he reformulates the vision. It attaches key decisions on strategy to personal charisma and can expose the organization to whims of an individual. The approach is suitable for organizations in start-up mode where powerful vision and determined leadership is required. The cognitive school aims to show strategy development as based on causal maps or mental models that managers use to realize strategy. It considers strategy development as a process of interpreting the environment and modeling how to deal with it. Samuels (2008) says strategies are difficult to arrive at because group thinking prevents people from seeing potential problems and dangers.

The learning school advocates for emergent strategies being developed through policy making that is not clear or rational but based on arriving at consensus in small incremental steps. It involves creation of tacit knowledge and considers ability to learn as a core competence valuing chaos and disorder as opportunity to be creative and become enthusiastic. Mintzberg et al (1998) warn of the risk of over-reliance on learning as preclusive to articulate strategy and allowing for drift in established strategies that work due to endless incremental learning. The power school is built on political process that sees any intended strategy to be prone to distortion at every step and so leaves room for the strongest members to emerge and dominate leadership positions. McCarthy (1997) noted that the process is driven by the sponsor's track record. Samuels (2008) found it to be behind mergers and strategic alliances as well as acquisitions and joint ventures but observed that it is not immune to collusion and can be wasteful of resources.

Samuels (2008) analyses the cultural school as establishing strategy formation on the basis of social interaction within the tacit nature of organizational beliefs sometimes due to deliberate indoctrination. Baranyi (2001) terms it as a school focused on common interest and integration. It perpetuates existing strategy by encouraging management of consistency in line with what has worked and resisting change. A unique culture is considered as competitive advantage although it impedes mergers and acquisitions due to culture clash. A big drawback of this school of thought is that unique culture is not necessarily good culture yet the approach justifies status quo rather offering means of bringing strategy into being. The environmental school is the last among the descriptive

schools of strategy. Laari-Salmela (2009) says this school sees the initiative of strategy development as not from within the organization but from its external context and whereas other schools see the environment as a factor this school sees it as the main actor alongside leadership which is seen as being there to read the environment and ensure the organization adapts. This school opposes the classical view of one best way of running an organization and advocates for the contingency theory. Notable environmental drive to strategy development is seen in the case of public sector organizations where the environment assumes greater than usual importance.

2.3.3 The Integrative School of Thought

Unique in the approach of this school, also called the configuration school, is that it gives room for all the other processes and it sees strategy as being about continuity rather change because even when change occurs strategy moves on to stabilize the change. Krauss and Kaurenen, (2009) observe that this school views strategy development guided towards an optimal configuration dependent on place and time or stage of the organization in its life cycle. It specifies that context changes necessitate transformation to new configuration and so strategies can be plans, patterns, positions or perspectives that depend on match between the situation and time. Bailey and Johnson (1996) term the other schools as unitary and remark that the configuration school does not see the other nine schools as conflicting, but complementary because strategy making is multi-faceted. In practice, most organizations borrow elements from all nine schools. This school is criticized as not being realistic that organizations are not characterized by stability then followed by abrupt change but by incremental change most of the time.

2.4 Empirical Studies on Strategy Development

The practicalities of strategy development have been researched on with different scholars approaching the subject from different perspectives. Christensen and Donovan (2000) assessed the role of resource allocation in strategy making and observed how Intel strategized to produce its range of products for the electronics market. Resources for production capacity were allocated proportionately to match forecasted returns with the production line expected to give lowest gross margins being allocated only the residual

capacity. This did good business for Intel across the 1970's but in the 1980's there was rivalry that saw prices of the best-selling products drop precipitously and Intel had to systematically divert its manufacturing capacity in a new direction. This was not driven by explicit decisions from senior management but from forecasts on sales returns made by business unit level managers. It was only emergent to the executive ranks that new opportunities had become clear when they cycled the learning back into the process thus ending up with a deliberate strategy.

Strategy development is seen as multi-faceted but generalization of this hypothesis is limited due to specificity of studies done. Grozdanović (2004) discussed determinants of strategy and noted that business success is a synergetic expression of the enterprise's economic efficiency. This researcher concluded that the strategy of business success is just a strategy of the enterprise's efficiency. The integrated approach to strategy development wins the attention of many scholars due to limitations recognized in normative processes. The integrated approach is a process ambidexterity that calls for avoiding the extremes in either of the cases and takes a middle path where in some instances managers to be aggressive with intended strategy process and in others they go by emergent process. At no time should strategy development process be left on auto-pilot. Hart (1992) discussed the integrative framework for strategy-making and underscored the diverse postures people assume in the process. Accordingly, the process is about who is involved and in what manner such that their roles and interaction facilitate the identification of distinctive modes of strategy making.

Literature is deficient in experiential studies on strategy development among FBOs. While this is the case, research does tell on the role FBOs play in healthcare service provision and noted that FBOs have several advantages in a working environment with culturally diverse populations. The advantages according to Reinert et al (2007) include unique access to disenfranchised subpopulations commonly underserved by the conventional healthcare. FBOs are also prominent and well respected in the community.

Various research works in healthcare provision reveal generic determinants of strategy among FBOs. Betancourt et al (2005) state that cultural competence has become an

important emerging strategy in healthcare provision. This may be in part due to the increased client satisfaction as proposed by Anderson et al (2003). Sidumo et al (2010) concluded that if culture-based misunderstandings could be addressed during the recruitment and in-service education of non-Muslim nurses working in Muslim countries, this could enhance the quality of culture-competent nursing care. This conclusion is generalizable.

2.5 Gap Analysis and Theoretical Framework

Githui (2011) terms ethics in Kenyan healthcare system as a major component and concern in the context of professionalism and performance delivery. Outside geographical limitations, the effect of faith or religiosity on work outcomes is a subject that has not received much attention. While branding themselves as pioneers in studies on faith-based investments, Boasson et al (2006) lament that not much has been published on whether religion has strategies that can be borrowed and fitted into modern business practices. Works on religious orthodoxy and entrepreneurship focus more on ethical attitudes, for example that by Clark and Dawson (1996) mentioned by Emami and Nazari (2012) without extending the contribution of religious faith factor to other areas of business, more interestingly, the area of strategy formulation and implementation. There is significant gap on knowledge of strategy making among FBIs and this is considered fertile ground for research.

Kramer et al (2005) state that some aspects of FBOs have been studied much more than others. They established that little is known on how faith relates to the content of services provided by FBOs. It is not surprising therefore that even less is known about the strategies of FBOs in healthcare industry that offer services similar to those of secular organizations and within professional norms. Chuma and Okungu (2011) discuss universal coverage and financing of healthcare and conclude that Kenya's healthcare system is inequitably financed. This impairs access to healthcare by those without financial means and creates need for intervention by agencies beyond government. It may be this unanswered call that prompts strategy development among FBHIs and this gap is noticeably significant in existing literature.

The theoretical framework of this exploratory qualitative study is based on grounded theory methodology. Levy (2006) terms this kind of study as interpretive research and specifies that it does not predefine dependent and independent variables but focuses on building theory as the situation emerges. She quotes Carson et al (2001) who suggested pre-requisite characteristics for grounded theory to be applicable in a research problem. The research should be interpretive and there should be virtually no existing theories or that existing theories are demonstrably inadequate.

Bowen (2006) described grounded theory as a popular approach to research in healthcare saying sensitizing concepts are a good starting point for a qualitative study for they can be used as interpretive devices without need for specification of attributes or benchmarks typical of definitive concepts. In this research theories will be generated by themes that will emerge during data analysis and identification of common threads from the results of in-depth open ended interviews.

CHAPTER THREE : RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was used to meet the objectives of the study as set out in chapter one. It is divided into sections covering research design, population of study, sampling design and data collection and analysis.

3.2 Research Design

A descriptive survey research was proposed and approved for use in this study. A descriptive research is concerned with conditions, practices, structures, differences or relationships that exist, opinions held, processes that are going on or trends that are evident. This descriptive research attempts to describe, explain and interpret conditions with a purpose of trying to bring out the approaches to and determinants of strategy development among FBHIs. This design was considered appropriate because the study is largely descriptive. It is a common approach and has been used successfully by many in the past including Akinyi (2007) and Kundu (2008) among others, all of whom researched on topics similar to this one in their MBA programs.

3.3 Population of Study

The target population as per the Master Facility List of the Government of Kenya last updated in September 2011 was 34 facilities comprising of seven (7) facilities owned by CHAK, nine (9) under KEC, one (1) under SUPKEM and seventeen (17) under “other FBOs”. The distribution of the population according to counties was nine (9) in Kilifi, one (1) in Kwale, two (2) in Lamu, ten (10) in Mombasa, five (5) in Taita-Taveta and seven (7) in Tana River. However, during field work, the population reduced to 30 after three (3) centers reported to be branches of other centers already covered by the survey and one (1) center was confirmed as non-faith-based. A census survey was used to collect data from all the 30 facilities.

3.4 Data Collection

The main source of data was primary data collected using a semi-structured questionnaire with fill-in sections as well as tick lists. The questionnaire was divided into three parts. Part A targeted to gather information about the organization that was used to confirm or otherwise rule out an organization as an FBO according to the criteria discussed later in chapter four. The questions in this part were structured type and only a few had tick list options. Parts B and C consisted of closed questions subdivided into sub-sections based on theme. The questions in these parts were answered by scoring on a 5-point Likert scale for control on the range of possible responses as well as to make statistical analysis presentable.

The survey questionnaires were delivered to prospective respondents to fill in as self-administered questionnaires as well as researcher-assisted where necessary. The target respondents were administrators of the healthcare institutions.

3.5 Data Analysis

All returned questionnaires were assessed for completeness and accuracy before further analysis. Descriptive statistics were used to analyze data. This included interpretation of frequency distributions, mean scores and standard deviations to determine how to fit patterns of responses into theoretical perspectives. This helped reveal presence of central tendency and dispersion with respect to aligning the studied institutions in to existing literature on strategy development.

CHAPTER FOUR : DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the statistical data analysis as gathered from the respondent institutions and an interpretation of the information relative to the theories discussed in the literature review in chapter two. The chapter is presented in sections covering the profile of the institutions, strategy development, determinants of strategy, and discussion of findings. The target population of 34 institutions as per the Master Facility List saw adjustments downwards after three (3) centers responded that they were not independent and could not give information on strategy. They referred the data collectors to other centers already in the list. One (1) center was ruled out as not qualifying to be an FBO after it was revealed that there was change of ownership following failure of the faith organization to run the facility. At the time of data collection this center was under the Government of Kenya managed by the Ministry of Health.

4.2 Profile of Institutions

This section is divided in several subsections providing information on the organizational profiles of the target institutions. This is intended to set the context of the study before doing the strategy analysis. The subsections in this section cover the organizations years of operation, religious affiliation, support by founders and location of service centers. These subsections provide awareness on the organizations strategic environment and setting and shall be used to complement interpretation in section 4.3 and 4.4. The thirty (30) institutions covered in the census had a response rate of about 77% (23 responses) and this was considered to be a fair response.

4.2.1 Years of operation

The data gathered from Part A of the questionnaire included the year of establishment of the institution. Respondents were asked to fill in the year the institution was established and this will be important in analyzing whether or not there is relationship between the

period the organization has been operating and the approach it uses to develop its strategies. It also will provide a comparison between the approaches adapted by the older organizations against those adapted by the younger ones. The number of years in operation reflects how many opportunities the organization had to develop or review its strategies.

Table 4.2.1 Years of Operation

Years of operation	Frequency	Percentage
1 - 4	0	0%
5 - 10	3	13%
Over 10 years	20	87%
Total	23	100%

Source: Research data

Based on the assumption that on average strategies are developed for 5-year terms, the organizations in operation for less than 5 years are deemed to have developed strategies on only one occasion with subsequent reviews. Those organizations in operation for more than 10 years were considered to have developed strategies more than once and may have acquired a specific approach.

All organizations in this survey were over 5 years old with about 13% of them falling in the 5 to 10 year range. This shows that the survey did not have new entrants in to the business. The mode for this distribution is the “over 10 years” category. FBHIS surveyed are considered experienced and stable in their approach to strategy development

4.2.2 Religious affiliation

The importance of religious affiliation in strategy can range from as simple as influencing how the organization adjusts to its serve its environment to being the core of all power and control of the organizations activities. The essence of an organization qualifying as

faith-based is that it has religious affiliation on to which its activities are guided. .Data on the religious affiliation of the institution revealed the distribution as per

Table 4.2.2 Religious affiliation of institution

Religious affiliation of institution	Frequency	Percentage
Christian	19	83%
Muslim	4	17%
Hindu	0	0%
Other	0	0%
Total	23	100%

Source: Research Data

The data showed all institutions covered were either Christian or Muslim. While this does not determine faith permeation it provides a good idea of faith inclination for the FBHI in question. This data is expected to be used to assess whether religious affiliation has specific attributes to strategy. This is discussed in sections 4.3 and 4.4.

4.2.3 Founder support

The strategic role of founders includes creating and maintaining a desired culture as well as keeping the organization focused in a specific direction. For established organizations, founders who still actively support the organization may be interested in keeping the original idea worth pursuing by such means as ensuring there is the necessary bandwidth and resources. Information on whether or not founders of the FBHIs still actively support their activities was captured as per Table 4.2.3. This is expected to assess the influence founders have on the approach to strategy development. A Boolean response was provided in the questionnaire where respondents replied by crossing out yes or no.

Table 4.2.3 Support by Founders

Active support by founders	Frequency	Percentage
Yes	18	78%
No	5	22%
Total	23	100%

Source: Research Data

There is a general expectation that organizations where founders still actively support the activities of the organization will have strategies that tend to be more deliberate because of being centrally controlled. In those where founders no longer actively provide support, more emergent strategies are expected due to the decentralized nature of its management. This is discussed in section 4.5.

4.2.4 Location of service centers

The decision on siting of facilities has a deterministic role on the long term existence of the organization in addition to the logistical and operational implications. While facility location can be a competitive strategy the same prime location can be a barrier to entry. Apart from flexibility and room for future expansions, facilities may be sited on geographic or demographic basis. Empirically, FBHIs may depict non-traditional strategies of facility location. Data on the location of buildings through which the institutions offer their services was gathered through a guided tick list. The distribution of the scores is as per Table 4.2.6.

Table 4.2.4 Location of service centers

Location of buildings used by the organization	Frequency	Percentage
Within the compounds of places of worship	10	43.5%
Next to places of worship	7	30.4%
Away from places of worship but owned by faith group	5	21.7%
None of the above	1	4.4%
Total	23	100%

Source: Research Data

There is only one (1) of 23 FBHIs that reported its facilities are in secular setting away from places of worship and not owned by faith groups. The survey shows that about three quarters (approximately 74%) of the FBHIs have their service centers within places of worship or next to places of worship. This is interpreted as strategic positioning and as having compatibility to aspects of organizational culture. It can be inferred that FBHI seek to strategically identify with their faith group by setting up their service centers noticeably adjoined to places of worship.

4.3 Strategy Development Process in FBHIs

The first objective of this study was to establish the strategy development process used by FBHIs. Respondents were asked to fill in part B of the questionnaire using a 5-point Likert scale where the scoring guide was 1-Not at all, 2- Limited extent, 3 –Not sure, 4 – Certain extent and 5- Large extent. The interpretation of data from Part B was done together with that from Part C because the determinants of strategy influence the process for strategy development. The analysis is discussed below in subsections that have been

divided as belonging to either deliberate or emergent strategies. There are questions in the questionnaire that had a dichotomous role where scores on one extreme reflected inclination to deliberate strategy formation yet responses to the same question on the opposite end of the scale reflected inclination to emergent strategy making processes.

4.3.1 Attributes of deliberate strategy development processes

It is almost impossible to have precise ways of defining strategies as being purely deliberate. However there are patterns that come close or tendencies that point in the direction of deliberate strategy making. Table 4.3.1 shows a summary of the data on aspects of strategy development attributable to deliberate approaches to strategy development.

Table 4.3.1 Attributes of deliberate strategies

Description of attribute	Mean	Standard deviation
Strategy development is determined by a particular individual or top management only	3.39	1.64
Middle level managers are involved in developing corporate strategy	3.22	1.57
Management consult stakeholders to ensure social acceptance and legitimacy	4.00	1.17
The institution engages in deliberate strategy making requiring central coordination	3.96	1.40
Organizational members have a chance to respond and make input to strategies developed	4.26	1.01
The institution has elaborate strategy making process driven by faith mission	4.35	1.19

Source: Research Data

In analyzing the data, a high mean indicates that the specific attribute is widely used by FBHIs to a large extent. It is shown that the top three attributes have the smallest standard

deviation. Data reveals that FBHIs have elaborate strategy development process driven by faith mission (mean of 4.35). They also give chance to organizational members to make input to strategies (mean of 4.26) and consult stakeholders to ensure strategies are socially accepted and legitimate (mean of 4.00). Another widely used attribute is that FBHIs engage in deliberate strategy making that requires central coordination (mean of 3.96). Approaches that are less widely used in strategy development include involving middle managers in strategy development (mean of 3.22) and developing strategy through a particular individual or top management only (mean of 3.39) the approaches with low mean values have high standard deviations telling that there is high variability in the data.

This analysis shows the existence of all three prescriptive schools of thought viz design school, the planning school and the positioning school. The planning school is dominant while the positioning and design schools show equal strength in how widely they are used. Using the P-A-D-R framework, defenders are seen as more deliberate in their approach to strategy making by coming up with concrete plans to defend a secured position. FBHIs display a defender strategy when they consult to ensure strategies are legitimate and acceptable and when they use faith mission as a driver to strategy making because this ensures they are defending their faith mission through deliberate strategy.

4.3.2 Attributes of emergent strategy development processes

The attributes of emergent strategies are typically those that overtly appear not to be driven by any intentions of a central management. While certain actions are collective in nature they may not arise from prior collective intentions. Consensus building including negotiations with colleagues to arrive at an end does not constitute an *a priori* deliberate strategy making. This subsection tries to bring out the observable aspects of strategy making that can build up the concept of emergent strategy. Data was captured by scoring on a 5-point Likert scale to leading questions where some questions were used as cross check to others so as to verify the dominance of the concepts.

Table 4.3.2 shows the analysis for attributes of emergent strategy development processes.

Table 4.3.2 Attributes of emergent strategies

Description of attribute	Mean	Standard deviation
Strategy development in this institution is determined by a particular individual or top management only	3.39	1.64
Management consult stakeholders to ensure social acceptance and legitimacy of strategies	4.00	1.17
There are successive small scale reviews and adjustments to strategy during development	4.35	1.19
Strategy development is guided by religious routines and rituals that reveal the organizational culture	3.78	1.31
Strategy development approach is based on interest of sponsor to avoid in-house barriers during implementation	4.04	1.49

Source: Research Data

This analysis shows FBHIs widely use successive small scale reviews and adjustments to strategy during development (mean of 4.35) and this is attributable to the learning school of thought. The high mean on consultation of stakeholders to ensure legitimacy and acceptance (mean 4.00) shows inclination to cultural and cognitive schools. The political school is seen in the high mean (4.04) on accommodating interest of sponsor in development of strategies. These attributes show that emergent strategies feature significantly in the approaches. Using the P-A-D-R framework, FBHIs are also noted to be prospectors sensitive to their environment. Typical of prospectors is the capacity to monitor the environment and adjusting to fit recent trends in to their plans. This is seen as emergent strategy although elements of planning are involved. While the reactor is purely an emergent strategist, the analyzer combines the approaches of the prospector and

defender thereby combining both deliberate and emergent strategy development processes. FBHIs display a combination of the P-A-D-R framework in all their activities.

4.4 Determinants of strategy in FBHIs

The other objective of this study was to identify the determinants of strategy in faith-based healthcare institutions. While theories exist on possible approaches to strategy making, identification of determinants of strategy cannot be theorized due to, among other reasons, the context specificity of the determinants. The purpose of this section is to align the various observations from the field work and put up a useful summary on what FBHIs use as determinants to strategy.

The data was captured using the same 5-point Likert score sheet. The scoring guide used was 1- Never, 2- Rarely, 3 – Sometimes, 4 – Frequently, 5 – Always and results have been summarized as per tables in the subsections below.

4.4.1 Value-related Determinants of strategy

There is overwhelming abundance of literature that suggests ethical organizations outperform their peers. Values do provide basis on which to make judgment about what is important to the success of the organization. They define broadly what the organization stands for and are therefore a very important set of determinants of strategy. They moderate the leadership of the organization and moral behavior of staff by providing guided internalization of corporate goals.

Summarized analysis below shows that the most widely used determinant related to value addition is trust and transparency among stakeholders. At a mean score of 4.65 and very low standard deviation (0.49) it is revealed that almost all FBHIs always use this determinant. The other three determinants favoured by many FBHIs are creation of perception of safe relationship (mean of 4.13), promotion of religious conduct among staff, volunteers and clients (3.96) and creation of social presence among the faith group (3.83). The other value-related determinants were seen as only used “sometimes”. These are open identification as religious (3.30), spiritual enrichment of management (3.30) and prioritizing professional merit over faith (3.13). However these three determinants have

high standard deviation and it shows high variability of the data, thus limiting formulation of a blanket statement on value-related determinants of strategy.

Table 4.4.1 Value-related Determinants of strategy

Description of determinant	Mean	Standard deviation
Identifying as religious openly	3.30	1.69
Promoting religious conduct among staff, volunteers and clients	3.96	1.49
Placing spiritual enrichment of management in advance of development of goals	3.30	1.46
Creating a perception of “safe relationship” with its clientele	4.13	1.42
Creating social presence among the faith group	3.83	1.47
Prioritizing professional merit over faith	3.13	1.58
Cultivating trust and transparency among stakeholders	4.65	0.49

Source: Research Data

4.4.2 Pricing-related Determinants of strategy

Price-related determinants of strategy encompass upstream and downstream factors as well as horizontal factors. They include competitor factors but are not limited to setting of price as a strategy. The setting of FBHIS places them in unique market niche where competitive pricing may not form the core of price-related strategies. In part this may be explained by looking at the business model FBHIs employ and analyzing whether or not they follow a profit making model

Table 4.4.2 Pricing-related Determinants of strategy

Description of determinant	Mean	Standard deviation
Following a business model in seeking value of outcomes	2.04	1.19
Charging lowest fees practicable without compromise of quality	4.70	0.70
Subsidizing fees for life members, staff and their dependents	3.57	1.56

Source: Research Data

The data in Table 4.4.2 shows that almost all FBHIs widely use low cost advantage as a determinant to strategy. At a mean of 4.70 and very low standard deviation (0.70) it is seen that FBHIs seek to charge lowest fees possible without compromise of quality. The other price-related determinant with a high mean is subsidy of fees for life members, staff and their dependents (mean 3.57) but this has a high standard deviation implying some organization lie on extreme ends of the scoring scale. Research data shows that FBHIs only rarely (mean of 2.04) follow a business model implying they are not overtly for-profit.

4.4.3 Resourcing-related Determinants of strategy

This includes resourcing for materials as well as human resourcing. It concerns how the organization integrates along the supply chain and how this affects its choice of strategy. The FBHIs being faith-inclined by nature may create operational windows where resourcing and interaction is governed by faith-group organizational behaviours. This subsection seeks to identify the significance of resource-related determinants of strategy.

From Table 4.4.3 resourcing and partnerships are seen as not affiliated to faith inclination. A mean of 4.04 on having strategic partnerships across diverse faith groups shows FBHIs almost always seek partnerships without faith limitations. This is confirmed by a low mean (1.57) for resourcing and interacting within same religious affiliation. This aspect has a low standard deviation suggesting most of the FBHIs surveyed rarely or never limit their interactions to within the faith group. The moderate mean (3.43) on

strategic market positioning does not show that FBHIs always use positioning as a determinant to strategy. FBHIs do not encourage professionals to work on locum as a strategy input (mean of 2.61) and there is hardly any policy privilege from the government that favours strategy development among FBHIs (mean of 2.70). On average, sometimes FBHIs draw management membership from same faith community (mean of 2.83) and derive organizational power from religious sources (mean of 3.04).

Table 4.4.3 Resourcing-related Determinants of strategy

Description of determinant	Mean	Standard deviation
Drawing management from members of the same faith community	2.83	1.83
Resourcing and interacting more within same religious affiliation	1.57	1.16
Deriving organizational power from religious sources	3.04	1.80
Enjoying faith-based policy privileges from the government	2.70	1.55
Securing and upholding a strategic market position	3.43	1.24
Encouraging professionals to work on locum	2.61	1.62
Having strategic partnerships across diverse faith groups	4.04	1.30

Source: Research Data

4.4.4 Faith-related Determinants of strategy

Faith paths and how faith affects work define organizational commitment to pursue its goals. Faith is itself a social determinant of health and by this FBHIs will seek to strengthen the social connectedness of faith to their strategies so as to remain preferred provider of healthcare services among the faithful. The analysis in this section brings out the detail of how permeable FBHIs are to faith-sensitive aspects of their clientele. This

will be reflected in how much of faith they imbibe during determination of strategy.

Table 4.4.4 Faith-related Determinants of strategy

Description of determinant	Mean	Standard deviation
Providing services with basis on fundamentals of religion	3.09	1.70
Developing objectives driven by faith imperatives even at the expense of economic gain	3.57	1.70
Being friendly and sensitive to a specific faith community	3.39	1.59
Establishing religious environment as a core competence	3.30	1.72

Source: Research Data

Faith as a determinant of strategy among FBHIs was shown to be neutral score for all aspects surveyed as per Table 4.4.4 above. Of the four aspects surveyed, the role of faith imperatives showed highest mean (3.57) suggesting that relative to the other faith-related determinants, FBHIs will more likely forego economic gain for faith submission. However all the aspects had high standard deviation suggesting that the distribution is very dispersive. This means there are FBHIs that scored on extreme ends of the scale. Some always use faith as a factor in determining strategy while others rarely do so.

4.5 Discussion of Key Findings

There are an untold possible ways of making a comparison between research findings and existing literature. This section looks at the approach of the ten schools of thought of strategic management. It compares established theory and tries to draw semblances from the research findings. The responses from Part B and C of the questionnaire were used to arrive at a scoring by equal weighting of one (1) point for every entry considered favourable to a specific school of thought. There were entries that were favourable to

more than one school and so these were considered as separate entries. Scores 4 and 5 on the Likert scale were taken to be “high” such that when the question required a high score response to favour a specific school both scores 4 and 5 qualified. Similarly scores 1 and 2 were taken to be “low” and score 3 was neutral and did not earn any point.

From the guidelines above the weighting resulted in the distribution as shown in Table 4.5.1.

Table 4.5.1 Distribution of scores for schools of thought

	Schools of Thought	Category of school	Total points	Percentages
1	Entrepreneurial	Descriptive	32	4%
2	Learning	Descriptive	42	6%
3	Planning	Prescriptive	44	6%
4	Environmental	Descriptive	46	6%
5	Design	Prescriptive	72	10%
6	Political	Descriptive	87	12%
7	Cognitive	Descriptive	102	14%
8	Positioning	Prescriptive	144	19%
9	Cultural	Descriptive	181	24%

Source: Research Data

Table 4.5.1 reveals that the cultural school was the most dominant among all the nine schools. It is also deductible that the dominance is not overwhelming (only 24%) and that other schools of thought play a key contribution to overall strategy development. The other significant observation is that all the schools of thought are represented suggesting

that there are elements of strategy related to each of the schools, emergent or deliberate embedded in the overall approach to strategy development. The score for the prescriptive schools suggests that about 45% of strategy is developed prescriptively while about 55% is from the descriptive schools. It is also noted that the most dominant four schools (cultural – 24%, positioning – 19%, cognitive – 14% and political – 12%) make over two-thirds of the total percentage. Within these, three are descriptive while only one is prescriptive further affirming the idea that the overall approach is that of emergent strategy development.

The detailed analysis of the weighted scores for individual FBHIs that responded reveal only three (3) had differences in the order of dominance of the schools of thought where the cultural came second to the positioning school. Even in these cases the scores were only marginally different. There were no specific observations associated with whether the FBO was Christian or Muslim. Similar observations were made with respect to whether founders still actively support the organization or not. There were five (5) cases where the planning, entrepreneurial and learning schools were scored as 0% but the general data on organizational profile of those FBHIs did not reveal any similarities that support the pattern. The location of the centers where services are provided from did not show to be of significance to the strategy of the organization. The FBHI that had facilities located in secular setting, that is where buildings were away from places of worship and not owned by the faith group did not come out as having any unique approach to strategy development. However it can be said that with about 74% (17 of 23) of the respondents having their facilities within or next to places of worship and 22% (5 of 23) owned by the faith group it shows that FBHIs do take advantage of the proximity or association to the congregation as a channel of access.

The above is attributable to what literature suggests of the cultural and positioning schools as well as the cognitive school. FBHIs locate facilities with strategic perspective to create a reputable position that takes cognizance of the cultural sensitivities of faith groups. The lukewarm score for the planning school agrees with literature highlights where the process is seen as labour-intensive and one that requires great detailing which FBOs may not engage resources in. FBHIs may be averse to learning school ideology due to strategic complacency and the fear for drift from being not-for-profit faith-based to

embedding economic and business models in their work. The outcome that founders do not have any significant influence on strategy development rhymes well with the absence of entrepreneurial school in most FBHIs where key decisions would be the reserve of the individual or cluster of individuals with an entrepreneurial vision.

CHAPTER FIVE : SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter has sections that cover a summary of the research study, conclusion and recommendations. At a response rate of about 77% the research was considered to be representative. The study achieved its objectives of identifying determinants of strategy and establishing strategy development among FBHIs in coastal region of Kenya.

5.2 Summary

There is evidence that the strategies developed by FBHIs are attributable to the existing theories on schools of thought. There is no exclusive use of any particular strategy school or category of schools and it is considered highly possible that the integrative school of thought would be the most generic and umbrella type of strategy school of thought. The dominance of patterns of strategy development was found to be uniform and independent of religious affiliation. The order of prominence of the schools was seen to be cultural, positioning, cognitive and political for the top two-thirds while the schools of design, environmental, planning and learning emerged to be of fairly little significance. The entrepreneurial school was the least prevalent and this matched well with the general observation that FBHIs are not for-profit organizations.

There are grounds to deduce that organizations interested in venturing in to faith-based healthcare provision should base their strategies on a mix of prescriptive and descriptive approaches. The cultural school emerged well above the rest matching the observations in the literature review and provides access through faith for market penetration. There are not substantial outliers in the patterns of the data and much as trends may not be linearised, the prediction on existence of certain aspects of strategy in a sampled study are reliably within marginal error. Strategy development is seen to be influenced by sponsors and founders as well as other stakeholders with nearly equal importance.

There are aspects that come out as ambivalent to their role on strategy influence. This is verifiable from the bi-modal nature of the scores on opposite ends of the Likert scale. These aspects included accommodating interests of sponsor in strategy development where the same number of respondents scored score 1 as for score 5. This implies that the role has as much negative contribution as it has positive effects. The other aspects that had a similar result are composition of management membership across diversity of faiths, provision of services on fundamentals of religion, derivation of organizational power from religious scripts and the prioritisation of professional merit over faith in development of strategy.

5.3 Conclusions

The conclusion of this research on FBHIs is that strategy development walks on two feet, one deliberate, the other emergent (Mintzberg and Waters, 1985). While the objectives of the study were met satisfactorily, room for furtherance of this topic and similar ones still exists. On the identity and purpose of FBHIs, research needs to bring out the depth of strategic approach to decision making with respect to articulation of faith without reticence. An evaluation of faith typology vis-a-vis strategy development is required to clarify any ambiguity in the role of faith. The strategic choice of business partners and beneficiaries of faith-based healthcare services still needs critical assessment. Research needs to focus on strategic content of organizational culture and structure as well as on sources of funding and charitable conduct of FBHIs. The scope is wide and varied and there are insatiable reasons to further this course.

5.4 Implications for Policy and Practice

The current observation is that FBHIs hardly enjoy any privileges from the government by virtue of their faith-based nature. Among other implications, the study revealed that the government needs to come up with more policies friendly to establishment of FBHIs. This will in turn open up new approaches to strategy development and strategic management practice.

The research revealed that there are FBHIs which closed shop in the recent past and the healthcare centers they used to operate were taken over by the government. It is not clear under what circumstances the centers ended up closed or changed ownership. The government should partner with FBOs and introduce regulatory framework that helps FBOs build capacity to manage themselves soundly.

A faith-based organizations' forum is considered a valuable platform for sharing and exchange of strategic management issues and promotion of the diversity and inclusiveness already observed to be prevalent among FBHIs. This will strengthen the strategic partnerships and open up new understanding of faith taboos in healthcare across the wider multi-faith community. Future management of faith-based healthcare deserves more attention at collective level than at firm-specific level. Alignment of strategic goals within the society of FBOs remains paramount in attaining sustainable survival of FBHIs in the sector where secular organizations thrive.

5.5 Limitations of the Study

This study was challenged by several constraints outside the control of the researcher. They are listed here in random order as follows:

1. Reluctancy of respondents to give information for reasons that they could not reveal. It was not always easy to get the questionnaires filled in and some respondents needed to be enticed to give information. Repeat visits were necessary in many cases and in some, resources did not allow to pursue respondents to a fruitful ending.
2. Scepticism of respondents on why the research is on faith-based organization. Naivety was a common observation and some respondents declined to fill in the questionnaires without explicit written approval from the MoH and from their faith group headoffice in Nairobi.
3. Obsolescence in the database of the Government of Kenya with respect to the Master Facility List (MFL). The latest available update was of September 2011 and was not reflecting the reality on the ground. Some institutions registered initially as faith-based had being taken over by the government after failure by the

faith groups to operate them. It was also noted that respondents advised the researcher to visit other faith-based healthcare institutions not listed in the MFL.

4. Challenge of accessing the hinterland of the coast region. Not all institutions in Tana River county could be accessed due to security, transport and high costs of accommodation as well as other overheads.

5.6 Recommendations for Further Research

From the findings of this research it is recommended that future research focus on narrowed population and engage multiple respondents from each FBHI to capture more representative data on strategic management of FBHIs. It is not possible for a descriptive survey to capture strategy development exhaustively as this only gives a static snapshot of the whole process. It is recommended that FBHIs be engaged in long term research in order to bring out the crux of strategy development. Future work on this topic should also focus on comparative studies between FBHIs and their secular counterparts so as to bring out the commonalities and the differences and establish how FBHIs take advantage of the faith community. There is also need to study the faith factor in terms of faith reticence and how faith typology affects faith strategies.

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APPENDIX I: QUESTIONNAIRE RESPONSES

In the table below the coded identity refers to confidential referencing to FBHIs that responded to the research and provided required data.

Table App I

Coded identity	Year established	Founders	Affiliation	Founder support	Locality
FB1	1975	Community	Christian	Yes	Next to place of worship
FB2	1998	Germany foundation	Christian	No	Next to place of worship
FB3	1984	Fr Martin	Christian	Yes	Within place of worship
FB4	2005	Bishop Francis	Christian	Yes	Within place of worship
FB5	1995	Self	Muslim	No	Next to place of worship
FB6	2005	Missionaries	Christian	Yes	owned by faith groups
FB7	1992	Community	Muslim	Yes	owned by faith groups
FB8	1976	Sisters of St Josephs	Christian	Yes	Within place of worship
FB9	1989	Daughters of Sacred Heart	Christian	Yes	Next to place of worship
FB10	1980	Diocese of Malindi	Christian	Yes	Next to place of worship
FB11	1975	Consolata sisters	Christian		Owned by faith group
FB12	1999	Sisters of St Josephs	Christian	Yes	Owned by faith group
FB13	1996	Diocese of Mombasa	Christian	Yes	Within places of worship
FB14	1995	Community	Muslim	Yes	Owned by faith group

Coded identity	Year established	Founders	Affiliation	Founder support	Locality
FB15	1987	Iqra Charitable Society	Muslim	No	Next to place of worship
FB16	1983	World Vision	Christian	No	Next to place of worship
FB17	1970	Diocese of Mombasa	Christian	No	Next to place of worship
FB18	1943	Sisters of St Josephs	Christian	Yes	Next to place of worship
FB19	1996	Missionaries	Christian	Yes	None of the above
FB20	2003	Women followers	Christian	Yes	Within places of worship
FB21	1969	Diocese of Malindi	Christian	Yes	Within places of worship
FB22	2008	Diocese of Garisa	Christian	Yes	Next to place of worship
FB23	1994	Catholic church	Christian	Yes	Within places of worship

APPENDIX II: QUESTIONNAIRE

Part A: General Data about the institution

1. Name of the institution: _____
2. Year of establishment _____
3. Respondent's position in the institution _____
4. Period for which respondent has held the position _____
5. Who founded this institution? _____
6. Religious affiliation of institution:
 - Christian []
 - Muslim []
 - Hindu []
 - Other (specify) [.....]
7. Do founders still actively support this institution?
 - Yes []
 - No []
8. The buildings through which this institution offers its services: (tick as appropriate)
 - are within the compounds of places of worship []
 - are next to places of worship []
 - are owned by faith groups [] Specify name of faith group:
.....
 - none of the above []

Part B Development of Strategy

(Scoring guide: 1-Not at all 2- Limited extent 3 –Not sure 4 – Certain extent 5- Large extent)

About strategy making dimensions:		1	2	3	4	5
1.	Strategy development in this institution is determined by a particular individual or top management only					
2.	Middle level managers are involved in developing corporate strategy					
3.	Management consult stakeholders to ensure social acceptance and legitimacy					
4.	This institution engages in deliberate strategy making requiring central coordination					
5.	Organizational members have a chance to respond and make input to strategies developed					
6.	The institution has elaborate strategy making process driven by faith mission					
7.	There are successive small scale reviews and adjustments to strategy during development					
8.	Is guided by religious routines and rituals that reveal the organizational culture					
9.	The approach is based on interest of sponsor to avoid in-house barriers during implementation					

Part C Determinants of Strategy

Table C1

(Scoring guide: 1-Not at all 2- Limited extent 3 –Not sure 4 – Certain extent 5- Large extent)

About aspects of faith, this institution:		1	2	3	4	5
1.	Identifies itself as religious and openly displays religious texts and messages, symbols and artifacts					
2.	Draws its management from members of the same faith community					
3.	Promotes religious conduct among staff, volunteers and clients					
4.	Gets material resources from and interacts with only people or institutions of same religious affiliation					
5.	Provides services with basis on fundamentals of religion					
6.	Derives organizational power from religious sources and managers must be knowledgeable in religion					

Table C2

(Scoring guide 1- Never, 2- Rarely, 3 – Sometimes, 4 – Frequently, 5 – Always)

About guidelines on strategy development process, this institution:		1	2	3	4	5
1.	Seeks to meet objectives driven by faith imperatives even at the expense of economic gain					
2.	Puts spiritual enrichment in advance of development of goals where management/planning committees undergo training/seminars on how faith is vital in their work					
3.	Follows a business model in seeking value of outcomes and operational efficiency i.e seeks to break even and make profit					

Table C3

(Scoring guide 1- Strongly disagree, 2- Disagree, 3- Neutral, 4 – Agree, 5 – Strongly agree)

About positioning strategy, this institution:		1	2	3	4	5
1.	Creates a perception of “safe relationship” with its clientele i.e a feeling that no crooked practices will ever arise since the institution is faith-based					
2.	Participates in religious social functions in order to create or rejuvenate presence among the faith group					
3.	Singles itself out as friendly and sensitive to a specific faith community but without harsh treatment to out-group clients.					
4.	Enjoys policy privileges from the government because of its faith-based orientation e.g tax exemptions					
5.	Is considered by its management as well positioned in the market and management seek to uphold this position					

Table C4

(Scoring guide: 1-Not at all 2- Limited extent 3 –Not sure 4 – Certain extent 5- Large extent)

About core competencies and survival, this institution:		1	2	3	4	5
1.	Puts professional merit as priority over faith and does not impose religious conduct on staff					
2.	Cultivates trust and transparency among its stakeholders and makes them feel they own the institution					
3.	Seeks to establish religious environment as core competence by nature of facilities and ambience e.g accommodates for seclusion and prayer rooms within its premises					
4.	Strives to charge lowest fees practicable 24/7 without compromise of quality charged compared to other providers					
5.	Subsidizes fees for staff and their dependents as well as to individuals who are life members so as to retain them as a revenue source					
6.	Encourages professionals to work on locum so as to retain access to their services without having to keep them full time					
7.	Has strategic partnerships with suppliers, other healthcare centers and customers of diverse faith groups					

APPENDIX III: MASTER FACILITIES LIST
(As of September 2011)

Serial	Facility Name	Owner	County	Nearest Town
1	St Theresa Dispensary	CHAK	Kilifi	Chasimba
2	Malanga (African Inland Church) Dispensary	CHAK	Kilifi	Kabiranduni
3	Kikambala Catholic Medical Clinic	CHAK	Kilifi	Kikambala Town
4	Watamu (SDA) Dispensary	CHAK	Kilifi	Watamu
5	St Marys Msabaha Catholic Dispensary	KEC	Kilifi	Msabaha village
6	Tawheed Dispensary	Other FBO	Kilifi	Malindi
7	Zion Community Clinic	Other FBO	Kilifi	Mtwapa
8	Watamu SDA dispensary	Other FBO	Kilifi	Watamu
9	Tawfiq Muslim Hospital	SUPKEM	Kilifi	Malindi
10	Kichaka Simba Dispensary	Other FBO	Kwale	Shimba Hills
11	Maria Teressa Nuzzo Health Centre	KEC	Lamu	Baharini
12	Hongwe Catholic Dispensary	KEC	Lamu	Hongwe
13	Catholic Archdiocese of Mombasa CBHC & AIDS Relief Project (Mbungoni Satelite)	KEC	Mombasa	Bombolulu
14	Catholic Medical Clinic (Jomvu)	KEC	Mombasa	Mombasa
15	Likoni Catholic Dispensary	KEC	Mombasa	Mombasa
23	Stella Maris Medical Clinic	KEC	Mombasa	Mombasa
17	Mother Amadeas	KEC	Mombasa	Mombasa
18	Mikindani Catholic Dispensary	KEC	Mombasa	Mombasa
19	Mary Immaculate Cottage Hospital (Mombasa)	Other FBO	Mombasa	Mombasa
20	Mewa Hospital	Other FBO	Mombasa	Mombasa
21	Sayyida Fatimah Hospital	Other FBO	Mombasa	Mombasa
22	Ukumbusho Dispensary	Other FBO	Mombasa	Mombasa
23	Wusi-Wutesia Dispensary	CHAK	Taita Taveta	Mwatate
24	Divine Mercy Eldoro (Catholic) Dispensary	Other FBO	Taita Taveta	Kimorigho

Serial	Facility Name	Owner	County	Nearest Town
25	Bura Mission Clinic	Other FBO	Taita Taveta	Mwatate
26	Divine Mercy Dispensary	Other FBO	Taita Taveta	Wundanyi
27	Daba (African Inland Church) Dispensary	CHAK	Tana River	Daba
28	Titila (African Inland Church) Dispensary	CHAK	Tana River	Titila
29	Marynoll Dispensary	Other FBO	Tana River	Bura
30	Shirikisho Methodist Dispensary	Other FBO	Tana River	Garsen
31	Wema Catholic Dispensary	Other FBO	Tana River	Garsen
32	St Raphael Health Centre	Other FBO	Tana River	Mikinduni
33	Kag-Sombo Medical Clinic	Other FBO	Tana River	Sombo
34	Tarasaa Catholic Dispensary	Other FBO	Tana River	Tarasaa