# STRATEGIC PLANNING PRACTICES AT TECHNOSERVE KENYA

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT FOR
THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF
BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF
NAIROBI

**NOVEMBER 2014** 

# **DECLARATION**

I hereby declare that is my original work and has not been presented for any degree in
any other University.
Signed: Date
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This research project has been submitted for examination with my approval as the
university supervisor.
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# **DEDICATION**

I dedicate this research project to my parents Lawrence Sirengo and MaryClaire Sirengo for the sacrifices they have made to support my education throughout my life. It is because of the academic foundation laid from those sacrifices that I have managed to pursue my education further.

# **ACKNOWLEDGEMENTS**

First and foremost, I thank God the Almighty, for His abundant grace that enabled me to start and complete the project.

I thank my supervisor, Prof Evans Aosa for his commitment and the guidance that he provided step by step through the project. Your regular follow ups ensured that I completed the project. Thank you very much.

I thank my family for their support and encouragement.

To my friends and my work supervisor Stephen Otieno thank you so much for your tremendous support. I appreciate you most sincerely.

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#### **ABSTRACT**

Strategic planning is a vital step in the process of decision making in an organization. It is useful in the identification of the strengths, weakness, opportunities, and threats facing an organization. It enabled the organization to achieve its desired goal in line with its objectives, mission and vision. Most organizations are comfortable with their status quo and are not keen to re-engineer new strategic plans that would lead to unknown new positions in the dynamic environment. Strategic planning relates to the positioning of the organization in the industry and relating the organization to its environment in a way that will assure continued success thereby achieving a competitive edge over other competitors. The study sought to understand the practice of strategic planning at TechnoServe. This was based on the theory and practice of the open system theory and dynamic capability theory on the strategic management. The findings of the finding form the study established that most companies used forecasting as s practice in the formulation of their strategy other than the environmental aspects at the time of formulation, their vision and mission also gets reviewed after 3-5 years. In addition, the directors are the most significant people in organizations that make the decisions, strategic planning process is mainly controlled by the management of an organization for most organizations; implementations plans is always a well formalized process and all departments are involved in the planning of a strategy. The study also established that the efficiency of the planning for strategy is increased when the strategies are linked to the organizations mandate. The study recommends that further research will need to be conducted in order to establish the evidence based link and practice of planning in organizations. The research project was a case study of TechnoServe whose objective was to determine strategic planning practices. In order to answer the questions that was asked, primary and secondary data was collected. The primary data was obtained through a one on one interview while the secondary data was obtained through TechnoServe website, TechnoServe strategic plan document and various other program documents. The data was collected and analyzed by use of content analysis. The study established that TechnoServe uses a strategic plan and that its objectives are aligned to the vision, mission statements. The organization strategic plans were not totally inclusive when it comes to employee involvement. The research literature shows that TechnoServe has a corporate strategic plan that is formulated at the top and then cascaded to the lower levels of the organization. The strategic planning at TechnoServe does not involve all employees also the different countries. Policy makers should involve other staff members during strategic planning. Employees should participate in strategic planning of the organization. The limitation of the study is that it is done in home office at Washington DC without involving the staff. Further studies should be carried out for strategic planning practices and the implementation in Non-Governmental Organizations.

# CHAPTER ONE INTRODUCTION

#### 1.1 Background of the Study

Strategic planning is a decision process that defines the business of an organization; it is also a process that identifies the opportunities and constraints which face that organization as it attempts to be successful and lays out a plan of action for goal attainment (Mercer, 1991). Strategic planning is therefore about identification, examination and description of strategies that managers follow to achieve superior performance through attaining competitive advantage. A well formulated strategy will drive an organization to success by establishing clear objectives, identifying opportunities and challenges which an organization may encounter in its day-day operations and guiding decision making. This is achieved through a series of informed decisions made by management which influences the results of a firm's performance. The application of strategic planning practices at TechnoServe will guide this study.

The resource based view of strategic management suggests that a firm is a bundle of resources and capabilities and this makes different firms differ in different ways. This view proposes analyzing and identifying an organization's strategic advantages based on an examination of its physical assets, human resource (organizational capabilities) and intangible assets. An organization develops competence in these resources and when done they become the source of a firm's competitive advantage. Once an organization's bundle of resources is identified, it is determined which of these resources represents the strengths of the organization and which one represents the weaknesses to be able to determine the sources of competitive advantage. According to Barney (1991), a firm can exploit and translate the resources and capabilities to give it strategic advantage by building on their value, ensuring their scarcity and making them inimitable.

Game theory is a theory of strategy that attempts to determine actions that players take to ensure that they secure the best results in a wide variety of actions also referred to as games. It uses mathematical and logical models to achieve this. The games are interdependent meaning that the result for each participant depends on the strategies of all the other (Karnani, 1984). The total benefit to players will always be zero as a choice to reduce resources by one increases the resources of other players as explained by the zero sum games.

TechnoServe operates as a catalyst and partner to strengthen market systems—the networks of buyers, sellers and other actors that come together to trade in a given product or service in order to fulfil its mission and vision which are part of strategic planning. We target market systems with the potential for widespread growth that benefits poor communities. Our programs develop capacity, promote market connections and improve the business environment. Though the strategic planning concept is fairly new to TechnoServe Kenya with evidence of the first strategic plans being done at the headquarters in Washington DC. It can therefore be said that TechnoServe Kenya does not just operate haphazardly rather they have strategies through which performance targets are determined and are continuously measured by parties within and outside the organization and their strategic planning practices are further improved by their bundle of resources and capabilities realized through donor support.

# 1.1.1 Concept of Strategic Planning

Strategic planning a process of formulating, implementing and controlling plans guiding an organization in achieving strategic goals considering the external and internal environment (Mercer, 1991). It entails specifying the organization's mission, vision and

objectives and developing policies and plans towards attaining the same over the specified time period. Further to this, the process goes on to monitoring the implementation of strategy.

This is an ongoing process as it is existent through-out the life span of an organization that chooses to embrace it. Through-out this process, strategic management is aimed at attaining sustainable competitive advantage i.e. gaining & maintaining competitive advantage. According to Ohmae (1988), strategy isn't beating the competition, it is serving customers real needs. This implies a shift to strategic planning going beyond managing a firm's internal activities to critical examination of a firm's environment, both internal and external. Several tools of examining a firm's environment e.g. SWOT analysis and PESTEL analysis have been developed and have proven to work over time.

Strategic plans are usually set by the top management and have a time horizon consistent with the scanning abilities of the organization and set the risk level that planners feel is appropriate for their organizations. The details of the plans address matters of scope, resource requirements, competitive advantage, quality expectations, social responsibility issues, and synergy (Henry, 2004). No amount of elaboration will ever enable a formal process to take the place of managers who are fully engaged in their operations or replace the critical and creative thinking that is necessary to create novel innovative strategies.

# 1.1.2 Strategic Planning Practices

Strategic planning practices are those professional procedures, methods or techniques that have consistently achieved results superior to other means. The concept of strategic planning practices, as with best practice in any field, also usually implies that these professional procedures or methods are generally accepted or even prescribed as being

correct or most effective by the body of professionals using them. A basic principle of any best practice approach to strategic planning is the building of a solid consensus among the top and preferably middle management teams. This is required not only to ensure that a wide range of ideas and information informs the strategic decision-making. It is also to encourage strong commitment among these senior people to the translation of the strategies into action plans, and to provide requisite support to all members of the organization in the execution of those strategies.

So essential is this participative approach to achieving best practices in strategic planning for most contemporary organizations that it virtually rules out the preparation of plans by anyone other than the top executives themselves. The team must include the chief executive without whom the most important strategic issues may not be identified and will certainly not be addressed. Since addressing these elephant sized issues is the primary object of the corporate strategic planning activity leaving out the chief executive could kill the project.

Another of the strategic planning best practices is to build in change management and leadership training, education, and development to effectively focus the organization on achieving improved long term performance at lower levels of risk. A well conducted strategic planning process is in itself a worthwhile management development activity. In terms of engaging people strategic planning best practices should also emphasize separation from and integration with ongoing management accountabilities. This involves making special provision for setting aside time for deliberation on strategic issues and formulating strategies to address them. Studies have shown that many organizations do not do this, and find themselves frequently fighting organizational fires as a result. Strategic planning best practices when it comes to strengths, weaknesses, opportunities,

and threats analysis (SWOT), should observe the principle of 'keep it simple'. Limit the number of major strategic issues to half a dozen each (strengths and weaknesses, threats and opportunities) otherwise the corporate strategic planning process will become a busybody process of delving into operational planning, in which the team will attempt to attend to every tiny detail and thus miss the whole purpose of corporate strategic planning.

Strategic planning best practice requires that the more people involved in these appraisals the better. The knowledge and experience of the participants can combine for better results, while tending to reduce or neutralize the effects of their biases.

Lou Gerstner, past Chairman and CEO of IBM, was orchestrating IBM's turnaround in the 1990s, he famously commented that it doesn't matter what your strategy is, as long as you have one. Being clear about an organization's strategic goals provides focus and helps managers understand how to direct their resources and make decisions on a daily basis, There is no single "best practice" for how to do successful strategic planning. The timing and process will differ depending on industry, market pressures, and the size and culture of the business.

Strategic planning is typically oriented to a particular organization's circumstances at a particular time in its history. However, there are a number of proven and effective practices and methodologies that can be adapted for virtually any business. While different organizations use different parameters, all of the best practice companies set targets that required a shift from business as usual.

The role of strategic planning as a key element in the management system is explicitly recognized through strong links to other elements of the management system (e.g., strong human resources and organizational structures), Documentation of strategic thinking is stressed, A single core competence or capability is not the driver of strategic planning. Instead, the basis for competitive advantage and new business development is based on diverse competencies, Approaches to planning processes and planning system designs vary greatly. Although approaches vary, the framework of issue and option generation, prioritization, review and feedback continues to have universal relevance.

# 1.1.3 Non-Governmental Organization in Kenya.

A non-governmental organization (NGO) is an organization that is neither a part of a government nor a conventional for-profit business. Usually set up by ordinary citizens. Non-Governmental Organizations may be funded by governments, foundations, businesses, or private persons. Some avoid formal funding altogether and are run primarily by volunteers. Non-Governmental Organizations are highly diverse groups of organizations engaged in a wide range of activities, and take different forms in different parts of the world. Some may have charitable status, while others may be registered for tax exemption based on recognition of social purposes. Others may be fronts for political, religious or other interest groups.

Non-Governmental Organizations in Kenya play important roles in addressing socioeconomic issues in the society. The non-profit sector in Kenya comprises a very diverse grouping of organizations ranging from small welfare and community based or localized traditional welfare associations to large and secular social-economic organizations. They gather their membership from international, regional and national Non-Governmental Organizations operating and work with a host of CBOs and groups. They operate programmes in education, health, social welfare and economic improvement, especially among disadvantaged sectors. In recent years, they have also been at the centre of renewed searches for sustainable processes of social, environmental and economic development and actions on issues such as peace, democracy, human rights, gender equity and poverty eradication (Amutabi, 2006).

The Non-Governmental Organizations Coordination Bureau provides overall leadership to the Non-Governmental Organization sector. It champions the key values of probity, transparency, accountability, justice and good governance. Non-Governmental Organizations registered accumulative growth of over 100% between 1977 and 1987. By 1995 there were at least 23,000 women's organizations in the country. There are a total of 1441 Non-Governmental Organizations in Kenya, and out of these 47 have their headquarters in Nairobi (Kameri-Mbote, 2008).

The shift in donor funding in favor of Non-Governmental Organizations from the 1990s led to the mushrooming of Non-Governmental Organizations who in turn used local community organizations as their entry point for development work.

# 1.1.4 TechnoServe Kenya

TechnoServe, which has operated in Kenya since 1973, is well-positioned to address these challenges of unemployment and poverty rates which remain high, with 35 percent of Kenyans living on less than a dollar per day, and food insecurity looms large due to poor farming methods and vulnerability to drought and contribute to the realization of the country's aspirations through market-led approaches. Currently, TechnoServe is focusing on livestock, coffee, horticulture, food processing and entrepreneurship development, with an emphasis on engaging youth and women.

Over the past four decades, TechnoServe has built the capacity of hundreds of farmer associations and more than 500 small- and medium-sized enterprises in Kenya. TechnoServe is currently helping thousands of smallholder livestock and horticulture producers to boost their incomes and connect to broader markets, including over 200,000 dairy farmers, about 37,000 fruit farmers, 12,000 poultry farmers and 6,000 coffee farmers. In addition, TechnoServe is promoting sustainable mobile solutions for agriculture development and implementing three youth-focused programs to enhance the livelihoods of more than 1 million young Kenyans during the last two years.

TechnoServe works with enterprising people in the developing world to build competitive farms, businesses and industries. We are a non-profit organization that develops business solutions to poverty by linking people to information, capital and markets. Our work is rooted in the idea that given the opportunity, hardworking men and women in even the poorest places can generate income, jobs and wealth for their families and communities. With more than four decades of proven results, we believe in the power of private enterprise to transform lives.

In order to achieve our mission, TechnoServe operates as a catalyst and partner to strengthen market systems—the networks of buyers, sellers and other actors that come together to trade in a given product or service. We target market systems with the potential for widespread growth that benefits poor communities. Our programs develop capacity, promote market connections and improve the business environment.

In the coming five years, TechnoServe aims to deepen our impact in existing and emerging country programs. This focus will help us achieve greater impact with fewer resources. In the process, we have learned some important lessons. We have learned that in order to change lives at scale, we need to develop country-specific strategies and

leverage our practical and proven approaches to strengthening high-potential sectors. We have seized new opportunities to partner with corporations and local governments. And we have responded to the challenges we face in evaluating our impact, helping move us toward realizing the full potential of our work by doing strategic planning.

#### 1.2 Research Problem

Organizations from both the private and public sector are increasingly embracing the practice of strategic planning. This study seeks to examine strategic planning practices at TechnoServe Kenya. Strategic plans remain blue prints with less impact in their realization.

TechnoServe works with enterprising people in the developing world to build competitive farms, businesses and industries. TechnoServe is a non-profit organization that develops business solutions to poverty by linking people to information, capital and markets. Our work is rooted in the idea that given the opportunity, hardworking men and women in even the poorest places can generate income, jobs and wealth for their families and communities. With more than four decades of proven results, TechnoServe believes in the power of private enterprise to transform lives. "We at TechnoServe believe that the future will demonstrate that a quiet revolution has already begun in many African and Latin American countries, a revolution of prosperity and hope for the poor. It is a movement reflecting the time-honored traditions of free enterprise, stake, hard work and business acumen." TechnoServe operates as a catalyst and partner to strengthen market systems — the networks of buyers, sellers and other actors that come together to trade in a given product or service. We target market systems with the potential for widespread growth that benefits poor communities. Our programs develop capacity, promote market connections and improve the business environment.

Strategic Planning Practices in Singapore (F. Pavri, J Ang 1970s). Strategic planning process and Current Practices by UMW Toyota Motor & Chemical Co of Malaysia (Izmir 2012) Study on strategic planning practices: how the mainland China construction companies go international through learning from Hong Kong (Wu Tong 2011). The Study on Strategic Planning and Organizational Performance in the Regional Government Owned Banks in Indonesia. (Mohammed Sihab, Ridwan and John Marti)

In theory, research on strategic planning practices has been done by many researchers among them being Creating Public Value: Strategic Management in Government (Moore. 1997) and Strategic Planning for Public Managers (Mercer, 1991). Locally in Kenya, Muturia (2009) studied multi-dimensional strategic planning practices and firm performance. Arasa (2008) carried out a research on strategic planning, employee participation and firm performance in Kenya's insurance industry. Ongonge (2013) carried out research on the relationship between strategic planning and organization performance in Non-Governental Organization, a case study of Action AID, Kenya.

Strategic plans that have been formulated and implemented are varied as previously noted and there is no one particular strategy that is similar and applicable to all organizations. Different organizations use different strategic planning practices. What are strategic planning practices at TechnoServe?

# 1.3 Research Objectives

The objective of the study was to determine strategic planning practices at TechnoServe Kenya.

# 1.4 Value of the study

This study is useful to scholars, students and other researchers upon completion. In their future studies, researches will have information from this study to refer to in their work.

The study may also highlight other relationships between strategic planning practices which may not have been known previously. This study will also be useful to TechnoServe employees. In their line of duty, they will formulate strategies and make decisions that will be inclined towards areas that are more likely to have a positive result in strategic planning practices done at TechnoServe.

This study is useful to policy makers in TechnoServe who will get to know the extent to which strategic planning practices affects the organization. With such information, the policy makers will formulate policies that are informed and inclined towards improving strategic planning practices at TechnoServe.

#### CHAPTER TWO

#### LITERATURE REVIEW

#### 2.1 Introduction

This chapter reviews literature that covers strategic planning practices. It further touches on theoretical foundation of the study, strategic planning, concept of strategy and summary of strategic planning practices.

#### 2.2 Theoretical Foundation

It cannot be denied that there is a link between strategy and the firm's resources and skills. The resource based view of strategic management suggests that a firm is a bundle of resources and capabilities and this makes different firms differ in different ways. This view proposes analyzing and identifying an organization's strategic advantages based on an examination of its physical assets, human resource and intangible assets (Barney, 2001).

An organization develops competence in these resources and when done they become the source of a firm's competitive advantage. Once an organization's bundle of resources is identified, it is determined which of these resources represents the strengths of the organization and which one represents the weaknesses to be able to determine the sources of competitive advantage. According to Barney (1991), a firm can exploit and translate the resources and capabilities to give it strategic advantage by building on their value, ensuring their scarcity and making them inimitable.

The resource based view of strategic management focuses resources to activities on different levels of the organizations. At the corporate level, the interest is in economies of scope and corporate resources and costs are focused on determining the industrial and geographical boundaries of the firm's activities (Zack, 1999). He further stresses that at

the business level, resources are focused on beating competition and profitability. At this level an organization will focus on studying competition, analyzing its own competitive imitations, focuses on its resources creating competitive advantage and how the will catapult the organization to profitability. Together, these contributions amount to what has been termed the resource-based view of the firm.

The game theory is a theory attempts to determine strategies that players take to ensure that they secure the best results in a wide variety of actions also referred to as games. Through mathematical and logical models, the theorists have developed types of games that explain actions and results. The games include co-operative or non-cooperative games, zero sum and non-zero sum games, simultaneous and sequential games, perfect and imperfect information games, combinatorial games, infinitely long games, discrete and continuous games, differential games, many-player and population games, stochastic outcomes and metagames (Moorthy, 1958). A player makes sequential moves in a game by looking ahead and reasoning backwards. Each player should figure out how the other players will respond to his current move and he uses this information to respond to opponents' moves. At the end of the day, the resources are shared amongst all the players in the game with the player with the best strategy having had absorbed resources from the players using weaker strategies.

As Moorthy (1985. pp. 279) states Game theory cannot be used as a technique that provides precise solutions to strategic management problems. One rather obvious reason is that game theory does not have a single solution to provide, and there are other reasons as well. For many real-world problems, a game theoretic analysis may prove intractable. Capturing the reality of the situation may entail a model with hundreds of strategies for each player, but computing the equilibrium of such games is not easy

#### 2.3 Concept of Strategy

Strategy is the direction and scope of the organization over the long term which deliver a competitive edge for the firm amidst an ever changing business environment. Effective strategy configures a firm's resources and core competencies so as to adequately meet the firm's goals and objectives. Strategy creates a culture in the firm in which the firm only focuses on the value adding priorities in its mission and vision (Johnson, Scholes, and Whittington, 2008). Competitive strategy is aimed at creating a goodness of fit between the firm's internal resources capabilities and the environmental challenges faced (Aosa, 1992). At the core of strategic management is the concept of strategy (Ansoff and McDonnell, 1991). There is no universally accepted definition of strategy (Mintzberg), Guinn and Ghoshal, 1999). In the military context, strategy has been associated with how war is conducted. In general application, strategy has been taken as a plan for attaining a goal. Mintzberg and Quinn (1991) have defined strategy using five dimensions (also referred to as 5 Ps). This dimensions view strategy as a plan, a ploy, a pattern, a position and a perspective. The most basic definition of strategy regards strategy as the long term direction of an organization (Johnson and Scholes, 2004).

Ansoff and McDonnels (1990) typify the view that firm's strategy formulation processes are either deliberate or emergent. Consequently, the norm has been a separate strategy formulation into deliberate and emergent categories. Grant (2003) asserts that business managers exhibiting substantial autonomy and flexibility in strategy making reap successful performance. The structure of the planning systems allow corporate management establish constraints and guidelines in the form of vision and mission statements, corporate initiatives and performance expectations.

#### 2.4 Strategic Planning and Best Practices

Strategic planning involves a making set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives (Pearce & Robinson, 1991). Grant, (1980) says that strategy is about winning. It has not been disputed that strategy is important but it has not been expressly stated what exactly is strategy and how to achieve winning through strategy. No single approach to strategy has been universally accepted (Stacey, 2003). Rather than managers being held as prisoners of mathematical models and rational approaches to strategy development, they should have freedom of action and a wide range of options to choose from (Burnes, 2004). He argues that managers can exert some influence over strategic constraints and at least they can select the approach to strategy that best suits their preferences.

To survive a dynamic environment, organizations need strategies to focus on attaining their vision through satisfying customers' needs. According to Mintzberg (1979) strategy is a mediation force between an organization and its environment. Managers understand the firm and its environment and will develop organization decisions that will change the firm's direction and adopt it to its operating environment. Strategy is the direction and scope of an organization over the long term (Johnson & Whittington, 2006).

There are three distinct levels of strategy i.e. the corporate level strategy, the business level strategy and the functional strategy. In the corporate level organizations focus more on industry challenges and how to counter them. Business level strategy sets goals for performance, evaluates the actions of competitors and specifies actions the company must take to maintain and improve its competitive advantages. According to Porter (1996) at this level is where you will find business units putting strategy into action for instance through cost leadership and differentiation strategies. Functional level strategy relates to

single functional operational activities within an organization. Decisions at this level are tactical and mainly made by operational staff. Such decisions involve operational decisions that influence functions such as research & development, information systems, finance, marketing, manufacturing & human resources (Porter, 1996).

For a firm to achieve its strategic goals, an assessment of both its internal and external environment must be thoroughly conducted. Such an assessment will lead to a choice of long term objectives and operating strategies which must be implemented, monitored and controlled (Thompson & Strickland, 1993). Strategy can therefore be perceived as a way of finding the right position in the market and streamlining competences and resources to get the desired position (Hayes & Upton, 1998). According to Hayes, (1998), sound strategy formulation and implementation will only help a company defend of attack competitors successfully and by doing so, the company will survive and prosper in the current dynamic and turbulent environment. Organizations must aim at making their strategies competitive (Porter, 1996). Porter suggests that competitive strategy is about being different and this means choosing a different set of activities to deliver a unique mix of value.

Imposed forces influence strategy by requiring organizational adaptation to changing challenges and constraints in the environment (Miles, 2012). Imposed forces therefore limit the degree of making free choices within an organization as the forces are beyond an organization's control. From a strategic planning point of view, an imposed force created the need to respond to the environment such as responding to competition. An organization can respond by choosing to be offensive or defensive to survive the environment. Imposed forces are therefore external to an organization.

These are the assumptions, mental models and cognitive simplifications of organizational decision makers result in distinctive heuristic approaches that influence how managers perceive an organization's situation, frame problems to be dealt with, identify relevant options and choose relevant solutions through strategy formulation (Sanchez, 2008). The way managers perceive an organization influences how they formulate and implement strategy. If they believe in the strength of the company they are likely to adopt very aggressive strategy as opposed to managers who may fear competition and take very low risk strategic courses.

Pearce (1997) stresses that social forces are brought around by shared assumptions, beliefs and mental schemes that lead to common behavior patterns. They create a common world view in developing an organization's strategy. Such behavioral patterns are likely to influence strategy as they are likely to be considered in determining the capacity of the organization more especially when it comes to human capital.

#### **CHAPTER THREE**

#### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter describes the methods and procedures that were used by the researcher to conduct the study in order to achieve the objective. It details the research design, the data collection and data analysis.

#### 3.2 Research Design

The study was carried out through a case study. The case study aimed at getting detailed information on strategic planning practices at TechnoServe Kenya. Kothari (2004) noted that a case study involves a careful and complete observation of social units. It is a method of study in depth rather than breath and places more emphasis on the full analysis of a limited number of events or conditions and other interrelations.

The researcher used a case study design in order to have an in-depth understanding of the strategic planning practices at TechnoServe Kenya. The case study design supports the use of content analysis that has more material details with systematic characteristics leading to trends being achieved.

#### 3.3 Data Collection

Data for this study was both primary and secondary. Primary data was collected from questionnaires, personal interviews and telephone interviews. This allowed the researcher to ask more in-depth questions for more insight and also allowed immediate follow up questions to the respondent. Secondary data was also collected from various financial reports, annual reports, and other TechnoServe reports from the website. The use of secondary data enabled the researcher save on time and money as the information resources have already been published and are available from multiple sources.

Personal interviews were conducted by the researcher to collect data. Open ended questions asked to gather more information and to give liberty to the interviewee while answering the questions. The questions were covering planning stage activities at TechnoServe Kenya.

The respondents included country director, program managers Kenya and regional managers and director.

#### 3.4 Data Analysis

The data collected was checked for completeness and accuracy before analysis and geared towards answering the research question. A content analysis was performed on the data to allow for in-depth understanding of the issues in the case. Nachmias and Nachmias (1996) noted that content analysis is a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same approach to relate to trends.

The data obtained after performing content analysis was cleaned and interpreted to form useful information. The content analysis technique is chosen for the purpose of having clarity, preciseness, ease of understanding and better interpretation of the results.

Completed questionnaires were then edited to attain completeness, consistency, reduce errors and omissions. It made inferences about the strategic planning practices at TechnoServe. According to Mugenda and Mugenda (2003) the main purpose of content analysis is to study existing information in order to determine factors that explain a specific phenomenon.

#### **CHAPTER FOUR**

#### DATA ANALYSIS, RESULTS AND DISCUSSION

#### 4.1 Introduction

This chapter looks into the analysis of the data collected, the findings and discusses the outcome of the research with an aim of answering the research question. It will also align the different responses with respect to the objective of the study.

#### 4.2 Strategic Planning Practices at TechnoServe

The home office at Washington DC is responsible for the organization strategic plan for the entire TechnoServe; it scans the external and internal environment before formulating the strategic plan. Once Washington DC has formulated the strategic plan, the plan is then cascaded to the various country directors and program managers then shared to the employees.

The home office management team formulates its strategic management plans which fit within the main organization strategic plan. TechnoServe strategic planning team is entrusted with the formulation and presentation of the draft strategic plan to the Country directors and program managers for approval. The approved strategic plan is then cascaded to different country directors and program managers. The program managers and staff then adopt the relevant strategic objectives.

The final stage is for each unit to prepare the operating budgets for the first year and each subsequent year thereafter. This plan becomes the basis for the annual performance contracts for the key persons in each unit. It is clear from the above literature that the strategic plan is practiced at TechnoServe and is used by the entire organization, since the cascading of the strategic plans originate from the CEO at Washington DC.

# 4.2.1 Vision, Mission and Objectives of TechnoServe

TechnoServe has adopted the tools for strategic plans. The Vision of the TechnoServe is: "to be the most effective catalyst and partner for transformative, on-the-ground, market-based solutions to poverty". While the mission; is "to work with enterprising men and women in the developing world to build competitive farms, businesses and industries."

TechnoServe four core values embody their deepest beliefs and their highest aspirations. They are the guiding principles that drive and inform their organizational culture at every level—in the field, with partners and funders, throughout headquarters, in all they do. These values also help TechnoServe to consistently answer common, but important, questions such as: What does TechnoServe believe? What drives our behavior and culture? They are guiding principles that reflect the organization's actions. They are rocksolid, enduring and rocceptotiable. TechnoServes values are too important to be put in a frame and forgotten.

TechnoServe live their values with one another, with our partners and in all we do: TechnoServes values are, Collegiality; sharing responsibility, ideas and tools in a spirit of connection, collaboration and candor; Integrity, holding ourselves to high ethical standards, respect the rule of law and behave honestly and openly; Resourcefulness, being problem solvers who think creatively, act boldly and learn from our mistakes and Results; We are accountable for lasting, measurable impact.

TechnoServe Kenya vision and mission is curved out from the Home office vision, mission statement, with its core value being; teamwork, intergrity, respect, and results. The TechnoServe Kenya vision is; to provide business solutions to poverty.

The objectives are used as another tool for strategic planning. The objectives are as follows: to renew focus on programmatic excellence, toward increasing our efficiency

and effectiveness, and ultimately their impact per beneficiary; expansion of corporate and public-private partnerships, which will help expand TechnoServes scale and outreach, as well as the overall sustainability of their impact; to renew commitment to their people, who are at the heart of their ability to drive impact through any of their strategic priorities; to improve their capital base, which is essential to preserve the financial viability and strategic control to deliver on their mission. TechnoServe cannot responsibly grow much more without a strong capital base on which to build the organization.

TechnoServe aims to create transformative impact at scale. In order to reflect this ambition, it's setting targets to increase their reach and economic impact. To achieve this ambitious goal they will build out their existing country platforms to achieve their full potential to create impact. TechnoSeve will evolve their approach from their prior focus on value chains and entrepreneurship towards a holistic market system approach in which they catalyze change across market actors to facilitate impact at scale. TechnoServe will focus on sectors and cross-cutting enablers with great potential for widespread, inclusive, transformational growth and build up the requisite in-house expertise and experience.

TechnoServe will keep step with the evolving face of poverty and design and implement programs that target and benefit enterprising women, youth and urban poor. TechnoServe will leverage innovation and technology to accelerate impact and increase cost efficiency; partner strategically and effectively; and diversify their funding base to increase their flexibility, reach and sustainability.

#### 4.2.2 Department involved in strategic related matters

TechnoServe strategic planning team involves stakeholders during the strategic plans.

Respondents to questions regarding the involvement of stakeholders during the strategic

plans noted that the employees and the beneficiaries who are farmers are given an opportunity to convey their interest before the plans are finalized. The strategic management team randomly contacts the stakeholders directly and indirectly by use of questionnaires.

The study further asked the interviewees to indicate how the department responsible for strategic related matters has been in charge of strategies related to organization. The respondents noted that there is a consultant who is hired to consolidate all strategy ideas from different staff in the organization. The department at Washington DC has demonstrated overall management and coordination of country strategy review and supervision of strategy development over the periods. The department provides technical support to consultants and external strategy peer review teams. The consultant hired is set with the role to manage strategy review, strategy development and coordinates participation of stakeholders who have a critical involvement in the reviews and new Strategy development process.

Most respondents articulated that the Monitoring and Evaluation unit conducts periodic reviews including impact assessments. Monitoring and evaluations outcomes and reports are shared with staff and stakeholders to generate continuous programme adjustments necessary to keep the strategy implementation on track. The Impact and Shared Learning support a variety of learning processes including Reviews and Reflections. TechnoServe's new process for program monitoring and evaluation remains an important asset.

# **4.2.3** Setting the strategic direction

The respondents cited that TechnoServe planning process is done in home office at Washington DC together with the country directors and program managers. This shapes,

prioritise and streamline TechnoServe's work. As a country programme, TechnoServe Kenya is expected to develop new country strategy taking into account the local context and the global priorities. Shaping the future strategy of TechnoServe involves drawing from local and global processes to ensure strategy alignment and relevance.

The process involves alignment to the global plans and priorities; national driven engagements through organised inputs by staff, stakeholders and making propositions. With technical support from experts, a review of the strategy for the period ended is undertaken to assess impact, lessons learned, review of the national context and implications for the various thematic areas. Consultation workshops to generate inputs on key moment for strategy is given attention.

# **4.2.4** Other strategies and processes

The study also asked the interviewees to give other strategies and processes which were adopted by their organization. From the study findings, majority of the interviewees cited that TechnoServe sees planning as means to support accountability and focus, to contribute to impact at national and global level goals, and most importantly as a fundamental process to realize 'fit for purpose'.

TechnoServe uses multiple systems and had adopted a number of strategies. Programme quality is ensured through monitoring and evaluation. Majority of the respondents further cited that monitoring and evaluation track change in given situations, systems and assess project progress and impact. TechnoServe uses monitoring and evaluation to identify what through regular reporting systems. The respondents indicated that monitoring system determines whether TechnoServe was achieving what it intends to achieve or failed to achieve and why, how its achieving intended or unintended results or if not why; whether the organization has used appropriate strategies that address issues of poverty.

Further, monitoring and evaluation determined whether the organization was using the methods it planned to use or not and why; the obstacles/gaps in the implementation of programmes, learning from the achievements, challenges or missed opportunities. What else needs to done to achieve goals and other factors or contributors to what has been achieved.

# 4.2.5 Strategy choice in relation to strategic planning practices used

The repondents pointed out the use of strategy pyramid, environmental scanning and analysis. From the findings of the study, majority of the respondents cited that environmental scanning/ external analysis was done through consultations by analysing external environment through SWOT, workshops and stakeholders forums.

The respondents indicated that strategies are informed by global priorities, national context and analysis and is done through multiple accountabilities, staff performance reviews by program managers and country director, management systems, budget – expenditure analysis and tracking.

# 4.2.6 Information and dissemination processes incorporated in planning activities

When asked about the types of information and dissemination processes incorporated in planning activities, majority of the respondents observed that an inclusive approach was preferred in planning and implementing the strategies. On dissemination processes, most of the respondents cited that TechnoServe adopt methods that include TechnoServe explicit and consistent communication to staff and stakeholders; consultation and

consensus building; getting everyone involved; and the judicious use of consultants to support the process. Further, the visioning workshops with staff and key stakeholders build shared understanding; enhances commitment to the strategies, impacts and forecast on different scenarios

Most of the respondents also cited that dissemination processes was through development and communicating key strategy messages that inspire and focus staff and partners reintegration of core business, how strategies relates to TechnoServe's broader goals and strategic shifts; capacity of staff, management to deliver the strategies; uptake of strategies and associated change with desired speed and culture. Staff understand strategic priorities, implications; areas of focus, how strategies are effected; regular communications on direction, budget, impact of the strategies and the organization's capacity to manage change and perform in the future.

# 4.2.7 Strategic planning and enhancement of growth

The study further asked the respondents to indicate how strategic planning had enhanced growth at TechnoServe. From the findings, majority of the respondents argued that strategic planning increases value creation goals which potentially lead to organizational direction, improve operational capacity, build legitimacy, support and enhance value creation on strategy and identity over the longer term.

TechnoServe strategies have presented a wide variety of opportunities for TechnoServe to operate at the edge of its competence and to learn from its experience. Change theories facilitate assessing experience, enhance operational and strategic learning. Discussion of TechnoServe identity and strategy generated a lot of analysis and points that TechnoServe should explicitly link identity, strategies and organizational capabilities.

TechnoServe engages in many activities but sometimes lacks strategic concepts to link them to the resulting impacts. Aspirations are not consistently linked to assessments of operational resources and capacities. Lack of attention to core values and identity and how they connect to strategies and capabilities can undermine organizational coherence. The effectiveness and impact of TechnoServe's work depends on the ability to work with diverse and empowered partners and leaders who drive and bring about societal change to deliver its mission. Linking donors to projects and communities is a cornerstone approach, affording them closer understanding of real issues.

Reliable long-term funds enable TechnoServe to commit to future plans. Emerging fundraising opportunities in the South offer potential to broaden its supporter base, raise money and engage. TechnoServe must diversify income sources and products, expand relationships with donors and use the opportunities this presents to influence policy, engage and raise more flexible funds that allow income to be used where it is most needed and maintain appropriate reserves.

TechnoServe's strategies are a springboard for action in the face of poverty. The strategies bring greater focus to its work. They reflect the increasingly interconnected nature of the organizations work and deployment of resources. Above all, it expresses TechnoServe's aspirations for change that will advance its mission towards its vision of providing business solution to poverty. TechnoServe believes it has what it takes to deliver; its rootedness in communities, supporters and donors; growing partnerships and alliances; trustees and cadre of able and dedicated staff. Taking the strategy forward from a statement of intent to decisive action require TechnoServe to internalize the spirit and substance of the strategy, unlock financial potential and investment strategy aimed at

maximizing fundraising across markets. TechnoServe strategies are about achieving impact and change for the better. They are for change within TechnoServe and change in the world.

#### 4.3 Discussion of the findings

This entails comparison of the theories and other empirical studies.

### **4.3.1** Comparison with Theories

TechnoServe practices the corporate strategic plan as reflected on the foregoing literature. This is in line with the home office at Washington DC strategic plan and in alignment with the set objectives of TechnoServe at large. Involvement of stakeholders during planning is necessary for the stakeholders to own the plans by feeling that they are important to the organization since they contribute to the strategic plans. Failure to involve stakeholders results in resistance to change and hence sluggish implementation practice as noted by Porter (1979) where he asserted that failure to involve all stakeholders in the industry to a given extent always causes doom.

David (2005) recognizes that, the most important resource is an organization is its people. Accordingly (David, 1997) noted that more and more organizations are decentralizing the strategic management process, recognizing that planning must involve lower level managers and employees.

SWOT analysis is an important tool along sides others like PESTLE and Porter's five force analysis for auditing the overall strategic position of an organization and its environment. While PESTLE looks into the political, economic, social,technological, legal and environment issues and Porters five force analysis looks into threat of new competitors, threat of substitutes, bargaining power of buyers, bargaining power of

suppliers and the degree of rivalry between the existing competitors. The finding show that scanning of the environment by way of SWOT analysis is frequently done. TechnoServe strategy team should be able to come up with ways and means of reviewing the strategic plans as often as possible.

The sensitization of stakeholders should be done as frequent as possible, this helps in giving the employees the knowledge necessary for strategic planning. TechnoServe does not handle this well resulting into a situation where employees just work since refusal to do so would amount to a disciplinary action. This implies that the employees are not receptive to the strategic plans but have no option but to follow the policies of TechnoServe. It is important to have a calendar for sensitization and to let the stakeholders know of what to expect and how the objectives will be achieved. Such an action motivates the employees to give their best.

It is therefore important to deduce from the findings that the TechnoServe and by extension the TechnoServe practice the traditional strategic planning whereby the process starts from the executives deciding on what they want and who they want to be involved. A vision –mission statement is then made and a gaps analysis done to identify gaps between the vision and mission. The environment is then scanned so that information can be used to draw the Strategic plan.

In dynamic strategic plan people are involved and the concerns are given weight when it comes to planning stage. Identification of the ways and means of achieving the vision is then set and critical issues given priority in order to be effective in achieving the vision. People are then involved in reviewing the early planning statements and coordinating the teams that have been formed to run the critical issues. Accomplishment of the issues is marked with appreciation.

### 4.3.2 Comparison with other Empirical Studies

There has been tremendous developement in the field of strategic management from the 1960's to date especially in the developed world. The developing world including Kenya has been facing several challenges in this area. Basic managerial work is similar in both the developed and developing world due to environment dependance, leadership qualities, motivational factors, planning, organizing and controlling the process of management. According to Ansoff(1987) theories advanced to explain strategic behaviour often differed because they are based on observations of companies in different settings. Differences occur in managerial process where external environment are disimillar or organization factors are dissimilar. There is no one single strategic plan that is applied to two different organizations to get similar results since the environment is dynamic. Hussey (1990) in his study regarding the development of strategic management noted that environmental and organizational differences across countries may affect the way strategic management is practiced.

Woodburn (1984) carried out a study to look into the corporate planning in South African companies where he noted that foreign companies were more involved in formal strategic planning whereas most local companies practiced informal strategic plan. Aosa (1992) carried out a study to investigate the aspects of strategy formulation and implementation within large, private manufacturing companies in Kenya and found out that formal strategic planning was practiced in Kenya's large manufacturing companies. He further established that foreign companies were more involved in strategic planning than local ones.

These findings support previous findings that formal strategic plans are drawn and implemented by local Kenyan companies and in other indigenous companies in the

developing world. The environmental factors may differ from organization to organization in Kenya but the research findings support the fact that indigenous companies in Kenyan are involved in formal strategic planning due to stiff competition being experienced.

Adongo (2008) carried out a study aimed at determining the challenges of strategy implementation among health focused non- governmental organizations and the measures employed to overcome the challenges. He noted that strategy implementation is a very important aspect in health focused non-governmental organizations and has an imperative influence and effectiveness. He asserted that commitments of employees and management overcome the many bottlenecks of strategy implementation as noted in this study.

Mintzberg and Quinn (1988) revealed that 90% of the well formulated strategies failed at the implementation stage whereas Charan and Colvin (1999) study suggested that 70% of 10 CEOs who fail, do so not because they have bad strategy but because of bad execution. Similarly in another study of 200 companies in the Times 1000, 80% of the Directors said that they had the right strategies but only 14% thought they were implementing them well, hence there is no doubt according to the findings that CEOs have 'Strategic Vision' but execution of the strategies is a problem as noted in the TechnoServe case study. This research supports the fact that excellent studies have been formulated by various companies but without much success due to poor implementation strategies.

TechnoServe communicate its strategies and associated changes, how they relate to the broader goals and strategic shifts and facilitate uptake with desired speed and culture for ensure success. It strategically allocates funds guided by organizational plans and

priorities; and strengthens management structures to improve decision-making, implementation and accountability. (Byrson, 1989) also established that the most definitive description of the strategic planning consists of eight widely recognized steps; an initial agreement or "plan for planning"; identification and clarification of mandates; mission formulation; external environmental assessment; internal resource assessment; strategic issue identification; strategy development and a description of the organization in the future – its "vision of success"

The study found out that TechnoServe undertake evaluation and control of its strategies through structural and systems changes, talent and capacity building, managing costs and overheads. This agrees with Kotter (1996) argument that the strategic planning process can be used as a means of repository and transforming the organization. TechnoServe undertook evaluation and control of strategies through systems to promote effective internal communication and encourage inputs of external knowledge and perspectives, invest in structures and systems that generate and promote innovations, knowledge and alternatives as it strive to become a knowledge leader in the outside world on its priority themes.

Dusenbury, 2000 also observed that the process of strategic planning shapes a company's strategy choice through the use of systematic, logical and rational approach. It reveals and clarifies future opportunities and threats and provides a framework for decision making. Strategic planning looks ahead towards desired goals.

#### **CHAPTER FIVE**

#### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter provides a summary of the findings as explained in the data analysis for this study and their interpretation of their relevance in the making of the right decision. The Summary and the findings will also answer the research question and assess the objective of this research study.

#### **5.2 Summary**

The purpose of the study was to determine strategic planning practices at TechnoServe Kenya. The research literature shows that TechnoServe has a corporate strategic management plan that is formulated at the top and then cascaded to the lower levels of the organization. The CEO of TechnoServe, country directors and regional managers are in charge of strategic management plan whereas the program managers of TechnoServe are directly incharge of the TechnoServe strategic plan. The benefits of planning is that it helps in the defining of an organization and in the identification of the strength and weaknesses of the organizations so that an appropriate plan of action can be set for TechnoServe.

According to the findings of this study, TechnoServe does not review their mission and vision for a long period of time and strategic planning takes place at the head quarters in Washington DC. In addition, its strategic plan covers duration of 5 years. TechnoServe decision making organ consists of mainly the Management team in Washington DC, country directors and program managers. The study found out TechnoServe's vision is to be the most effective catalyst and partner for transformative, on-the-ground, market-based solutions to poverty. Its mission is to work with enterprising men and women in the

developing world to build competitive farms, businesses and industries. TechnoServe is at an exciting stage of its development, where after a period of rapid growth and expansion in the past five years, it now has a tremendous opportunity to leverage their geographic footprint, in-house talent and sectoral expertise for ever greater impact. The study also found out that; TechnoServe aims to create transformative impact at scale. In order to reflect this ambition, it is setting targets to increase their reach and economic impact.

The study also found out that the program managers oversee and have demonstrated overall management and coordination of Country Strategy Review and supervision of the strategy development over the periods. Monitoring and Evaluation unit conducts periodic reviews including impact assessments. Outcomes and reports from the process are shared with staff and stakeholders with a view of generating continuous programme adjustments necessary to keep the strategy implementation on track.

The study further found out that environmental scanning/ external analysis was done through consultation. It traces factors within Kenya that both promote and hinder development. TechnoServe strategy is implemented both internally and externally through annual plans directly implemented largely through national partners and global.

The study also established out that TechnoServe adopt methods that include effective, consistent communication; consultation and consensus building; getting everyone involved; and the judicious use of consultants and facilitators to support the process. It was evident from the study articulates that TechnoServe communicates the strategies to ensure success and how they relates to TechnoServe's broader goals and strategic shifts; build capacity of the staff, teams, management to effectively deliver the strategies and

facilitate uptake of strategies and associated change with desired speed and culture. It deploys methods of strategically allocating funds in line with organizational plans and priorities and strengthening management structures to improve decision-making, implementation and accountability.

According to this finding in this study, the planning is controlled by the management; the management also ensures that the employee understands the business of the company and how the strategies apply to them. The strategies are also well communicated to the employees and hence making it a well formalized process

The decisions however are contributions that are made by all program managers and country directors of the organizations that are relevant in the planning, formulation and implementation of the strategies. As a bench mark for the processes, they have adopted the use of a monitoring and evaluation platform for the evaluation of the strategic plans for TechnoServe. This is all done to ensure that the strategic plan has clear objectives, with identified opportunities and challenges and that will streamline the decision making process by the management of the organization and in this case TechnoServe Kenya.

Strategy and implementation go hand in hand and as such the plans should be turned into action by implementing the activities noted on the strategic plan. The corporate strategic plan has objectives that have been set by the top management and deemed to be good for the organization. Innovation, research and development, and consultancy environment have been created with success and in line with the TechnoServe vision and mission statement.

### 5.3 Conclusion

This study has been conducted to determine strategic planning practices at TechnoServe. It is now evident that a well-planned strategy will drive an organization to success through the use of well prioritized strategies with the mission and vision of the organization and that are aligned with the organization's mandate. In policy, this study calls for the formulation of policies that support strategic planning practices that have been proven to be significant by this study.

This study therefore has established that strategic planning is an important element and contributes to focus and direction of an organization. The development of the strategy as well helps the organization understand its resources, strengths and weakness according the open source theory. On the basis of the dynamic capability theory, an organization will be able to identify its environment and hence reducing the uncertainty in the management.

Strategies align the organization to be able to meet its mission and vision which should be aligned with its corporate mandates. When strategy formulation and implementation is effectively aligned to an organization's mandate, it will translate to improved goal achievement. TechnoServe strategy reaffirms TechnoServe's commitment to fight poverty. The strategies sets direction, guide actions of staff and partners, articulates clear and ambitious priorities. It also sets out a clear framework for its work to be accountable, both to the poor and excluded people with whom TechnoServe works with and to its supporters and funders. Shaping the future strategy of TechnoServe involves drawing from local and global processes to ensure alignment and relevance; making reference to the global plans and priorities, national driven engagements while building on the strengths of predecessors fighting poverty.

The strategies also strengthens TechnoServe's commitment to fight poverty on every level local, national, regional and international working through alliances and partnerships to achieve maximum impact. The significant correlation between different strategic planning steps and effectiveness, measured by using management perception of strategic planning effectiveness was found in the relationship between the formality of strategic planning, management, employee and stakeholder's participation in strategic planning.

The originality and the value of the study for the literature and theoretical knowledge lies in the attempt for the strategic planning practices to be investigated as well as for a study analysis to be conducted in TechnoServe, with useful conclusions about the strategic planning practices. This study also supports the existing literature knowledge in this area by evaluating several dimensions of strategic planning, simultaneously, with different approaches to measuring the strategic planning effectiveness. Since this study is based mainly on literature, empirical studies and interview, it offers some important insights to the applicability of strategic planning related to the Non-Governmental Organization and business environment in developing countries. Practical implications refer to the setting up of the different dimensions of the strategic planning practice in a way that will enhance strategic organization performance and give useful suggestions to managers by focusing their efforts on the effective strategic planning practice.

This study indicates the following practical suggestions that there is a strong relationship between formalized strategic planning, explicit and on-going organizational process, procedures, regular progress reviews; to improve the knowledge and skills for using the strategic planning techniques and to design an appropriate set of strategic planning

techniques. Top management of companies must increase the knowledge among managers on different organizational levels of the importance of strategic planning, understand their role in the strategic planning process and their role in developing management and organizational structure that encourage all staff and levels of the organization that must get involved and participate in the strategic planning process.

Finally the findings can also be used as an instrument to identify and overcome the barriers to effective strategic plans as well as to determine critical issues of organizational effectiveness and, having in mind the following challenges to strategic planning practices. Linking lessons on planning to overall strategic goals, and their understanding by the staff, partners; employee capacity, skills to adjust to new strategies, governance and management, organisation culture, communication, and inadequate information systems for control activities. TechnoServe sees planning as means to support accountability, to contribute to impact at national and global level goals, and most importantly as a fundamental process to realize 'fit for purpose.

### **5.4 Recommendations**

From the findings and conclusions on strategic planning practices at TechnoServe Kenya. People in the organization should be involved in the decision making processes i.e senior business advisors and all staff of the organization. The management needs to establish prioritized strategic goals that align to organization. Forecasting of the events and evaluating for the opportunities and challenges for the organization and capacity building for the employees.

TechnoServe strategic planning team should improve on its communication to staff, training and enlightening the staff so that they can be able to work with specific objectives that are aligned to the vision of the organization. The organization should be

responsive and innovative in relation to the ever changing and complex environment in which its work in while pursuing its strategies; be outward-looking, accommodating new ideas and relationships; remain committed to generating alternatives be constructed using information from different sources than the independent variables.

Strategic planning team should be established at the country level and strategic planning processes outlined and properly defined in time, effort and deliverables. The strategic plans should be reviewed half way to prove relevance and progression towards milestones. Previous strategic plans should be reviewed and planning of the next strategy should start early.

Strategic planning also should be done by each country instead of it being done at the head quarters in Washington DC. This leads to achievable goals due to the fact that different countries operate in different environments.

Other researchers should do further research on strategic planning practices and also students who are preparing to do their projects should expand their research on strategic planning practices at Non-Governmental Organization.

# 5.5 Limitations of the Study

The study encountered various limitations which hindered access to information. The study largely depended on the willingness of the respondents to avail there time to have them interviewed using the interview guide.

Respondents were management staff and it was difficult getting access to them. This resulted to a lower than anticipated response rate. The researcher had to use a lot of time and resources to access the managers.

The respondents were limited to managerial level yet other stakeholders like donors, employees and lower cadre employees whose view can be important were left out. Accessing all managers within the limited stipulated time was an uphill task since most of them were either out of the country or busy with meetings and writing of proposals to donors for more funding.

#### 5.6 Suggestions for Further Research

There are many gaps that need to be filled by many of the corporations in Kenya. Further study should be done on the factors that have been found to be insignificant to strategic planning practices to establish why that trend exists and what factors could be affecting those specific variables. This paper recommends further studies on the influence of strategic planning practices of the companies or organizations in order to measure its growth and fulfilment of it's goals.

More research also need to be conducted on the evidenced based practice on strategy planning, formulation and implementation and their impact on companies to establish more appropriate mechanisms of increasing better strategic planning practices of the companies and Non-Governmental Organizations.

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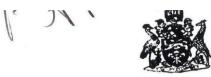
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#### **APPENDICES**

### **APPENDIX 1: LETTER OF INTRODUCTION**



## UNIVERSITY OF NAIROBI

SCHOOL OF BUSINESS

MBA PROGRAMME

Telephone: 020-2059162 Telegrams: "Varsity", Nairobi Telex: 22095 Varsity P.O. Box 30197 Nairobi, Kenya

DATE 30/09/14

#### TO WHOM IT MAY CONCERN

The bearer of this letter ELLA MAMTALA SIREMGO
Registration No. 56116447112013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

PATRICK NYABUTO
MBA ADMINISTRATOR

SCHOOL OF BUSINESS

#### APPENDIX II: INTERVIEW GUIDE

## SECTION A: Relationship between strategic planning and organization

- 1. Does TechnoServe have a strategic plan? If yes, For how many years?
- 2. Does TechnoServe Kenya have vision and mission statements?
- 3. How has the department responsible for strategic related matters been in charge of coming up with strategies?
- 4. How are the following strategic planning practices done by TechnoServe Kenya Setting the Strategic direction, Designing quality, service system in strategic planning, Stakeholders satisfaction, Operating efficiency, Clarifying Future Direction and Establishing Priorities, Assessing and sustaining organizational competence and impact
- 5. What other strategies and processes are adopted by the organization?
- 6. Recommend the various ways to strengthen strategic planning practices in the organization

### **SECTION B: Different strategic planning steps.**

- 1. Describe the process of identifying mission and objectives in your organization.
- 2. Describe the process of environmental scanning/ external analysis in your organization.

4.	Describe the process of implementation of strategy.
5.	How does your organization undertake evaluation and control of strategies?
SECT	ION C: Different strategy choice in relation to the strategic
plann	ning practices used.
1.	Which processes do you use in strategic planning formulation?
2.	How is planning done? And how are the staff and stakeholders involved?
3.	Describe the process of setting objectives in your organization?
4.	What tools and techniques do you use develop strategies for operations?
5.	What types of information and dissemination processes are incorporated in
	the strategic planning activities?
6.	How has strategic planning enhanced organization growth?

3. How is strategy formulation conducted in your organization?

# NGO's in Kenya

- 1. Africa Harvest Biotech Foundation International
- 2. African population and health research centre
- 3. Al-manaar islamic stereo
- 4. America Friends Service Committe
- 5. Amnesty International Kenya
- 6. Arise Child Development Organisation
- 7. ation (African Development and Emergency OrganizADEO)
- 8. CENTRE FOR DEVELOPMENT OF ENTERPRS (CDE)
- 9. Cliton Health Access Initiative
- 10. Crisis Pregnancy Ministries
- 11. DECOR HARDWARE
- 12. Emkay Group of Companies
- 13. EngenderHealth Ltd
- 14. Equality now
- 15. Ethnic Ideaz
- 16. Forbes consultants
- 17. Future Kids Project
- 18. Gibb Africa Ltd
- 19. Hijra Somalia
- 20. International Rescue Committee
- 21. Kenya Aids NGO's Consortium
- 22. Kenya Community Based Health Financing Association.
- 23. Kenya Voluntary Development Association
- 24. Kenyan-Heart National Foundation
- 25. Kickstart
- 26. Licasu
- 27. Mag Regional Office Africa
- 28. Moraa new hope foundation
- 29. National council of NGOs
- 30. Nesi Network
- 31. Non-Governmental Organizations Co-ordination Board
- 32. NPI Africa.
- 33. Olive Leaf Foundation
- 34. Pan Africa Climate Justice Alliance
- 35. Pangea Network
- 36. Pathfinder International
- 37. Poverty Be History Organization
- 38. Richard Leakey & Associates.
- 39. Save the Children (USA)
- 40. Separations International
- 41. Support For Tropical Initiative In Poverty Alleviation
- 42. SWISS CONTACT

- 43. Technoserve
- 44. Theo vision international
- 45. Ufadhili Trust
- 46. Undugu Society Of Kenya
- 47. WorldView Kenya

## NGO COORDINATION BOARD OF KENYA 1990