

**STRATEGIC MANAGEMENT PRACTICES AT FARM
CONCERN INTERNATIONAL BASED IN KENYA**

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DECLARATION

I declare that this research project is my original work and has not been submitted to any other university for the award of any degree

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DEDICATION

I dedicate this work to my loving wife Margaret Wangari, my two jovial sons Toriah Githutha and Palmer Kurumbu for their unwavering support over the research period.

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ABBREVIATIONS

FCI	-	Farm Concern International
CVM	-	Commercial Village Model
CPG	-	Commercial Producer Group
NGO	-	Non-Governmental Organization
SWOT	-	Strengths Weaknesses Opportunities and Threats
PESTEL	-	Political Economic Social Technological Environmental and Legal
R & D	-	Research and Development
Q& Q	-	Quantity and Quality

ABSTRACT

Strategic management is concerned with the complexity arising out of ambiguity and non-routine situations with organization-wide rather than operation-specific implications. The complexity is that there is no one universal approach to strategic management. Organizations carry out strategic management differently due to the fact that management is context specific. NGOs operating within the developing countries, Kenya included, have faced turbulent environmental changes. They have been forced to constantly scan the environment for strategic positioning especially due to the rate at which grants from developed countries are reducing. The study objective was to establish the strategic management practices at Farm Concern International based in Kenya. Literature review was carried out to establish the theories forming the foundation of the study. Case study was the design used to get detailed information regarding Farm Concern International's strategic management practices. The data was collected through interview guides administered on seven (7) senior managers including two (3) senior managers from directorate offices and four (4) senior managers heading various divisions at Farm Concern International regional office. Content analysis as one that provides the researcher with a qualitative picture of respondents' concerns, ideas, attitudes and feelings was used to analyse data. The study established that there were informal strategic management practices until 2013 when the organization embarked on formal strategic planning. Donors conflicting demands came out as the most influencing factor on strategy formulation and implementation. This was highlighted to be the main reason why no formal strategy document had been formulated in the last one decade. At nascent stage, FCI could not craft strategy accommodating the interests of all donors. The study recommended that strategy development should ensure donors and other stakeholders' buy-into the strategic direction. This will be achieved by ensuring stakeholders' involvement in the strategy development process as much as possible. The strategy document must be compelling and convincing to the eyes of major stakeholders so as to marshal resources from other quarters other than being overly dependent on donor funding. The study was carried out within time and resources constraints. The researcher suggested two areas for further research. A repeat study on strategic management practices at the Farm Concern international should be conducted after a few years of putting the strategy into implementation. Researchers should further find out whether other than the tenets of strategy, there are other factors that would contribute to organizational exponential growth and whether those factors could be sustainable in non-governmental organizations.

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

Strategic management is that set of managerial decisions and actions that determines the long-term performance of a corporation (Wheelen and Hunger, 2008). It is a set of decisions and actions that result in the formulation and implementation of plans designed to achieve a company's objectives. Strategic management centers on the belief that a firm's mission can best be achieved through a systematic and comprehensive assessment of both its internal capabilities and its external environment. The immediate external environment includes competitors, suppliers, diminishing resources, government agencies and their numerous regulations and customers whose preferences often shift inexplicably. The remote external environment comprises of economic and social conditions, political priorities and technological developments (Pearce and Robinson, 2007). There is no universal approach to strategic management practices. This differs from one organization to the other due to the fact that management is context specific.

Non-profit making organizations are faced with an increasingly competitive environment. Donors require greater accountability of their resources. Communities and other stakeholders continuously agitate for better ways in which interventions are carried out. The number of non-governmental organizations is increasing at an alarming rate and resources from the donor community are decreasing by the day. This turbulent and ever changing environment has led to the adoption of strategic management practices among many non-governmental organizations. Farm Concern International being one of these Non-governmental organizations is faced by the

turbulent environmental changes. For growth and expansion of market share, the organization must continually craft a winning game plan.

1.1.1. Strategic Management Practice

Firms develop strategies to enable them seize strategic initiatives and maintain a competitive edge in the market (Porter, 1985). The unpredictability and turbulence of their environment calls for them to practice strategic management, being widely acclaimed as one of the effective management tools in strengthening organization performance through effective decision making, systematic planning and implementation (Wheelen and Hunger, 1995). According to Ogollah (2007) strategic management practice is generally the use of strategic management concepts in application so as to ensure that the firm is able to achieve its strategic objectives.

There is no one universal approach to strategic management. Most organizations employ various approaches in formulation, implementation and evaluation of strategies. Formulation of compelling strategies has been easy in many organizations. The distinguishing factor to success or failure is that a number of the crafted strategies have ended up being filed away with little or no implementation at all. Strategy implementation is an integral component of the strategic management process and is viewed as the process that turns the formulated strategy into a series of actions and results to ensure that the vision, mission and strategic objectives of the organization are successfully achieved (Thompson and Strickland 2003). They indicate that excellent execution of an excellent strategy is the best test of managerial excellence and the most reliable recipe for organizational success. Mintzberg and Quinn (1991) point out that 90% of well formulated strategies fail at the implementation stage with the reasons revolving around the firm; between the structure and the strategy, the

organizational culture, forces of power in play in the organization, leadership and rewards.

1.1.2. Non-Governmental Organizations

Various definitions have been put across on what non-governmental organizations (NGOs) are. NGOs are usually non-profit making organizations that obtain at least a portion of their funding from private sources (Korten, 1990). According to Willets (2012) NGOs are legally constituted organizations created by natural or legal people that operate independently from any form of government. NGOs activities are now spread in every corner of Kenya and cover almost every aspect of the economy (Wanguku, 2013). There are currently over 6,500 registered NGOs employing approximately 150,000 people. As at the end of 2011 it was estimated that the wider not-for-profit sector (including NGOs, self-help groups, women and youth groups) encompassed over 220,000 organizations (NGOs coordination Board, 2012).

It is based on this growing number in the industry that NGOs in Kenya according to Gichira (2009) have been adopting the concept of strategic management with the aim of increasing the effectiveness of their organizations. Hatch (1997) points out that an effective NGO can be said to be one that is sustainable, legitimate and relevant. NGOs therefore must carve a niche over the others in order to gain and maintain a sustainable competitive advantage. This is the reason why many of them have embraced the concept of strategic management.

1.1.3. Farm Concern International

Farm Concern International, FCI is a regional market development agency, developing pro-poor market development models and strategic alliances to enhance economic growth among smallholder communities in various countries of

Sub-Saharan Africa. With slightly over 10 years in operation, FCI has extended her scope of operation to several countries in Africa including Tanzania, Uganda, Ethiopia, Kenya, Somalia, Rwanda and Malawi (Farm Concern International, 2013).

FCI's strategic move carved a niche in the NGOs market segment through formulation and implementation of Commercial Villages Model (CVM). The Commercial Villages' Model is a smallholder commercialization hybrid model through which typical social administrative villages are systematically graduated into commercialized competitive market-led trading blocs. In order to build sustainable competitive advantage, the model has continuously and systematically been evolved, upgraded and improved commensurate with empirical evidence and lessons learnt from various circumstances and contexts within FCI's programs (Farm Concern International, 2013).

The Commercial Villages are supported by a business incubation and graduation pathway that is efficiently organized to evolve social administrative villages into commercial villages that meet the modern markets quantity and quality (Q and Q) requirements through bulking and quality assurance. They are developed to meet these market demands competitively, efficiently and sustainably. The Commercial Villages Model does not replace existing farmer systems but has been designed to integrate and upgrade existing systems. It is based on this experience that the researcher was seeking to find out the successes leading to the expansion as well as challenges encountered during formulation, implementation and control of FCI's strategic plans (Farm Concern International, 2013).

1.2. Research Problem

Strategic management is concerned with the complexity arising out of ambiguity and non-routine situations with organization-wide rather than operation-specific implications. It includes strategic analysis, strategic choice and strategy implementation (Johnson and Scholes, 1999). All organizations benefit from committing themselves to a strategy (Moore, 2000). The tasks of crafting, implementing, and executing company strategies are the heart and soul of managing a business enterprise (Thompson and Strickland, 2003). The complexity in this is that there is no one universal approach to strategic management. Organizations carry out strategic management differently due to the fact that management is context specific.

NGOs operating in Kenya have faced turbulent environmental changes. They have been forced to constantly scan the environment for strategic positioning especially due to the rate at which grants from developed countries is reducing. Agence France Presse (2012) for instance, reported that Spain had set aside USD 612 million for humanitarian aid in 2009 but significantly reduced its grant to less than USD 20 million in 2013. The funding agencies often create program objectives in very different contexts than where they are implemented, and therefore, these programs often do not suit the cultures that receive them (Lindenberg, 2001). This has often led to a number of NGOs being rendered to be just implementers of whatever objectives that come their way. They are not necessarily provided with leg room to exercise flexibility or even clear guidance on implementation hence leading to poor results in the eyes of donors hence affecting subsequent grants. This lack of clarity has led to a number of NGOs collapsing every year. Ndanyi (2014) in the Star newspaper reported that, over 50 NGOs and CBOs collapsed in Rift Valley and Western Kenya due to lack of funds.

Various studies have been conducted on the subject of strategic management practices in organizations. Mukanga (2011) did a study on sustainability of strategies adopted by international NGOs in Nairobi, Kenya. Chiuri (2008) focused on strategic management practices among technical training institutes, while Shamala (2013) carried out a study on strategic management practices and challenges of Kenyan projects assisted by Compassion International in Limuru region. All these studies found out various practices of strategic management. It was noted that their findings and recommendations were applicable to the respective organizations. These findings continued to indicate that the strategic management practices are context specific.

The recommendations from these researchers were noted to be addressing specific challenges faced by those organizations. Those recommendations would therefore not be replicated across all organizations due to unique environmental challenges facing each organization. Management is context specific hence there is no one universal way to strategic management. Strategic management practices at Farm Concern International are context specific. What strategic management practices are adopted by Farm Concern International?

1.3. Research Objectives

The study has one objective. This is to establish the strategic management practices at Farm Concern International based in Kenya.

1.4. Value of Study

This study will be very useful to the policy makers at government level due to the fact that the practice of strategic management is becoming an integral part in the day today

running of organizations. There is little or no documentation to the theories applied as well as the changes happening on daily basis as a result of strategic management practice. This study and findings thereof will make contribution to the existing literature in the field of strategic management thereby enabling the policy makers to formulate informed policies.

Though still at nascent stages, a number of NGOs are starting to appreciate the role of strategic management in their operations. Therefore, this study will give more insights on how such organizations could apply strategic management practices in their operations in order to be more effective in responding to the turbulent environment. The study will seek to persuade managers in these organizations to improve or change policies that could otherwise be a hindrance to successful implementation of strategic management. It is hoped that the leadership of Farm Concern International will identify gaps in strategy formulation, implementation, control and evaluation within the organization and address these gaps in order to maintain sustainable competitive advantage in the industry.

The future researchers will benefit from the study through provision of information on strategic management practices and theory. There will also be possibility of identification of gaps in knowledge within this study and form subject for further study. The recommendations thereof will assist the researchers improve on their future studies in order to effectively address the challenges encountered.

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

In this chapter the focus was to critically analyse literature from other researchers and writers in order to build the conceptual argument for the study. The researcher will explore what has been documented by other scholars about the topic of study and some of their findings. The review will also aid in documenting some of the theories that support this study. This will help to identify the gap in knowledge that provides justification for further study.

2.2. Theoretical Foundation of the Study

Though the field of strategic management is comparatively new, various theories such as organizational and stakeholders' theories have been proposed to account for how organizations obtain fit with their industries. According to Wheelen and Hunger (2008) institution theory proposes that organizations can and do adapt to changing conditions by imitating other organizations. Population ecology indicates that once an organization is successfully established in a particular environmental niche, it is unable to adapt to changing conditions. Inertia prevents the organization from changing. The company is therefore replaced by other organizations more suited to the new environment. However strategic choice perspective contends that not only do organizations adapt to a changing environment, they also have the opportunity and power to change their environment. Organizational learning theory proposes that an organization adjusts defensively to a changing environment and uses knowledge offensively to improve the fit between itself and its environment. Stakeholder theory identifies and models the groups which are stakeholders of a corporation (Freeman, 1984). The theory argues that there are other parties involved including employees,

customers, suppliers, financiers, communities, governmental bodies, trade associations, trade unions and competitors, who benefit from or are harmed by and whose rights are violated or respected by corporate actions. All these theories will in one way or the other try to explain the strategic management practices. This study was based on these theories with specific interest in organizational learning theory of strategic management.

Cole and Kelly (2011) in contingency approach argue that organizational variables (e.g. Strategy, structure, and system) and their success or performance are dependent upon environmental influences (forces). There is no one best way to structure or manage organizations; rather it must be dependent upon the contingencies of the situation. In agreement with the concepts of organizational learning theory, an increasing number of companies are realizing that they must shift from vertically organized, top-down type of organization to a more horizontally managed, interactive organization (Wheelen and Hunger, 2008). A learning organization is skilled at creating, acquiring, and transferring knowledge and at modifying its behaviour to reflect new knowledge and insights. Chandler (2001) proposes that, high-technology industries are defined by “paths of learning” in which organizational strengths derive from learned capabilities. Learning organizations are skilled at four main activities. First activity is on solving problems systematically. Second is on experimenting with new approaches. Third is on learning from their experiences and past history as well as from experiences of others. Fourth is by transferring knowledge quickly and efficiently throughout the organization (Senge, 1990). Once a corporation has built its learning base to the point where it has become a core company in its industry, entrepreneurial start-ups are rarely able to successfully enter (Chandler, 2001).

2.3. Concept of Strategy

At the core of strategic management is the concept of strategy (Ansoff and McDonnell, 1990). The concept of strategy was developed ideally on the basis of war. It remained a military concept until the 19th century when it began to be employed to the business circles. It is strategy that leads to sustainable competitive advantage of a successful organization. The concept of strategy is still under development and therefore, no universally accepted definition of strategy exists thereby allowing us to go by definitions from different authors.

By definition, strategy is a pattern or a ploy that integrates an organization's major goals, policies and actions into a cohesive whole (Porter, 1980). According to Chandler (1962) strategy is the determination of the basic long term goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying out those goals. Mintzberg et al (1998) came up with five definitions of strategy to look at as plan, ploy, pattern, position and perspective.

Ansoff and McDonnell (1990), state that strategy is a set of decision-making rules for guidance of organizational behaviour. They bring out four distinct types of such rule. First is a yardstick by which the present and future performance of the firm is measured. The quality of this yardstick is termed as objectives and the desired quantity is referred to as goals. Secondly, the rules for developing the firm's relationship with its external environment also referred to as business strategy. Thirdly, rules for establishing the internal relations and processes within the organization also known as the organizational concept. Finally is the rule by which the firm conducts its day-to-day business and is also referred to as operating policies.

According to Pearce and Robinson (1991), strategy is a plan that sets out to put together an organization's major goals, policies and action sequences. A good strategy enhances outcomes through marshalling of resources, unique posturing, leverage of competences, and an awareness of environment and cognizance of intelligent opponents (Mintzberg and Quinn, 1991). The various definitions suggest that the authors gave selective attention to aspects of strategy, which are all relevant to our understanding of the concept (Aosa, 1992)

2.4. Strategic Management Practices

Thompson and Strickland (2003) define strategic management as ongoing, never ending process, not a start-stop event that once done, can be safely put aside for a while. Managers have an ever-present responsibility for detecting when new developments require a strategic response and when they don't. Strategic management practices therefore comprise of set of processes. Ansoff and McDonnell (1990), defined strategic management as systematic approach to a major and increasingly important responsibility of general management: to position and relate the firm to its environment in a way which will assure its continued success and make it secure from surprises

According to Wheelen and Hunger (2008), strategic management process consists of four basic elements including environmental scanning, strategy formulation, strategy implementation and, strategy evaluation and control. They indicate that environmental scanning entails gathering information through SWOT analysis. Strategy formulation involves development of long range plans including mission, objectives, strategies and policies. Strategy implementation entails putting strategy into action entailing

programs, budgets and procedures. Evaluation and control focuses on monitoring performance.

Thompson and Strickland (2003), indicate that strategy - making/strategy-implementing process consists of five interrelated managerial tasks. First is forming a strategic vision of where the organization is headed. Second is setting objectives. Third is crafting a strategy to achieve the desired outcomes. Fourth is implementing and executing the chosen strategy efficiently and effectively. Fifth is evaluating performance and initiating corrective adjustments to vision, long term direction, objectives, strategy, or execution in light of actual experience, changing conditions, new ideas, and new opportunities.

2.4.1. Environmental Scanning

All organizations operate in a macro environment consisting broadly of the economy at large, population demographics, societal values and lifestyles, government legislation and regulation, technological factors, and the company's immediate industry and competitive environment (Thompson and Strickland, 2003). In the global competitive business scenario, organizations have been facing many changing challenges caused by globalization, liberalization, technological advancements, and changing customers' technological-driven expectations (Moreno et al., 2005).

There are a number of factors that come into play when it comes to strategy implementation. Wheelen and Hunger (1995) categorizes these factors into societal environment and task environment. The societal environmental factors (economic, technological, political-legal, and societal) include forces that do not directly touch on the short-run activities of the organization but that can, and often do, influence its long-run decisions. The task environmental, also referred to as industry factors

include the elements or groups that directly affect the corporation and, in turn, are affected by it. These groups include governments, local communities, special-interest groups, and trade associations.

According to the resource dependence perspective, developed by Pfeffer and Salancik (1978), in order to understand organizations, it is necessary to understand the environments in which they are embedded. Organizations are interdependent with other organizations with which they exchange monetary or physical resources, information, or social legitimacy. Aosa (1992) indicated that the environment of an organization will affect how the culture relates to implementation.

Environmental scanning is therefore monitoring, evaluating, and disseminating of information from the external and internal environments to key people within the corporation whose main purpose is to identify strategic factors that will determine the future of the corporation (Wheelen and Hunger, 2008). Johnson and Scholes (1999) refers environmental scanning to strategic analysis involving understanding the strategic position of the organization in terms of its external environment, internal resources and competences, and the expectations and influence of stakeholders.

Thompson and Strickland (2003) point out that, crafting strategy is not a task in which managers can get by with opinions, good instincts and creative thinking but that judgements about what strategy to pursue need to flow direct from solid analysis of a company's external environment and internal situation. This then forms a critical component for strategy thinking and strategy choice. According to Porter (1980), the ability of firms to survive in the business environment is dependent upon their selection and implementation of a competitive strategy that differentiates a firm from its competitors. It is until the focus is towards the blue ocean strategy that will render

environment irrelevant as far as sustainable competitive advantage of an organization is concerned.

2.4.2. Strategy Formulation

The conception of strategy usually refers to formulation of the main tasks and purpose of an organization, as well as to the politics of its attaining (Steinem, Miner and Gray, 1986). The formulation and implementation of strategies designed to achieve the objectives of the organization has been regarded as strategic management (Pearce and Robinson, 1991). Strategic planning has been called a method for aligning an organization with its environment (Summer, 1980).

It is at this level that an organization defines and maps way into the future. Those organizations that are able to scan the environment and align their processes with the changing environment always maintain sustainable competitive advantage over the others. The step of strategy development is very important to all whether public, profit making or non-profit making organizations. This therefore calls for high sense of professionalism and calls for visionary leaders who would ensure clarity and perfect understanding among all staff especially those involved in the implementation.

2.4.3. Strategy Implementation

A strategy is as good as its implementation. Thompson and Strickland (1992) argue that the most trustworthy sign of good management is a good strategy which has been implemented in a good way. Although researchers have been unable to achieve a solid consensus on the degree to which strategic planning produces organizational benefits, it is painfully clear that a strategic plan that is not implemented will certainly fail to produce meaningful organizational results (Johnson and Scholes, 2004). McNamara (2008) observes that a frequent complaint about the strategic planning process is that

it produces a document that ends up collecting dust on a shelf – the organization ignores or fails to make good use of the precious information depicted in the strategic planning document.

Mintzberg (2004) argues that a good implementation of strategic plan is dependent on the learning and development environment for employees who are the true foot soldiers of implementation. Implementation of strategy is in many organizations especially the non-profit ones, the hardest thing to do. Mostly the persons involved in the formulation of strategy are not necessarily the ones who implement. The formulators of strategies, sometimes are too far from implementers, or are too busy to guide the implementation. This therefore leads to a state of confusion in the whole organization and when not checked, it results into a number of organizations missing out on their core vision and mission which automatically renders them irrelevant in the industry.

2.4.4. Strategy Monitoring, Evaluation and Control

Strategy Evaluation involves examining how the strategy has been implemented as well as the outcomes of the strategy (Coulter, 2005). Strategic control is concerned with tracking strategy during implementation, detecting problems or changes and making necessary adjustments (Pearce and Robinson, 2005). Evaluation and control is therefore a process in which strategic activities and performance results are monitored for actual performance compared with desired performance.

The strategic management process should be examined, its strength and weaknesses noted and modifications suggested for improvement of the next round of strategic planning (Bryson, 1995). This includes, assessing whether deadlines were met, implementation steps and processes are working correctly and whether the expected

results were achieved. If a shortcoming is discovered against mentioned outlined expected results, then the strategy can be modified or reformulated (Johnson and Scholes, 2002). Continuous evaluation and responding to internal and external environmental changes gives strategic management relevance in the current and future competitive business environment.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

In this chapter an outline of the plan or blueprint used for the study is provided. Methodology adopted in addressing the study objective is highlighted. The description of how the study was conducted with respect to research design, data collection and analysis will also be provided.

3.2. Research Design

The study employed a case study design. Case study is a powerful form of qualitative analysis that involves careful and complete observation of social units irrespective of what type of unit is under study (Young, 1960). A case study allows an investigation to retain holistic and meaningful characteristics of real life events (Yin, 1994).

The case study was aimed at getting detailed information regarding Farm Concern International's strategic management practices. The design had preference over other designs because the researcher needed to drill down rather than cast wide in gathering information for this particular research.

3.3. Data Collection

Data collection is gathering of evidence in order to gain insight about a particular situation and answer questions that prompted undertaking the research (Kothari, 2004). To ensure as much information as possible is collected in this study, the researcher collected both primary and secondary data.

The research data was collected using interview guides. According to Mugenda (1999), interviews provide in-depth data which is not possible to obtain if

questionnaires were used. These data collection tools were developed basing on the research objective and also on the information gathered in the literature review. The tools were developed in two sections. Section one provided the profiles of the respondents. Section two focused on the strategic management practices at Farm Concern International. This section assessed how the organization scanned the environment, formulated, implemented and evaluated strategy.

Interview guides were administered using face to face discussions with the respondents. Secondary data was collected through desk search techniques from publications of the organization, periodicals and related information from the internet. The researcher targeted to interview ten respondents. In the study those who were available for interview were seven (7) from various divisions including two (2) senior managers from directorate office, four (4) senior managers heading various divisions and the Africa Director all based at Farm Concern International regional office in Nairobi Kenya.

3.4. Data Analysis

Content analysis was employed. Saunders and Thornhill (2007), defines content analysis as one that provides the researcher with a qualitative picture of respondents' concerns, ideas, attitudes and feelings.

This kind of analysis borrowed a leaf from Kimathi (2011) who successfully employed the approach. She argued that the analysis guards against selected perception of content and that it provides rigorous application of reliability and validity criteria.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1. Introduction

The focus of this chapter is the analysis, interpretation and discussion of the research findings. The area of interest will be in line with the research objective that seeks to establish strategic management practices adopted at Farm Concern International. The research objective informed the designing of tools administered in collection of this data.

4.2. Background of Farm Concern International

Farm Concern International (FCI), is an Africa-wide market development agency whose work is focused on the commercialization of smallholder farmers through developing market led production systems that are continuously informed by the market needs and demands. The organization develops pro-poor business and marketing models that enhance economic growth among the smallholder farmers in Africa. Market development initiatives and interventions are benchmarked to private sector market development approaches with an aim of enhancing the competitiveness of the smallholder farmers in the market place and improving sustainability and profitability of farming enterprises in Africa.

FCI supports smallholder farmers and poor communities under its successful pro-small holder farmer marketing interventions which are implemented through the Commercial Villages Model (CVM) in Sub-Saharan Africa. FCI employs other business models to support the Commercial Village Model in achieving the goals of the small holder farmers. These models encompass other areas of the smallholder

farmers' lives that affect their livelihoods and optimizing the opportunities available in the agro business sector (Farm Concern International: Communication team, 2013).

FCI started operations in Kenya in the year 2004. Since inception, the organization has grown in all aspects into an African organization with operation and programmatic interventions in 12 African countries namely: Burundi, Democratic Republic of Congo, Ethiopia, Ghana, Kenya, Sudan, Tanzania, Malawi, Mozambique, Rwanda, Uganda and Zambia. As FCI turns a decade old it is celebrating years of market development and innovations for smallholder farmers across Africa (Farm Concern International: Communication team, 2013).

In August 2011, FCI fraternity embarked on a process of self-assessment in order to reposition itself in the competitive development world. The assessment took cognizance of the key strengths, weaknesses, opportunities and threats that FCI is exposed to in a view to develop a strategy that would guide its operation during the period of 2014 – 2024. This lengthy internal consultation process was concluded in August 2013 with a one week conference. The product of this process is the FCI 2014-2024 Strategy whose focus is on promoting business models that are sustainable, replicable and cause lasting transformation in the communities (Farm Concern International: Communication team, 2013).

Over the years FCI acknowledges, donor funding has gradually shrunk whereas donor interest has shifted from funding individual entities to funding regional consortia and partnerships. As a result, private-philanthropic partnerships have gained traction. FCI noted that it must, as a matter of necessity, find ways of remaining relevant in this evolving environment so as to attract the dwindling resources. FCI alludes to the fact that commercializing the informal markets remains one of the few available strategies

for causing this turnaround. Commercialization plays a significant role in national development agenda and therefore strategic innovations are needed to commercialize the trade into viable mass markets.

This is where FCI finds her mandate and niche, taking markets to the small holder farmers through the development and commercialization of informal and formal markets. Attaining this great mission requires that the Organization has a relevant global strategy; is well organized to effectively implement the strategy; and is applying efficient business process during the strategy implementation (Farm Concern International, 2013).

The organization was found to have a vision of commercialized smallholder Communities with increased incomes for improved, stabilized and sustainable livelihoods in Africa and beyond. The mission was build and implement innovative pro-poor market and business models that catalyse solutions for smallholder commercialization and competitiveness in the value networks for household economic growth and community empowerment in Africa and beyond. It was also found to have 7 objectives to be achieved in the strategy implementation period.

4.3.Respondents Profile

The respondents in this study were from various divisions at the regional office of Farm Concern International, Nairobi. The persons interviewed included Africa director, divisional head for Markets and Trade, senior manager at strategy and innovations directorate office, senior manager in charge of organization efficiency and effectiveness, head of communications, corporate services divisional head and senior manager in charge of food security, nutrition and gender.

The period within which these leaders had worked at FCI ranged between 6 months and 9 years. Majority of respondents had worked for the organization for more than two years and had worked in more than one division. This provided the requisite threshold for researcher to gather reliable information concerning Farm Concern International.

4.4. Strategic Management Practices at Farm Concern International

According to respondents strategic management practice was largely considered to be a process of guiding the organization into the future. They described the practice to involve setting goals and coming up with long term decisions that drive or affect the organization in terms of growth and that are measured within specified period of time. The general understanding was that the strategic management practices involved planning for how the organization implements its vision and mission through designing of business strategies, implementation and review.

Strategic management process was highlighted as the process that includes scanning of the environment, formulation of strategic plans, implementation and control. It was affirmed that to some extent there were traces of strategic management practices contribution to the organization. Though the development of the first strategic plan was underway, structures of the organization were already being changed to suit the new strategic direction.

4.4.1. Environmental Scanning

The researcher assessed availability of tools used in conducting environment scanning for the organization. Most respondents did not point out any specific tool that was used during development of the ongoing strategy. The mentioned avenues were mainly general discussions among the leadership team on emerging issues in the

development industry. Though the findings from the said environmental scanning discussions were not recorded in the strategy document, they informed the crafting of strategy.

Due to lack of structured tools or an account of the environment scanning, majority of the respondents could not with certainty, establish whether formulation of strategy factored in recommendations emanating from environment scanning. Respondents however pointed out that the structural changes within the organization were occasioned by environmental forces hence resulting into donor-interest based strategies. It was noted that the organization endeavored to craft strategies that would ensure that donors and other stakeholders easily identified with the general direction of Farm Concern International. The respondents explained this to be the reason why most of them worked in different departments within a short span of time

To ensure this component of strategy development is well utilized respondents recommended that, as part of research and development process, continuous scanning of environment through all tools such as SWOT, PESTEL, Gap, situational and five forces analysis should be encouraged. As the organization turns global, the formulation of strategy should be context specific especially when it comes to factoring in the interests of all countries within FCI's jurisdiction.

4.4.2. Strategy Formulation

Strategy formulation was defined to be a process of crafting the general direction of the organization. Respondents indicated that, the process involved development of organization vision, mission, strategic goals, outlining implementation process, setting out targets and budgeting. For strategy formulation to be successful the respondents highlighted the need to have organization-wide involvement and ownership. This

would ensure involvement of all stakeholders including government, donors, governance, management, staff as well as all players in the industry. Respondents highlighted major components that should be put into consideration during strategy formulation including mission, vision, goals, values, critical success indicators, organization culture, action plans, evaluation plans and budgets.

It was noted that the vision and mission statements were first crafted at the inception of the organization. Through the environment scanning mechanisms these statements were noted to have been reviewed from time to time to reflect the adjusted positioning of the organization. Respondents noted that though the changes made to these statements were welcome, the changes were not always communicated to all Farm Concern International offices so as to ensure that same statements were visible and understood by all staff. This was noted to then result into different countries promoting different mission and vision statements. Respondents confirmed that with finalization of the first strategy document, there are plans to ensure common message is passed across all offices and staff.

Respondents noted that organizational goals formulation was an essential inclusion in the current strategy document. Senior managers held a two week workshop where aspirations of the organizations were documented. The aspirations also referred by the organization as the strategic pillars were allocated timelines within which they would be implemented and accomplished. Respondents indicated that such timelines were necessary in ensuring milestones were easy to identify and document results.

The other critical components in strategy formulation were said to be organizational core values. Respondents noted that the formulation of core values is very important to an organization. They are the guiding principles for strategy formulation,

implementation and control. They however noted that in the current strategy development they are yet to craft the core values. Most of the respondent indicated that the draft strategy document would be incomplete without core values. Since the strategy was still at the formulation stage, the respondents said that they would ensure that core values would be included.

The strategic action plans and budgets were the elements that were still being formulated at the time of this study. Respondents cited that this was the hardest part of strategy formulation. For an organization that is majorly donor dependent, it was not easy to point out the amount of grant that would be received during the strategy implementation period. Therefore work plans and budgets were highly speculative and subjective with possibilities of the projections made not being as realistic as far as accessing funds from donors was concerned.

Formulation of modalities of monitoring and evaluating strategy were identified as other essential components in the strategy document. Respondents indicated that monitoring and evaluation of strategy implementation ensures that strategy is implemented within certain parameters and timelines. When further probed whether the monitoring and evaluation cited in the draft strategy document would be helpful in tracking organizational strategic direction, respondents were hesitant to point out that. It was noted that the monitoring and evaluation section detailed more on how donor funded projects would be monitored and evaluated but not on how the general organizational ten-year strategy would be evaluated. They therefore indicated that a review would be made to ensure an all-inclusive strategy monitoring and evaluation is formulated.

Respondents listed several factors that influence strategy formulation in the organization. These factors included various Government legislations with respect to non-governmental organizations, conflicting donor conditions, organizational diverse cultures, limited strategy implementation resources, institutional governance and management political will, emerging opportunities presented by organizational environment, organizational business exponential growth as the one experienced by Farm Concern International, global dynamics and staff resistance to change.

The researcher assessed the duration it had taken for FCI to come up with or develop the strategic plans. It was established that since the initial strategy development process was ongoing, it would not be possible to assess the duration the process would take. However the respondents noted that the process was rather slow as it was more than two years since commencement of the process. It was indicated that though FCI was attempting to formulate a strategic plan, it faced conflicting signals from the funding organizations on how the strategic plans should look like. The balancing effect to ensure all interested parties were comfortable with the organizational strategic direction resulted into delays in finalization of strategy document.

The researcher sought to get recommendations from respondents on how strategy formulation process would be enhanced. It was recommended that the organization needs to build mechanisms and strategies that would ensure organizational independence from donors. The strategy document needed to be viewed as a fundraising tool. Mechanisms should be put in place to have an understanding and owning up of the strategic direction by all staff and stakeholders. The strategy document should be purposive and unyielding to impromptu and conflicting donors' demands. FCI should avoid endless formulation but provide a specific period for which implementation, monitoring and control is achieved. There should be strategic

change management in place to ensure buy-in from all stakeholders. The platforms for disseminating and rolling out strategic plans should be enhanced by ensuring presence and participation of as many stakeholders as possible. As a winning game plan, the strategy document should have definite review intervals so as to ensure it remains a living document.

4.4.3. Strategy Implementation

The researcher sought to find out from the respondents the understanding of strategy implementation. They defined strategy implementation as actualizing strategy, turning around goals into action. It entails change management and vision casting to employees for implementation. Strategy implementation was noted to include critical components including; strategy implementation plans, strategy implementers, budgets, implementation timelines, capacity development to employees and other stakeholders and evaluation systems.

The respondents indicated that strategy is as good as its implementation. When implementation pathway is unclear, then all the deliverables are compromised. They therefore pointed out that clarity of work plans is of paramount importance. In the current strategy under development, they confirmed that it had taken them significant amount of time and energy unpacking the main strategy into action plans and time lines.

It was also noted that for tangible results to be realized, strategy implementers ought to be well versed with the tasks at hand. Clear and well elaborated action plans and timelines need to be communicated to this critical group of people. The strategy was in the process of being broken down into simple process maps. It was noted that these

process maps would ensure that staff quickly understood the strategic direction and joined the leadership team in execution.

Budgets and budgeting process was noted to be the hardest part of strategy implementation within the organization. It was noted that though the organization knew the ploy and game plan towards effectual implementation of strategy, most of funding was donor dependent. These donors came with different sets of requirements out of organization strategy framework. This mainly resulted into derailed strategy implementation. This in some instances made the organization to go back to the drawing board to re-strategize afresh. In the process the implementation of an independent strategic plan for the organization got delayed or stayed in totality.

As donor dependent organization, respondents pointed out that it was extremely challenging to implement the strategy as is because donors' demands were as many and as varied as the various projects implemented by the organization. One donor would be requiring FCI to follow a certain pathway in strategy implementation while the other would be requiring it to be conducted in a different approach all together. In the event all these partners recommended different approaches then the implementation of strategy became extremely hard to achieve.

Respondents indicated that the conflicting demands from donors and other stakeholders were the sole contributors to mission and vision statements alterations and changes. These subsequently led to changes in organization goals and objectives. With these fundamental changes, it then meant that it would not be possible to implement the formulated action plans. This would then lead to formulation of different strategy altogether to meet the emerging donor requirements and the cycle

would continue on and on. As a growing organization, respondents noted that this would explain reasons why there has not been any strategic plan since inception.

Globalization was also pointed out as one of critical considerations in strategy implementation. They indicated that FCI has grown into different countries within Africa. The strategy implementation contexts differed from country to country. Therefore the macro strategic plans needed to be succeeded by country specific strategic plans to ensure all loose ends were tied as far as each country is concerned. This would ensure that the cultures within specific countries are factored in. This would also make sure that specific government and legal conditions within specific countries were put into consideration.

In order to enhance future strategy implementation respondents made the following recommendations. The starting point was said to be signing-off of the strategy document. The document should then be summarized into briefs that are shared for internalization and understanding among staff and stakeholders. There should be inclusion of all in the implementation planning as opposed to the document being crafted entirely at regional office.

The strategy should be broken down into implementation processes with clear milestone pointers and indicators. It should be target based by avoiding introduction of many conflicting items at a go. There should be continuous monitoring and evaluation of strategy implementation with provisions for re-strategizing in order to gain enhanced sustainable competitive advantage. In order to ensure implementation of strategy takes place with minimal changes as a result of donor conflicting demands, the focus should be on funds independence tactics.

4.4.4. Strategy Monitoring, Evaluation and Control

The researcher assessed understanding of strategy monitoring, evaluation and control. Respondents defined strategy monitoring, evaluation and control as continuous review and refocusing of strategy. They opined that it is a process of assessing strategy implementation progress and determining corrective measures. The strategy document under construction lacked this critical component.

Respondents were asked to state frequency within which FCI conducts strategy monitoring, evaluation and control. It was established that it being the first time a formal strategic document was being formulated the frequency could not be assessed. They however indicated that this should be a critical inclusion in the strategy development. They proposed that for a 10 year strategy, review should be after every two and a half years while for the shorter term strategies such as three years, review should be after every half an year.

The researcher sought to find out whether there were any key performance indicators utilized to track the success of the strategic initiatives. The respondents indicated that there has been none in the past. They however indicated that in the strategy document, under formulation, it would be important to include such parameters as targeted number of households, budget generation and utilization, beneficiaries' incomes levels, sales volumes transacted, and percentage growth in organizational capital base.

In general, the process of strategy monitoring, evaluation and control according to respondents should have a number of critical steps. Including; planning for strategic review, development of monitoring and feedback schedules and templates for tracking critical strategy implementation evidences or indicators, scheduled forums with the implementing teams and stakeholders and consolidation of opinions and feedback

should inform recommendations for strategy improvement. This will ensure the strategy is well implemented by ensuring the organization quickly responds and aligns to turbulent environmental changes.

4.4.5. Factors Influencing Strategy Development

The researcher assessed factors that could be influencing strategy development in the organization. Respondents categorized these factors into two; external and internal factors. The external factors included; strong donors influence, natural calamities, government legislations and competition in the industry. Internal factors included limited resources leading to overdependence on stakeholders to implement the strategy, planning paralysis at formulation stage, lack of clear strategy roll out plans, lack of political will, lack of clear understanding of strategic direction among staff, rolling out of some sections of strategy resulting into conflicts among implementers and stakeholders, strategy formulation being overtaken by other competing agendas, lack of control systems and other related conceptualization challenges.

Donors conflicting demands were singled out as major source of influence in the strategy development. It was highlighted to be the main reason why no formal strategy document had been formulated in the last one decade. At nascent stage, FCI could not craft strategy accommodating interests of all donors. The Africa director of FCI pointed out that his experience in development world has always presented a scenario where donors are scared away by organizations with strategic plans. They prefer NGOs without a strategic direction which they can manipulate to fit into the agendas of funding agencies. This was said to take place in total disregard of any strategic directions of the implementing organizations. The agendas pursued by the said donors were mostly short-lived; with majority not exceeding 3 years. The

strategy formulation and implementation period therefore could only be limited to these short and spontaneous periods thereby causing a lot of uncertainty in the organization. It is the sole reason why most respondents worked in several departments within very short intervals.

Respondents therefore recommended that the strategy development should be preoccupied by resource independence formulas and ploys within the organization. In the alternative FCI should ensure majority of interested donors bought into the strategic direction by ensuring their involvement in the process as much as possible. Majority of NGO strategies are driven by specific donors' agenda. Rules and regulation from donor community resultantly affect both design and implementation of strategy. The strategy document therefore must be compelling and convincing to majority of stakeholders so as to marshal resources from a wider spectrum other than being overly dependent on donor funding. This would ensure FCI detours from traps that most NGOs find themselves in.

4.5. Discussion of the Findings

4.5.1. Comparison with Theory

The study established that the process of strategy formulation has been ongoing with bits and pieces of this strategy being subjected to implementation. According to the learning organizations theory, learning organizations are skilled at four main activities. First activity is on solving problems systematically. Second is on experimenting with new approaches. Third is on learning from their experiences and past history as well as from experiences of others. Fourth is by transferring knowledge quickly and efficiently throughout the organization (Senge, 1990).

It was established that strategic management practices were largely considered to be a process of developing plans processes for guiding the organization into the future. The practices were said to involve setting of vision, mission, goals and coming up with long term decisions that drive or affect the organization in terms of growth. It was pointed out that the strategic management practices would involve planning for how the organization implements its vision and mission through designing of business strategies, implementation and review. Thompson and Strickland (2003) had the same view that strategy - making/strategy- implementing process consists of five interrelated managerial tasks. First is forming a strategic vision of where the organization is headed. Second is setting objectives. Third is crafting a strategy to achieve the desired outcomes. Fourth is implementing and executing the chosen strategy efficiently and effectively. Fifth is evaluating performance and initiating corrective adjustments to vision, long term direction, objectives, strategy, or execution in light of actual experience, changing conditions, new ideas, and new opportunities.

The researcher established that though at nascent stages, strategic management practices were already making contribution to the organization. Structures of the organization were being changed to align with the new strategic direction. Resources were also noted to be channeled in line with the new strategic direction. This resonated with Mintzberg and Quinn (1991) who stated that a good strategy enhances outcomes through marshalling of resources, unique posturing, leverage of competences, and an awareness of environment and cognizance of intelligent opponents.

The understanding of strategic management process was highlighted as the process including scanning of the environment, formulation of strategic plans, implementation and control. This was in agreement with Wheelen and Hunger (2008) view. They

stated that strategic management process consists of four basic elements including environmental scanning, strategy formulation and implementation, strategy evaluation and control. Pearce and Robinson (1991) pointed out nine critical areas of strategic management process. These areas included formulating company's mission, develop company's profile, assessment of external environment, strategic analysis and choice, select long term objectives and grand strategies, develop annual objectives and short term strategies, implement strategic choices, control and evaluate.

Strategy formulation was established to be a process of defining the general direction of the organization. The process was said to involve development of organization vision, mission, strategic goals, outlining implementation process, setting of targets and budgeting. Pearce and Robinson (1991) defined strategy as a plan that sets out to put together an organization's major goals, policies and action sequences.

The findings established that though there were no formal tools for structured environmental scanning, the avenues used for informing strategy development included general discussions on emerging issues among leadership team as well as collections from literature review. Johnson and Scholes (1999) refer environmental scanning to strategic analysis involving understanding the strategic position of the organization in terms of its external environment, internal resources and competences, and the expectations and influence of stakeholders. It was found out that the structural changes within the organization were occasioned by environmental scanning thereby resulting into programs-based-strategies. These strategies involved crafting strategies that would ensure donors and other stakeholders easily identified with the general organizational strategic direction.

Stakeholders including government, donors, governance, management, staff as well as all players in the industry formed an integral part in the success of strategy formulation. This is in line with stakeholder theory. The theory identifies and models the groups which are stakeholders of a corporation (Freeman, 1984). The argument in this theory is that, there are other parties involved including employees, customers, suppliers, financiers, communities, governmental bodies, trade associations, trade unions and competitors, who benefit from or are harmed by and whose rights are violated or respected by corporate actions. In order to survive, organizations must acquire and maintain resources through interacting with other organizations. These interactions shape their activities and lead to different outcomes. In environments with large amounts of resources, the interdependence between organizations is minimized, while environments with more resource scarcity and greater uncertainty pose greater challenges between organizations (Pfeffer and Salancik, 1978).

Strategy implementation was found out to be actualizing strategy, turning around goals into action; it is about change management, vision casting to employees for implementation. It encompasses various critical components such as; work plans, policies, Strategy implementers, implementation plan, budget, implementation timelines, capacity development to employees and other stakeholders as well as evaluation systems. Johnson and Scholes (2004) points out that, although researchers have been unable to achieve a solid consensus on the degree to which strategic planning produces organizational benefits, it is painfully clear that a strategic plan that is not implemented will certainly fail to produce meaningful organizational results.

As per Mintzberg (2004) argument, good implementation of a strategic plan is dependent on the learning and development environment for employees who are the

true foot soldiers of implementation. The respondents made several recommendations to enhance future strategy implementation. To begin with they recommended signing off of the strategy document followed by production of briefs for sharing and internalization among staff and stakeholders. The strategy document should have an implementation plan with clear timelines stipulated. The strategy should be broken down into implementation process and be target based. The management should avoid introduction of so many conflicting items at ago. There should be inclusion of all in the implementation as opposed to the document being crafted entirely at regional office. There should be continuous monitoring and evaluation on strategy implementation. There should be room for re-strategizing.

Bryson (1995) stated that the strategic management process should be examined, its strength and weaknesses noted and modifications suggested for improvement of the next round of strategic planning. This observation emphasized the importance of strategy monitoring, evaluation and control. The findings established that strategy monitoring, evaluation and control was said to be continuous review and refocusing of strategy. It is a process of assessing strategy progress and determining corrective measures which entails planning for strategic review, development of monitoring and feedback schedules, holding forums with the implementing team, determining critical evidences or indicators, consolidation of opinions from the progress, making recommendations for strategy improvement and ensuring there is inclusion of monitoring and evaluation experts at strategy formulation stage so as to provide independent view. There should be clear monitoring and evaluation tools.

The component of strategy monitoring and evaluation was not factored in the strategy document under development. This is a critical element that ought to be included in strategy development. It determines the frequency at which monitoring, evaluation

and control should be undertaken. Due to the importance of this component, Johnson and Scholes (2002) indicated that, if a shortcoming is discovered against mentioned outlined expected results, then the strategy can be modified or reformulated.

The factors influencing formulation and implementation of strategy were categorized into two; external and internal factors. The external factors included strong donors influence, natural calamities, government legislations and competition in the industry. Internal factors included limited resources leading to overdependence on stakeholders to implement the strategy, planning paralysis at formulation stage, lack of clear strategy roll out plans, lack of political will and lack of clear understanding of strategic direction among staff.

Respondent continued to point out that rolling out of some sections of strategy had created conflicts with stakeholders. Strategy formulation kept on being overtaken by other competing agendas. There was lack of control systems and other related conceptualization challenges. These rhymed with Wheelen and Hunger (1995) who categorized factors into societal environment and task environment. The societal environmental factors (economic, technological, political-legal, and societal) included forces that do not directly touch on the short-run activities of the organization but that can, and often do, influence its long-run decisions. The task environmental, also referred to as industry factors including the elements or groups that directly affect the corporation and, in turn, are affected by it. These groups include governments, local communities, special-interest groups, and trade associations.

Donors conflicting demands were singled out as a major source of influence in the strategy development process. This resource dependence was highlighted to be the main reason why no formal strategy document had been formulated in the last one

decade. According to Pfeffer and Salancik (1978), dependence is defined as the importance of a given resource to the organization and the extent to which the resource is controlled by a relatively small number of organizations. Dependence, then, is a measure of the extent that another organization is perceived to be important and is taken into consideration during decision making.

It was established that FCI could not craft strategy accommodating interests of all donors. The scenario where donors are scared away by organizations with strategic plans was manifest through the delayed strategic planning process. Donors prefer NGOs which operate without formal strategic plans so that they can manipulate them and propagate their funding agendas. This was said to take place in total disregard of any strategic directions of the implementing organizations. The agendas pursued by the said donors were mostly short-lived; with majority not exceeding 3 years.

Pfeffer and Salancik (1978) contended that, organizations are interdependent with other organizations with which they exchange monetary or physical resources, information, or social legitimacy. These asymmetrical relationships often bring organizations up against conflicting demands, where satisfying one group's demands may come at the expense of another. Oliver (1991) pointed out that the lower the degree of social legitimacy that an organization perceives to be attainable by conforming to external pressures, the more likely an organization is to be able to resist other institutional pressures.

The strategy implementation period could only be subjected to these short and spontaneous periods thereby causing a lot of uncertainty in the organization. Rules and regulation from donor community ends up affecting both design and implementation of strategy. Freeman (1984) suggested that the stakeholder theory

identifies and models the groups which are stakeholders of a corporation. The theory contends that there are other parties involved including employees, customers, suppliers, financiers, communities, governmental bodies, trade associations, trade unions and competitors, who benefit from or are harmed by and whose rights are violated or respected by corporate actions.

4.5.2. Comparison with Other Studies

The main objective of the study was to establish the strategic management practices at Farm Concern International. From the findings, it was established that from inception there existed informal strategic management practices prompted mainly by implementation of strategic plans of the funding organizations. This continued until 2011 when the organization embarked on formal strategic planning.

Strategic management practices were largely considered to be processes for guiding the organization into the future. The practices were said to involve setting goals and coming up with long term decisions that drive or affect organization in terms of growth and that are measured within specified period of time. It was pointed out that, strategic management practices would involve planning for how organization implements vision and mission through designing of business strategies, implementation and review. Kibang'a (2013) in his findings underscored the fact that, the clarity of a vision and a mission statement drives the entire organization towards a common goal of triumph.

Contribution from the practice of strategic management to the organization could not be identified immediately. The benefits thereof could not be quantified easily by respondents. This reflected same findings as Shamala (2013). She found out that projects under Compassion International had not fully embraced the process of

strategic management and that more required to be done for the process to be of help to the projects. She highlighted that strategic management practices required deliberate emphasis by the leadership team of the organization.

It was noted that there lacked formal tools for structured environmental scanning. The avenues used to inform strategy development included general discussions on emerging issues among the leadership team as well as literature review. The findings from such deliberations were not included in the strategy document hence making it difficult to assess the criterion used to craft strategies. To enhance this component the organization could consider and bench mark the practices from the leading companies such as Safaricom. A leaf could be borrowed from Muema (2013) findings at Safaricom. He found out that one of the reasons for organizational success was deliberate investment on research. Safaricom researches on best practices by benchmarking with Vodafone among other major telecommunications providers. Some critical departments in the organization such as marketing, technical, products and services, strategy and innovations were found to have a sub-department of research and development (R & D).

It was established that strategy monitoring, evaluation and control component was not factored in the current strategy document. It should however be noted that the development of monitoring and evaluation strategies should be means to an end and not end in itself. The tools for monitoring and evaluating strategy progress should not cause rigidity in the organization as per Wallace et al (2006) study findings. They found that those multilateral and large governmental agencies in the UK tended to be the more rigid, limiting, and driven by rational monitoring and evaluation tools compared to medium-sized donors and small foundations.

Strategy implementation was established to be the ability of the organization to actualize its strategic plan; turning around goals into action. It entailed change management coupled with vision casting to employees for implementation. Strategy implementation would include critical components such as strategy implementation plans, strategy implementers, budgets, implementation timelines, capacity development to employees and other stakeholders and evaluation systems. Though the respondents demonstrated understanding of the subject matter, it was noted that since inception of the organization, no formal strategy implementation had been recorded. This resonated with Opiayo (2009) findings that, strategy implementation was much more difficult than formulating strategic plans. This was because during the implementation, a number of factors (including human factors) have to be dealt with and may not be easy to predict or control.

In order to enhance future strategy implementation respondents made several recommendations. They indicated the first step to strategy implementation should be ensuring there is signing off of organizational strategy document. The document should then be summarized into briefs that are then shared for internalization and understanding among staff and stakeholders. The strategy should be broken down into implementation process with clear milestone pointers. Strategy should be target based. The management should avoid introducing so many conflicting items at a go. There should be inclusion of all in the implementation planning as opposed to the document being crafted entirely at regional office. There should be continuous monitoring and evaluation of strategy implementation that allows for re-strategizing and enhancing competitive advantage. There should be funds independence within the organization. This would ensure implementation of strategy goes with minimal changes as a result of delineating from donor conflicting demands. These opinions were summarized by

Opiayo (2009) findings. He contended that unless the challenges of implementing strategic plans are properly conceptualized, and their impact fully analyzed and understood, it is possible that strategic thinking in noncommercial state corporations would be hampered.

Just as the way it is a critical component in all project proposal documents, strategy monitoring, evaluation and control should be equally a critical inclusion in the strategy development. The danger of lack of this component was highlighted by Opiayo (2009) who found that it causes dire consequences. He found out that non-commercial state corporations that take an inordinately long period of time to hold formal strategic planning are likely to drift away from the strategy with time. On the other hand, if significant changes in the environment occur, they may find themselves implementing a strategic plan whose usefulness is questionable.

The respondents made several recommendations for enhanced strategy development. There should be ownership of the document. Change management strategy is critical and should be factored in the dissemination of strategic direction. This will ensure that the direction is not curtailed by the organization's culture and other internal factors. The 2014-2024 strategy documents should be urgently disseminated to the entire FCI fraternity. Political will should remain stronger to the new shift. There should be strategy implementation plan including modalities of strategic direction sharing such as producing brief versions of the strategic plans for dissemination among stakeholders. The monitoring and evaluation of strategy should be clearly stipulated in the document.

These recommendations resonated with Karen (2010) findings. She found that similar to their counterparts in the developed world, development and advocacy

organizations in the developing world are embedded in an organizational environment in which they must maintain legitimacy and resources and either adapt to or negotiate a variety of pressures and norms. These organizations are upwardly accountable to donors and downwardly accountable to beneficiaries, although conditions on funding often focus accountability upwards.

The factors influencing strategy development were categorized into two; external and internal factors. The external factors included donors influence, natural calamities, government legislation and competition in the industry. Internal factors included planning paralysis at formulation stage, roll out of strategy was found to be taking too long to actualize, limited resources hence over dependence on stakeholders to implement the strategy, lack of political will and lack of clear understanding of strategy among staff. These concurred with Mutisya (2013) findings that there are challenges emanating from both within the organization and also from outside. Those challenges emanating from without the organization impacted more seriously on strategy implementation.

Donors conflicting demands were established to be the main reasons why no formal strategy document had been formulated in the last one decade. This resonated with Shamala (2013) findings that organizational policies are hindrances to strategic management processes as most organizations that are donor funded must please the donors. Gichira (2009) found out in his study that organizations have no authority on what to do since they must adhere to donor demands. Rules and regulation from donor community resultantly affect both design and implementation of strategy.

Respondents recommended that in strategy development for the donor dependent organizations, management must ensure donors are in agreement with strategic

directions by ensuring that they are involved in the strategy development process as much as possible. Conversely the strategy document should be as compelling and convincing to majority of stakeholders as much as possible so as to marshal resources from other quarters other than being overly dependent on donor funding. The second option will ensure FCI detours from the trap most NGOs find themselves in. In that trap organizations are compelled to align their strategies to specific their donors' agenda. Mukanga (2011) indicated that sustainability strategies are found to help in resolving this challenge.

Respondents cited other challenges encountered during strategy development. Completion of strategy document was said to be being influenced by conflicting stakeholders' ideas. Some sections of donor community were not comfortable with some sections of strategy document. This led to disconnect in formulation and implementation of strategy. Rolling out of some sections of strategy resulted into conflicts with stakeholders. Severally strategy formulation process was overtaken by other competing agendas and conceptualization challenges. This is in line with Aosa (1992) findings on strategy implementation challenges in Kenyan context. He listed the challenges to include implementation taking more time than planned, uncontrollable environmental challenges, problems not identified in the planning, competing activities, unclear implementation tasks, insufficient resources and ineffective coordination of implementation activities.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

In this chapter summary of the findings from the study, the conclusions made from the research, the limitations of the study, recommendations as well as some suggestions for further study were made. This was as a result of careful consideration of the findings made in the research.

5.2. Summary

The study sought to establish strategic management practices at Farm Concern International. It was established that Farm Concern International is at the formulation stage of a 10 year; 2014-2024 strategic plan. The planning process was noted to have taken close to two years. Implementation of some aspects of strategy was noted to be ongoing an aspect that respondents felt to be leading to confusion among implementers.

It was established that though at nascent stages, strategic management practices were already making contribution to the organization. Structures of the organization were already being reorganized from projects to divisional and departmental focus so as to suit the new strategic direction. Resources were also noted to be mobilized and channeled in line with the new strategic direction.

Though there was general understanding of strategic management practices, the formulation and implementation of strategy as per strategic management process was noted to pose some challenges. For instance, a decade of FCI existence had passed with no formal strategy document within which the organization could map its

pathway. The formulation of the current strategy was noted to be taking too long in addition to lacking some critical components such as findings from environment scanning as well as strategy monitoring and evaluation plan.

Donors conflicting demands were singled out as the major source of influence in the strategy development. This factor was highlighted to be the main reason why no formal strategy document had been formulated in the last one decade. At nascent stage, FCI could not craft a single strategy accommodating interests of all donors. It was established that in the development world, donors are scared away by NGOs in the developing world with strategic plans. They run to NGOs which they can manipulate through the agendas of funding agencies. This was said to take place in total disregard of any strategic directions of the implementing organizations. The agendas pursued by the said donors were mostly short-lived; with majority not exceeding 3 years. The strategy formulation and implementation period are therefore subjected to these short and spontaneous periods thereby causing a lot of uncertainty in the organization.

Respondents recommended that the strategy development should be preoccupied by resource independence formulas and ploys that would move the organization from dependence syndrome. The strategy document therefore must be compelling and convincing to the eyes of stakeholders so as to marshal resources from a wider spectrum other than being overly dependent on donor funding. This would ensure FCI detours from traps that most NGOs find themselves in.

To enhance strategy development, respondents made a number of recommendations. It was recommended that for superior results, there should be ownership of the strategy document by major stakeholders. Change management strategy as a critical

component on strategic direction needed to be crafted. This will deal with organization culture, stakeholders' perceptions as well as political will. Various versions of strategy dissemination platforms needed to be designed including a brief version of the strategy document coupled with an all-inclusive development process so that the participants can understand the strategy from inception. The evaluation plan for the strategy should be clearly stipulated in the strategy document.

In order to enhance future strategy implementation it was recommended that the strategy be broken into implementation process. Strategy should be target based. Before strategy implementation, there should be signing-off of strategy document, production of briefs for sharing and internalization among staff and stakeholders and an implementation plan included with clear timelines stipulated and well understood by implementers. Management should avoid introduction of so many conflicting directional points. Strategy development process should ensure inclusion of all. Monitoring and evaluation of strategy implementation process should be continuous with provisions for recasting the strategy.

5.3. Conclusion

The study sought to establish strategic management practices at Farm Concern International. It was established that though at a slow pace, Farm Concern International was at the formulation stage of a 10 year; 2014-2024 strategic plans. Though at nascent stages, strategic management practices were found to be making contribution to the organization. Structures of the organization were already being reorganized to suit the new strategic direction. Resources were also noted to be mobilized and channeled in line with the new strategic direction.

Though there was general understanding of what strategic management practices, there is need to build the understanding of strategic management process among the strategy formulators and implementers. This will ensure the sequence and flow into strategy development is as systematic to include scanning of the environment, formulation of strategic plans, implementation and control.

The strategy document should be signed off before implementation, production of briefs for sharing and internalization among staff and stakeholders, implementation plan with clear timelines. In addition to emails, phone calls and occasional meetings held among the senior management team based at the regional office, there should be concerted efforts to have major stakeholders taken through the organizational strategic direction.

In order to ensure FCI detours from traps that most NGOs find themselves in, strategy development should be preoccupied by resource independence formulas and ploys that would move the organization from dependence syndrome. Alternatively, FCI should ensure major interested donors bought into the strategic direction by ensuring their involvement in the process as much as possible. The strategy document must be compelling and convincing to the eyes of stakeholders so as to marshal resources from a wider spectrum other than being overly dependent on donor funding.

Strategy monitoring, evaluation and control should be included in the strategy document. This very important component would ensure continuous review and recasting the game plan as well as assessment of strategy progress and determining corrective measures so as to ensure FCI sustains competitive advantage.

5.4. Implications on Policy, Theory and Practice

Strategic management is increasingly gaining momentum as the conduit within which most organizations are gaining competitive advantage. Profit making organizations do craft winning strategies. These strategies have led a number of them to sustainable competitive advantages in their industry. On the contrary, though still trying, non-governmental organizations are still lagging behind in crafting and implementing their independent strategic directions. Their strategic intentions and directions are still gagged by interests of the funding organizations. Legislators should craft policies that would compel donors and other developmental partners to partner and fund NGOs in accordance with their strategic directions. This will ensure plight and interest of Kenyan community is taken into consideration during crafting of such strategies.

The concept of strategy has continued to gain significant ground in many organizations. It was noted that, there are organizations such as FCI that run for as long as ten years without a formal strategic document. Despite unavailability of strategy document, the organization was noted to be rapidly gaining coverage area. These present researchers with further challenge of finding out whether there are other factors that would contribute to such growth in organizations and whether those factors are sustainable.

Though there was general understanding of what strategic management practice is among FCI staff, there is need to build the understanding of strategic management process among the strategy formulators and implementers. This will ensure the sequence and flow into strategy development is as systematic and as inclusive of the four main components including scanning of the environment, formulation of strategic plans, implementation and, monitoring, evaluation and control.

5.5. Limitations of the Study

The study was carried out within time and resources constraints. Adequate time was required to book and hold interviews with respondents. This was not possible as some of the respondents schedules could not fall within the research timelines. The researcher faced financial constraints. Funds were required to cover travelling, communication, stationery, research, internet and other incidental costs of the project.

For effective analysis of strategic management practice, there is need for at least a complete cycle of strategy development. This would ensure that all the four strategy development components of environment scanning, strategy formulation, strategy implementation, strategy monitoring, evaluation and control were adequately assessed. Since strategy development is still a green field at FCI, it was not possible to satisfactorily assess other practices beyond strategy formulation.

5.6. Suggestions for Further Research

Farm concern International is just about to roll out a ten year; 2014-2024 strategic plan. A repeat study on strategic management practices within the organization should be conducted after a few year of putting the strategy into implementation. This would ensure thorough analysis of the four major components of strategy development including environment scanning, strategy formulation, strategy implementation and strategy monitoring, evaluation and control.

It was noted there are organizations such as FCI that run for as long as ten years without a formal strategic document. Despite unavailability of strategy document, FCI was noted to be rapidly gaining coverage area. This presents researchers with reasons for further finding out whether there are other factors that would contribute to such growth in organizations and whether those factors are sustainable.

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APPENDICES

Appendix i: Interview Guide

This interview guide is designed to collect views on strategic management practices at farm concern international

PART A: RESPONDENT PROFILE

1. Name of the Division _____
2. Name of the department _____
3. For how long have you worked in the organization?
4. What is your specific role in the organization? _____
5. How long have you been in the current position? _____
6. Have you played a different role prior to current position within the organization?
7. If yes in 6 above, which position did you hold? _____

PART B: STRATEGIC MANAGEMENT PRACTICES

8. Kindly describe your understanding of strategic management practices?
9. According to your understanding what is the contribution of strategic management in the organization?
10. Would you describe the strategic management process?
11. Environmental Scanning Component;
 - a. Could you enlist tools used to conduct environmental scanning for the organization?
 - b. How is the synthesis of information gathered from environmental analysis like?

- c. How are the recommendations from environmental scanning utilized in strategy development?

Strategy formulation component;

- d. Could you describe what strategy formulation entails?
- e. Could you list the major components that are put into consideration during strategy formulation?
- f. Could you list factors that do influence strategy formulation in your organization?
- g. Through stepwise approach, could you describe the process of strategy formulation?
- h. How long does it take to formulate the strategic plan?
- i. Please describe how documentation and dissemination of strategic plan is done across the organization
- j. Since inception of the organization, how many strategic planning cycles have been completed and plan documents signed off?
- k. Are there any recommendations you could make to enhance strategy formulation process?
- l. Could you share some of the challenges faced during strategy formulation.

Strategy implementation Section

- m. Could you describe what strategy implementation entails?
- n. Could you list some critical components to consider for strategy implementation?
- o. Specifically what factors affect implementation of strategy action plans?
- p. In your assessment do stakeholders have any role in strategy implementation?

- q. Could you share some of the challenges encountered during strategy implementation?
- r. In order to enhance future implementation what recommendations would you put across for consideration during strategy implementation process?

Strategy evaluation and control Section

- s. In your own assessment, do you think there is monitoring, evaluation and control of the implementation of strategy?
- t. Could you describe the process of strategy monitoring, evaluation and control?
- u. How often is the strategy monitored, evaluated and controlled?
- v. Please describe how utilization of information gathered is done to inform future planning processes?
- w. Are there any key performance indicators utilized to track the success of the strategic initiatives?

Appendix ii: Letter of Introduction



UNIVERSITY OF NAIROBI
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MBA PROGRAMME

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P.O. Box 30197
Nairobi, Kenya

DATE 7th August, 2014.

TO WHOM IT MAY CONCERN

The bearer of this letter EBENEZER THUMI GITHUTHA

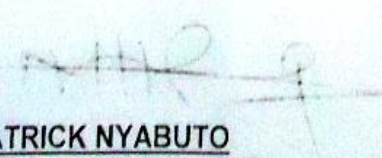
Registration No. D61/62993/2011

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

