

**DETERMINANTS OF STRATEGIC PLANNING IN
ORGANIZATIONS WORKING IN TURBULENT
ENVIRONMENT: A CASE STUDY OF KENYA RED
CROSS SOCIETY (KRCS)**

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the Degree of Master of Business Administration (MBA), School of Business,
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DECLARATION

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

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

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DEDICATION

This project is dedicated to my family, starting with my lovely husband Orodi Odhiambo, our children Ayannah and Zoenta for their relentless understanding and love throughout my MBA course. Despite so many challenges especially being away from home my husband was behind me with words of encouragement and overwhelming support. To my parents Mr. and Mrs. Oyoo thank you for the words of wisdom and push for tenacity ring in my ears. I also dedicate it to my sisters Jescah and Jellen, my brothers Humphrey and Tony and my close friend Jeanne-Juliet who have supported me throughout the process and have never left my side.

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Table of Contents

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENTS	iv
ABSTRACT	viii
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study.....	1
1.1.1 The Concept of Strategy.....	2
1.1.2 Strategic Planning.....	3
1.1.3 Determinants of Strategic Planning.....	4
1.1.4 Strategic Planning in Turbulent Environment.....	6
1.1.5 Kenya Red Cross Society (KRCS).....	7
1.2 Research Problem.....	8
1.3 Research Objective.....	11
1.4 Value of the Study.....	11
CHAPTER TWO: LITERATURE REVIEW	13
2.1 Introduction	13
2.2 Theoretical Foundation	13
2.3 Strategic Planning	14
2.4 Determinants of Strategic Planning.....	15
2.4.1 Strategic Planning and Socio-Cultural Climate.....	15
2.4.2 Strategic Planning and Organization Resources.....	16
2.4.3 Leadership Commitment	18
2.5 Strategic Planning in Turbulent Environment.....	18
CHAPTER THREE: RESEARCH METHODOLOGY	21
3.1 Introduction	21
3.2 Research Design.....	21
3.3 Data Collection.....	21
3.4 Data Analysis	22

CHAPTER FOUR:DATA ANALYSIS, FINDINDS AND DISCUSSION	23
4.1 Introduction	23
4.2 Response Rate	23
4.3 Demographic Information	24
4.4 KRSC Core Business	24
4.4.1 Disaster Management	24
4.4.2 Health and Social Services	24
4.4.3 Water and Sanitation	25
4.4.4 Regional Capacity Development	25
4.4.5 Supply Chain	25
4.4.6 Finance and Administration.....	25
4.5 Planning Cycle	25
4.6 The Planning Process	25
4.6.1 Planning Guidelines.....	25
4.6.2 Drafting Strategic Plan	26
4.6.3 Discussing the Plan.....	26
4.6.4 Revision of the Plan.....	26
4.6.5 National Executive Council Approval.....	27
4.6.6 Performance Targets.....	27
4.6.7 Performance Appraisal	27
4.7 The Kenya Red Cross Society Planners	27
4.8 The Role and organization of Strategic Planning Staff.....	28
4.9 The Role of Strategic Planning	29
4.9.1 Strategic Planning as a Context for Decision-Making	29
4.9.2 Strategic Plan as a Communication and Knowledge Tool	30
4.9.3 Strategic Plan as Mechanism for Coordination	30
4.9.4 Strategic Plan as a Mechanism for Hierarchical Control in Organizations	31
4.10 Challenges of Implementing Strategic Planning in KRSC	31
4.10.1 Challenge of Sustaining Long-Term Goals	31
4.10.2 Challenge of Insufficient Use of Expertise.....	32
4.10.3 Challenge of Strategic Innovation	32

4.11 Determinants of Strategic Planning in KRCS	33
4.11.1 Trend and Past Events	33
4.11.2 Resources Available	33
4.11.3 Leadership Commitment	34
4.11.4 Socio-Cultural Climate	35
4.12 Discussion	36
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS ..	39
5.1 Introduction	39
5.2 Summary of the Findings	39
5.3 Conclusion.....	41
5.4 Recommendations	43
5.5 Managerial Implications.....	43
5.6 Limitation of the Study	44
5.7 Areas Suggested for Further Research	45
REFERENCES.....	46
APPENDICES	49
APPENDIX I: Interview Guide of Determinants of Strategic Planning.....	49

ABSTRACT

The long-running debate between the 'rational design ' and 'emergent process ' schools of strategy formation has involved caricatures of firms ' strategic planning processes, but little empirical evidence of whether and how organizations plan. Despite the presumption that environmental turbulence renders conventional strategic planning all but impossible, the evidence from the corporate sector suggests that reports of the demise of strategic planning are greatly exaggerated. The goal of this paper is to fill this empirical gap by describing the characteristics and the determinants of the strategic planning systems of organizations faced with volatile, unpredictable business environments. In-depth a case study of the determinants of strategic planning systems of Kenya Red Cross Society identified fundamental changes in the nature and role of strategic planning. The findings point to a possible reconciliation of 'design ' and 'process ' approaches to strategy formulation. The study pointed to a process of planned emergence in which strategic planning systems provided a mechanism for coordinating decentralized strategy formulation within a structure of demanding performance targets and clear corporate guidelines. The study shows that these planning systems fostered adaptation and responsiveness, but showed limited innovation and analytical sophistication. The study also found that the some of the determinants of strategic planning include the leadership commitment, social-cultural climate, trends and past events and availability of resources. Keywords: determinants of strategic planning, turbulent environments and Kenya Red Cross Society.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

All businesses operate within a given environment which can be described as a set of forces surrounding an organization that have the potential to affect the way it operates and its access to resources (Grant, 2003). The business environment is changing faster than ever before with such change occurring in two major dimensions, complexity and turbulence. Complexity is defined as the measure of heterogeneity or diversity in environmental, sub-factors such as customers, suppliers, socio-politics and technology. As complexity increases, the ability to understand and use information to plan and predict becomes more difficult. As the system becomes more complex, making sense of it becomes more difficult and adaptation to the changing environment becomes more problematic (Perrott, (2008). Turbulence is defined as dynamism in the environment, involving rapid, unexpected change in the environmental sub-dimensions. A stable environment changes little, but when it does, the change is predictable. In turbulent environments, there are many unexpected changes. Since, organizations are environment dependent and environment serving, organization managers must anticipate, recognize and deal with the environment and initiate fundamental changes in their operational model within a very short period of time (Elbanna, 2009).

To some extent, the turbulent environment is controllable and manageable through strategic planning processes (Perrott, 2008). Strategic planning in a complex, turbulent environment is different when approached from a complexity and chaotic viewpoint. It involves establishing and maintaining high levels of awareness and flexibility within the

organization; being prepared to manage operational crisis; and focusing on innovations. Some humanitarian organizations such as Kenya Red Cross Society operate in environments that are chaotic, fragmented and unpredictable. The organization is frequently exposed to new, unforeseeable or unexpected challenges and opportunities on which they have to react quickly. Hence Strategic planning in Kenya Red Cross Society is characterized by active engagement in processes that identify change and modify operational activities so as to take best advantage of environmental turbulence; analyze and learn from the environments, establish strategic direction and create strategies that are intended to move the organization in a positive direction.

1.1.1 The Concept of Strategy

Strategy is a pattern or a plan which integrates goals, policies and operational activities of an organization as a whole (Elbanna, 2008). It considers unified allocation and direction of resources, on the basis of capabilities, relative inner shortcomings of organization and environmental context (Aldehayyat & Anchor, 2008) Strategy refers to all decisions related to business objectives and the courses of actions taken to achieve them (Kald, Nilsson & Rapp, 2000). Strategy consists of corporate decisions which clarify and determine vision, mission, and objectives and define policies and basic plans for achieving those goals.

It further defines scope of company's activities specifying the economic and human type the organization aspires to. Strategy, according to Johnson and Scholes (2002) is the pattern or plan that integrates an organization's goals and objectives with policies,

programs, and actions into a cohesive whole. Bryson (2004) stated that a well-formulated strategy is one that not just takes into account the organization's internal competencies but also the shortcomings and the anticipated changes in the environment.

1.1.2 Strategic Planning

Mintzberg, Lampel, Quinn and Goshal (2003) define planning as a formalized procedure intended to produce an articulated result in the form of integrated system of decisions. Strategic planning can be described as the process of identifying choosing and implementing activities that will enhance the long term performance of an organization by setting direction and by creating an ongoing compatibility between the internal skills and resources of an organization and the changing environment (Viljoen, 1994). The aim of strategic planning is to produce strategies that will enable the organization to reach its desired destination (Miller & Cardinal, 2001).

There are two key components of strategic planning. These are the destination the organization intends to reach and the most appropriate paths and methods to get to that destination (Mintzberg, et al, 2003). Therefore, strategic planning processes consider an organization's current environment and abilities (the present situation) and how it would like to grow or evolve overtime (the desired future), its aspirations as an organization (what it will strive to do) and its intentions for moving forward (how it will move forward) (Al-Shaikh, 2001).

Strategic planning is not only an important foundation for executing work; it also sets the stage for enterprise architecture, process improvement, risk management, portfolio management, and any other enterprise-wide initiatives (Kald, et al, 2000). Organizations engaging in strategic planning deal effectively with rapidly changing circumstances and respond wisely to increasing or decreasing demands, in other words, become well managed. Strategic planning enhance organization value chains (relationship between inputs, processes and outputs of an organization's products and services) by creating value (output), at a reasonable cost (Bryson, 2004).

1.1.3 Determinants of Strategic Planning

Strategic planning process in organizations requires taking into consideration the contextual elements that constitute the environment (Drago, 1996). Other important determinants include communication of organizations' strategic plan which is vital to its successful implementation, as it is the basis for linking strategy to operational planning and individual objectives (Robbins, 2001). Continuing to communicate with multiple constituencies as the plan is implemented, to share updates on progress, roadblocks and changes to the plan, helps to keep the plan alive. Without communication, organizational priorities are unclear and conflicts may arise (Bryson, 2004). The socio-cultural climate represents the attitudes, values, norms, beliefs, behavior's and associated demographic characteristics of the population within which the organisation operates. Organisations need to be aware of these differences as well as changing trends in order to make the strategic plans responsive (Schien, 1997). Organizational structure can facilitate or inhibit the strategic planning. Appropriately designed structure is required to facilitate strategic

planning process. Strategic leadership is seen as a key element in effective strategic management, and for the strategic planning to be effective, there must be commitment and involvement from top management (Elbanna, 2008). Leadership characteristics (including power/control, creativity, and people dependence) have a strong association with planning processes and planning intensity; and are even considered to be strong predictors of strategic planning success (Drago & Clements, 1999).

Barney (2001) interpreted resources as being financial capital, physical, organizational and human resources the availability of resources and organizational capabilities are prerequisite to formulating strategic plans. The success of strategic planning process is deemed to be rooted in identifying and utilizing specific resources in order to gain successful implementation. Organisations should combine and utilise resources and at the same time build capabilities from these resources over time. A Strategic plan process that does not have the needed resources to support it will not succeed (Elbanna, 2009).

Strategic planning capitalizes on technology as the technology that the firm possesses, or the firm's current commitment to technological development, affects strategic planning (Hamel & Prahalad, 1990). Aligning strategic planning to performance measurement facilitate and support the implementation of strategy. The benefits of strategic planning - aligned performance measurement include: informing the organisation about strategic direction and communicating strategic priorities, monitoring and tracking the implementation of strategy, aligning short-term actions with long-term strategies,

rendering both goals and means visible, making clear the links between performance of individuals and sub-units (Gelfand, Erez, & Aycan, 2007).

1.1.4 Strategic Planning in Turbulent Environment

A turbulent environment is where the accelerating rate, complexity of interactive and the compounding consequences of change exceed the organizations capacities for prediction. Indeed, the environment in which humanitarian and other organization operates has become more complex, more rapidly changing, and more demanding (Bryson, 2004). Several developments in the external environment have influenced the development of strategic thinking and strategy making (Drago, 1996). As the external environment became more turbulent and competitive, strategic planning becomes more essential to managing organizational resources, in fact, it becomes risky to rely on past performance to predict or deal with the future. Managers are forced to think for the long term and consider long-range planning, which moved the focus to organizational capabilities and environmental analysis (Perrott, 2011).

A general premise of organization theory is that for organizations to be effective, they must adapt to their environment (Robbins, 1990). In the strategic management literature it is widely accepted that organizations must achieve an appropriate fit with their environment. Kukalis (1991) supports this view by stating that strategic planning has been viewed as a means of achieving rational change in an organization to maintain continuing fit with its environment.

1.1.5 Kenya Red Cross Society (KRCS)

The Kenya Red Cross Society (KRCS) was established on 21st December 1965 by an Act of Parliament, Cap 256 of the Laws of Kenya. It is a member of the International Federation of the Red Cross and Red Crescent Societies and is recognized by the International Committee of the Red Cross. Its constitution is based on the Geneva Conventions of 1949, the Additional Protocols of 1977 and the fundamental principles of the movement, namely humanity, impartiality independence, voluntary service, unity, universality and neutrality. KRCS is managed through committees, and one of them is The National Youth Committee (NYC) consisting of one representative from each of the 8 Regions and 3 officials. NYC has elected officials and volunteer workers who receive no pay and reach out beyond the confines of their normal responsibilities, to freely and willingly carry out relevant tasks of the KRCS with the ultimate aim of achieving the stipulated objectives of the National Society (KRCS, 2010).

The Kenya Red Cross has divided its humanitarian mission into three core products that are reflected in its organizational structure: Disaster preparedness and response caters for disaster preparedness, disaster response, tracing services and logistics; health and social services. This includes first aid, blood donor, , water and sanitation, disease prevention and control and social services; organizational development which includes youth, branch development and the lake Victoria programme. The KRC has developed and is implementing a five year Strategic Plan 2010-2015 in which a decentralization process was outlined that envisages the setting up of nine Regional Centres in strategic locations countrywide. The process has also ensured that branches take a leading role in project

implementation. Branches are also required to mobilize their own resources and work towards being self-sustaining. The Kenya Red Cross has developed a Communication Policy to improve the effectiveness of its communication strategy (KRCS, 2010).

In 2005, Kenya Red Cross received the internationally recognized SGS Certification, the highest achievement of excellence for a Non-Governmental Organization (NGO). This certification placed the organization on a par with the best in world at providing world-class services through transparency, accountability, integrity, good governance, leadership and management (KRCS, 2010).

1.2 Research Problem

Strategic planning enable organizations to analyze and learn from their environments establish strategic direction, create strategies that are intended to move the organization in a given direction; implementing those strategies in an effort to satisfy various stakeholders. However, as environmental turbulence increases, strategic issues emerge more frequently that challenge the way an organization formulates and implements its strategic plans (Perrott, 2011). With increasing environmental volatility, the ability to accurately forecast changes diminishes. This requires organizations to have new sets of tools, perspectives and factors such as communication, skilled and empowered staff, core competencies and organization culture among others that facilitate an organization to effectively undertake its strategic planning (Drago, 1996).

Factors that determine strategic planning include human resource skills, communication, and organization culture and organization core competencies. However these factors vary depending on the nature of the environment in which the organization is operating. Indeed, Bonn (2001) argues that strategic planning varies with the environment, with turbulent environments calling for more information to enable match the organisation's strategy with environment. Purcell and Boxal (2003) argue that the human capital is the most important asset that an organization has and cannot be replicated. It is therefore prudent that organizations have the right staff in the right places doing the right jobs. This requires the organisation to continuously train their staff in order to enable them to harness the environment in which they operate. Core competencies are central to a company's ability to operate efficiently and cost effectively and are usually the result of important skills and lessons a business has learned over time. For strategic planning to succeed, organizational leaders need employees who are engaged and connected to their jobs, applying that extra effort to willingly implement strategic planning (Elbanna, 2008). Strategic planning is inherently change-oriented and requires managers to establish goals that call for modifications in the practices carried out in the organisation based on organization culture.

The operations of Kenya Red Cross occur in a turbulent environment characterized by conflict, calamities such as fire destruction, accidents, fire destruction, and wars among other and in which the organization is required to meet the demands and needs of numerous constituents including donors, government and local communities. The increasingly turbulent environment in which the Kenya Red Cross society is operating

has substantially changed its strategic planning from the highly formalized processes, shortening of the planning horizons, facilitated decentralization of strategic decision-making from corporate to operational level. On the negative side increased turbulence of the environment has made strategic planning more difficult as rapid change requires strategies that are flexible and creative. In addition most of the strategic planning initiatives generate only lukewarm results and many of them fail miserably as it results into strategic decision-making processes that are unpredictable, uncontrolled, inefficient, proactive, continuous, and diverse (KRCS, 2014).

Most studies were conducted in companies which were in less turbulent environment and therefore their findings may not apply to turbulent environment such as KRCS is operating. For instance, Bichanga and Masika (2014) study focused on the factors affecting monitoring of strategic plan at Kenya Seed Company plan. The study concluded that leadership; organizational structure, communication and organization's human resource contribute towards monitoring and implementation of the strategic plan. The study target population subsists in stable environment hence turbulence of the environment was not factored in the study. Kibachia. Iravo and Luvanda (2014) study sought to determine the challenges faced by the Kenya Bureau of Standard in its efforts to implement its strategic plans. Specifically, the study tried to find out how organization structure, leadership style, top management, funds, staff involvement and organizational change affect implementation of strategic plans in the Organization. The study established that strategic planning process has been faced with various risk factors including inadequacy of funds and less involvement of staff in the whole process of

strategic planning. Sije and Ochieng' (2013) in their study examined strategic planning and formulation in public secondary schools, in Homa – Bay County. The study established that there is strong relationship that exists between strategic planning and its formulation. However the study did not focus on the implication of the environment on strategic planning. In their study on strategic planning in turbulent environment Kiliko, Atandi and Awino (2012) established that strategic planning, in the volatile business environment, remains a challenge to most organizations. However in reaching this findings the study analyzed and discussed theories and empirical findings advanced by various researchers and the conceptual framework of strategic planning but did not undertake an empirical study. Hence this research study seeks to fill this research gap by examining the determinants of strategic planning in organizations working in turbulent environment. The study will seek to answer, what are the determinants of strategic planning by the Kenya Red Cross Society.

1.3 Research Objective

To establish determinants of strategic planning by the Kenya Red Cross Society (KRCS).

1.4 Value of the Study

In practice the study will be significant to Kenya Red Cross as they will be able to understand the determinants of strategic planning in their organizations in relation to their turbulent working environment and take necessary steps to address the negative factors while enhancing the positive ones so as to promote the practice of strategic planning. By identifying the determinants of strategic planning management of will be able to break

down these determinants in order to gain increased insight into these factors, thereby encouraging more widespread use of strategic planning in humanitarian organizations.

The management of other humanitarian organizations will use the findings of the study to check the weaknesses in their current strategic planning process and use the information to enhance the planning processes in their organizations. They will also be able to appreciate the importance of aligning the strategic planning process to the turbulent environment in which most of them operate.

The study will be useful to regulatory bodies and government policymakers as they will be able to assess the effectiveness of strategic planning within the humanitarian sector and use the findings as a basis for future developments in the sector .They will be able to particularly take cognizance of the turbulent environment in which the humanitarian organizations operate and the importance of aligning their regulatory activities to this environment.

In theory this study will thus make special contribution to the existing knowledge and provide the background information to research organizations, individual researchers and scholars who will want to carry out further research in this area to identify gaps in the current research.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

In this chapter, literature, which is related to and consistent with the objectives of this study, is reviewed. Important theoretical and practical problems are brought out by relevant literature on the aspects pertaining to the determinants of strategic planning in organizations.

2.2 Theoretical Foundation

This study will be guided by contingency theory. Contingency theory is a class of behavioral theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. An organizational/ leadership/decision making style that is effective in some situations, may be not successful in other situations. The theory holds that there is no universal way or one best way to manage an organization. The design of an organization and its subsystems must 'fit' with the environment. Effective organizations not only have a proper 'fit' with the environment, but also between its subsystems. The needs of an organization are better satisfied when it is properly designed and the management style is appropriate both to the tasks undertaken and the nature of the work group. In the contingency theory of leadership, the success of the leader is a function of various factors in the form of subordinate, task, and/or group variables. The effectiveness of a given pattern of leader behavior is contingent upon the demands imposed by the situation. These theories stress using different styles of leadership appropriate to the needs created by different organizational situations.

Contingency theory of decision-making propounded by Vroom and Yetton's holds that the effectiveness of a decision procedure depends upon a number of aspects of the situation. These aspects includes the importance of the decision quality and acceptance; the amount of relevant information possessed by the leader and subordinates; the likelihood that subordinates will accept an autocratic decision, or the likelihood that subordinates will cooperate to make a good decision if they may participate. Finally, the amount of disagreement among subordinates with respect to their alternatives.

2.3 Strategic Planning

Strategic planning can be described as the process of identifying choosing and implementing activities that will enhance the long term performance of an organization by setting directions and by creating an ongoing compatibility between the internal skills and resources of an organization and the changing environment. Viljoen (1994) describes strategic planning as the process of identifying choosing and implementing activities that will enhance the long term performance of an organization by setting directions and by creating an ongoing compatibility between the internal skills and resources of an organization and the changing external environment in which it operates. Johnson and Scholes (1993) have quite a similar definition of strategic planning as Viljoen, they emphasize the direction and compatibility of an organisation with its environment. To them, strategy is „the direction and the scope of an organization over the long term, which matches its resources to its changing environment.

There are a number of benefits that are likely to arise from the use of strategic planning. These are: promoting strategic thinking, acting, and learning: Van der Heijden (1996) states that dialogues and strategic conversations are initiated between main players once involved in strategic planning which are central features of improving the organisation and increasing its effectiveness (Barry, 1997). With the use of strategic planning, organisations can better manage the relationship with other entities within the system (Kettle, 2002). Strategic planning enhance organization value chains (relationship between inputs, processes and outputs of an organization's products and services) by creating value (output), at a reasonable cost (Bryson,2004).

Strategic planning stimulates strategic thinking for organizations to make better use of their resources; assigns responsibility and schedules work; coordinates and unifies efforts; facilitates control and evaluation of organizational activities (accountability). It also helps to create awareness of obstacles to overcome; identifies opportunities and threats; avoids the trap of linear thinking and facilitates progressive advancement of the organizational goals. Strategic planning, leads to improved communication, facilitates effective decision-making, better selection of tactical options and leads to a higher probability of achieving the owners' or stakeholders' goals and objectives.

2.4 Determinants of Strategic Planning

2.4.1 Strategic Planning and Socio-Cultural Climate

The socio-cultural climate represents the attitudes, values, norms, beliefs, behaviours and associated demographic characteristics of the population within which the organisation operates (Bartol et al. 2001). Another aspect of socio cultural climate is the ambiguity of

stakeholder's expectations. This makes clarity of stakeholder's requirements unclear. For many public sector organizations, the planning process is faced with constraints relating to understanding external stakeholders' requirements. Therefore, public organizations' are likely to pursue a mix of strategies to satisfy various stakeholders' expectations (Boyne, 2003).

Gelfand, Erez, and Aycan (2007) observe that strategic planning is inherently change-oriented and requires managers to establish goals that call for modifications in the practices carried out in the organization based on organization culture. The culture within the organization is a very important factor in business success. Organization culture can be described as a shared beliefs and assumptions. Schien (1997) acknowledged that these beliefs and assumptions are learned unconsciously through group experience and they define, in a basic fashion, an organization's view of itself and its environment. Organizational culture facilitates agility; promotes alliances; encourages knowledge management; fosters corporate responsibility and moral integrity; and embraces diversity. Organization culture is beneficial to all organizations' because it fosters motivation, commitment, identity, solidarity, and sameness, which in turn facilitated internal integration and coordination.

2.4.2 Strategic Planning and Organization Resources

The availability of resources and organizational capabilities are pre-requisite to formulating strategies and plans. With regard to the resource-based view (Barney, 2001), the success of organizational change is deemed to be rooted in identifying and utilizing

specific resources in order to gain successful implementation. In examining the consequences of the fundamental rationale of the resource-based view for research into organizational change, one can see that organizations must first possess or control specific resources. Then organizations should combine and utilize these resources. Finally, organizations have to build capabilities from these resources over time. Barney (2001) interpreted resources as being financial capital, physical, organizational and human resources.

In turbulent environments, the knowledge, experience and capability of an organization's workforce is a determining factor of success. For this reason, organizations pay particular attention to the recruitment of staff and also to engage in the training of staff and volunteers to build the organization's capability (Hafsi, 2001). The capability of the management team and the leadership styles employed by managers will also have a major impact on the morale of staff and organization culture. More contemporary forms of management involve workers in decision making processes and trusting that, although managers and workers have different viewpoints, they largely benefit by working together to achieve the business objectives. The internal environment of the organization can be made richer or poorer by its assets. The availability of equipment is another asset that can significantly impact on the internal environment. Financial strength is a factor in its own right that influences the internal environment of the organization (Elbanna, 2009).

2.4.3 Leadership Commitment

Strategic leadership is seen as a key element in effective strategic management, and for the strategic planning to be effective, there must be commitment and involvement from the very top of the organization. Leaders focus their organization on a strategic direction, create an agenda for strategic change, keep an organization progressing towards the strategic vision, overcome resistance to change, facilitate resource requirements, and give managers and employees the power and authority they need to make decisions (Paul, 2004). Because of this essential role of leadership, lack of leadership commitment to the strategic planning process can be seen as a barrier to the planning process (Paul, 2004). Paul (2004) argues that leaders should participate in the appropriate design of strategic planning systems and see strategic planning systems as useful in helping them change things. In a study on the relationship between leadership characteristics and each of the planning processes and planning intensity, results showed that leadership characteristics (including power/control, creativity, and people dependence) have a strong association with planning processes and planning intensity; and even were considered to be strong predictors of strategic planning success (Drago & Clements, 1999).

2.5 Strategic Planning in Turbulent Environment

Strategic planning has been viewed as a means of achieving rational change in an organization to maintain continuing fit with its environment. As environmental turbulence increases, strategic issues emerge more frequently that challenge the way an organization formulates and implements its strategic planning. Turbulence also brings into question the responsibilities, balance of power, and decision-making priorities

between those who manage and those who govern (Perrott, 2011). With increasing environmental volatility, the ability to accurately forecast changes diminishes. It becomes more difficult to pre-determine the appropriate strategies for an organization to achieve its objectives. In an environment of high volatility, use of plans may be too constraining, causing organizational inflexibility (Drago, 1996).

Bresser and Bishop (1983) went further and argued that comprehensive planning in uncertain and complex environments caused more problems than it solved. They suggested that formal planning procedures suppressed the creativity needed to respond to the fast-changing environment. Within the UAE, Elbanna (2010) reported that environmental uncertainty was found to be an obstacle to strategic planning in the UAE. By way of contrast, there are studies supporting a positive relationship between planning formalisation and environmental uncertainty. Similarly, Kukalis (1991) found that greater levels of environmental complexity were associated with more extensive planning, shorter planning horizons, and more frequent plan reviews. A study on strategic planning (SP) practices in UAE firms conducted by Al Shaikh (2001) established that cultural and environmental factors affected strategic planning.

Corinna and Sabrina (2010) in their study on consideration of a turbulent environment in strategic planning set to analyze strategic planning procedures of companies operating in the airline industry, an industry exposed to a particular high level of environmental uncertainty. In-depth case studies of strategic planning procedures of two airlines indicated the challenge implied by the high level of turbulence. The study noted that

awareness of and the flexibility to react on challenges and opportunities provided by the uncertain environment need to be accomplished to ensure corporate success and survival. Crucial reactions and precautions for companies operating in uncertain environments are prepared isolated from strategic planning by shaping the organisational culture and structure in a supportive way for awareness and flexibility, by enhancing the corporate innovation capability and by actively preparing operational crisis situations. Strategic planning showed to be in the passive role of having to adjust to the circumstance of increased uncertainty by decreasing its formality, a rising impact of subjective judgments' and the consideration of more operational challenges. Co-ordination of strategy implementation rather than long-term oriented strategy formulation was identified to be the main role of strategic planning. The findings of the study supported the understanding of strategy planning under uncertainty as an emergent, adaptive and learning-based approach.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the methodology that will be used in the entire study. It looks at study design, target population, sampling techniques, research instruments, data collection, and data analysis.

3.2 Research Design

The study used case study design since the focus is one organization. Case study according to Yin (1994) excels at bringing an understanding of complex issues or objects. This helps to extend experience or add strength to what is already known through previous researches. (Patton, 2002).

3.3 Data Collection

The data was collected from 6 key informants of the overall structure of KRCS using an interview guide. They consist of one member of the national executive committee, the governor, one member of the governance team, the secretary general and two members of the management team. These respondents were preferred because they are deeply involved in the strategic planning process. Using interview guide to collect data allowed the researcher to get more in-depth information about perceptions, insights, attitudes, experiences or beliefs.

The data was qualitative where the respondents were asked to respond to semi-structured questions relating to the department he/she represents. This kind of interview consist of several key questions that help define the areas to be explored, but also allows the interviewer or interviewee to diverge in order to pursue an idea or response in more detail.

The questions were based on three key variables that are important in the determinants of strategic planning at the KRCS. These variables are; communication, Human Resource skills and Organization culture.

3.4 Data Analysis

The study was content analysis. This allows the researcher to sift through large volumes of qualitative data in a systematic manner (GAO, 1996). Content Analysis is a useful technique because it allows deep rooted issues concerning the subject of focus of an individual, group, institution or social attention to come out more clearly (Weber, 1999). It also allows inferences to be made which can be corroborated using other methods of data analysis. Content analysis is used for a variety of purposes including attribution of texts to authors, testing of hypotheses, theory building, and evaluation research.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter contains data analysis and findings. It consists of the Response rate, demographic information, KRCS core business, Strategic planning cycle, Planning process, KRCS planners, The role and Organization of Strategic Plan Staff, the role of strategic plan, Challenges of implementing strategic plan in KRCS and Determinants of Strategic Planning in KRCS.

4.2 Response Rate

Data was gathered through interview guide and analyzed using content analysis. The key findings were on the determinants of strategic planning in organizations working in turbulent environment specifically in Kenya Red Cross Society. The researcher was able to interview six senior officers, a response rate of 100%. This commendable response rate was achieved after the researcher made frantic effort at booking appointments with the managers, despite their tight schedules and making phone calls to remind them of the interview. The governor who was not in the country for the interview however delegated the responsibility to the first deputy governor who is equally conversant with issues of strategic planning in the organization. All the key respondents had more than five years experience working with the Kenya Red Cross Society and other humanitarian organizations.

4.3 Demographic Information

Each of the interviewees' mentioned their position in the organization. This gave the researcher confidence that all the persons the researcher wanted were actually the ones who were interviewed or who were able to provide reliable information about the society since the researcher only knew the Secretary General and was not familiar with the others. The people interviewed include the first deputy governor, one member from the National Executive Committee, the secretary general, one member from the governance team and two members from the management team. The respondents thus had the necessary knowledge and experience to provide the necessary information sought by the researcher.

4.4 KRSC Core Business

On being asked their core business strategies, the respondents unanimously agreed on six core business areas around which its activities revolve and are classified in departments. The turbulent environment and situation they handle comprising activities that Kenya Red Cross Society involves itself in. These include:

4.4.1 Disaster Management

This includes Disaster Preparedness, Disaster Response, Special Projects and Restoration of Family links.

4.4.2 Health and Social Services

Here are services like Social Services, First Aid, Blood Donor, HIV and AIDS, Disease Prevention and Control programmes are included.

4.4.3 Water and Sanitation

In this category are WatSan Software, WatSan Hardware and Training.

4.4.4 Regional Capacity Development

Youth and Volunteer Development, and Dissemination are among the programmes included here.

4.4.5 Supply Chain

Includes Business Development, Procurement, Warehousing, Logistics, Information and Communication Technology.

4.4.6 Finance and Administration

Issues of Finance and Administration are taken care of in this section.

4.5 Planning Cycle

KRCS is engaged in a formal, strategic planning process built around an annual planning cycle. Despite departmental differences the similarities were sufficient to conclude the organizations planning cycle is generic.

4.6 The Planning Process

The principal stages in the planning process common to all the departments include the following:

4.6.1 Planning Guidelines

The starting point for the annual planning cycle was an announcement by the corporate headquarters of guidelines and assumptions to be used by the businesses in preparing

their business-level strategic plans. These guidelines and assumptions comprised two major elements. First, a review of the external environment which typically included guidance on issues such as unpredictability of events over the planning period. Second, corporate management provides overall direction to the planning process through a statement of priorities, guidelines, and expectations. A key aspect of this direction is setting companywide performance targets.

4.6.2 Drafting Strategic Plan

Drafting the strategic plan constitutes the second stage. At this stage strategic plans are formulated bottom-up: the individual divisions take the initiative in formulating their strategic plans.

4.6.3 Discussing the Plan

At the third stage, the draft business plans are submitted to the corporate headquarters for discussion and adoption. After some initial analysis by the corporate planning staff, a meeting is held between senior corporate and senior divisional management. These face-to-face meetings last between 2 hours and a full day and discuss the rationale for the strategies being pursued, the performance implications of these strategies, and the compatibility of the business strategy with corporate goals.

4.6.4 Revision of the Plan

Stage four involves revision of the draft business plans in light of the discussions. Annual capital and operating budgets are considered at this stage. The strategic planning process is closely linked with the annual budgeting process. Although budgeting is coordinated and administered by the controller's department, the first year of the strategic plan

typically provides the basis for next year's capital expenditure budget and operating budget. The corporate plan is made from the aggregation of the business plans, by the corporate planning department.

4.6.5 National Executive Council Approval

This constitutes stage five. Here the final strategic planning exercise culminates in the corporate and business plans which are discussed and approved by the National Executive Council.

4.6.6 Performance Targets

At stage six a limited number of key financial and strategic targets are extracted to provide the basis for performance monitoring and appraisal. Targets related to the forthcoming year are extracted from the plan document and are given emphasis the necessary budgetary allocation.

4.6.7 Performance Appraisal

This is done at stage seven which the performance plans provide the basis for corporate-level appraisal of business-level performance. In addition to ongoing performance monitoring, a key event is the annual meeting between the top management team and divisional senior managers to discuss each business's performance during the prior year.

4.7 The Kenya Red Cross Society Planners

The researcher found that the strategic plan was a combination of so many people's contribution up to the lower level; corporate planners were drawn from line management positions within the society and, in some cases, from consultancies. Planners typically

spent between 3 and 5 years in planning. The respondents explained that their staffing of corporate planning departments reflected their intention to combine the analytic skills of younger staff with the deep experiential knowledge of longer-serving managers. In some instances the government and some few selected people from the general public are involved in the process.

4.8 The Role and organization of Strategic Planning Staff

The Kenya Red Cross Society has a corporate staff unit responsible for strategic planning headed by a director of strategy. The functions of this planning department include providing technical and administrative support to strategic management activities. The responsibility of corporate strategy lay with the top management team. The corporate planning staff's responsibility was to support the corporate executive team in its strategic management role (for example, in providing information and analysis, and exploring the impacts of alternative assumptions and courses of action) and to administer the planning process.

Preparing economic, political, and market forecasts, risk analysis, competitor analysis, and other investigations of the business environment to assist strategic planning through the company. Fostering communication between the other departments and ensuring that there is fair participation and contribution from all the regions. The people charged with the responsibility of planning liaise with divisional managers and divisional planners, and foster dialog through a common format and terminology for strategic plans. In some

cases though high levels of involvement by planning staff was viewed as a barrier to strategy dialog between business-level chief executives and corporate top management.

Another role that the researcher found out is internal consulting. To the extent that corporate planning departments became repositories of expertise about strategy analysis and strategic planning techniques, they tended to develop internal consulting roles in relation to the businesses and other functions.

4.9 The Role of Strategic Planning

From the interviews conducted, the researcher identified three key roles:

4.9.1 Strategic Planning as a Context for Decision-Making

The research noted that, the KRCS created contexts that influenced the content and quality of strategic decisions. This led to two key processes through which the corporate planning processes contributed to the quality of business-level strategic management. First, influencing the methodologies and techniques of strategic planning. Although their corporate planning division continued to act as a center of excellence for strategy methods and strategy techniques, downsizing of planning departments downsized and increased reliance upon outside consultants for analytical expertise constrained this role. The strategic plan has some tools of strategy analysis that are widely used, including Porter-type industry analysis, shareholder value analysis, game theory, appraisals of competencies and capabilities, PIMS analysis, and the identification of critical success factors.

4.9.2 Strategic Plan as a Communication and Knowledge Tool

Providing channels and forums for communication and knowledge sharing is another role of the strategic plan. The Kenya Red Cross Society placed greater emphasis on the communication and knowledge sharing role of planning processes. They promote dialog between businesses and the corporate executives on fundamental strategy issues in order to reduce the formality of the planning process. This involved shifting emphasis of strategy meetings from formal presentations to face-to-face discussion where assumptions and beliefs were challenged and critical issues identified.

4.9.3 Strategic Plan as Mechanism for Coordination

Increased emphasis on planning as a process of communication and knowledge sharing was intended not only to influence and improve strategic decisions, but also to provide a basis for coordinating decentralized decision making. The interview data suggested that increased environmental turbulence had enhanced the role of the strategic planning system as a coordinating device. As decision making had become increasingly decentralized, the researcher found out that there was a growing need for a structured process of dialog, adjustment, and agreement to coordinate these dispersed decisions. This increased emphasis on coordination was evident from a number of the changes already described, notably the transition by the KRCS from detailed control towards more general direction and guidance, and the increased emphasis placed upon dialog and consensus building. All the respondents agreed that the more decentralized was strategic decision making, the greater the emphasis on strategic planning as a coordinating device.

4.9.4 Strategic Plan as a Mechanism for Hierarchical Control in Organizations

It can be exerted through behavioral control which manages the inputs into decisions through supervision and approval, and output control which manages the performance outcomes of decisions (Ouchi, 1979; Eisenhardt, 1985). Corporate planning provided a medium- and long-term control mechanism that complemented the short-term controls provided by budgeting systems. Under the 'old model' corporate management's ability to approve (or reject) business-level strategic and the resource allocations to support these plans represented a form of input control. The researcher found out that increasing emphasis on performance and quantification of performance targets was accompanied by a less detailed strategic plan. This was noted after looking at the previous strategic plans that the Kenya Red Cross Society had done in earlier years.

4.10 Challenges of Implementing Strategic Planning in KRSC

As mechanisms for aligning the companies more closely and effectively with their changing environment and guiding their long-term development, the effectiveness of the companies' strategic planning may also deteriorate in three aspects, namely:

4.10.1 Challenge of Sustaining Long-Term Goals

The foreshortening of planning horizons may reflect a shift in top management priority from long-term development to short-and medium term performance goals. When an investment project have a life that extends to 40 years, strategic planning horizons of 4 and 5 years limited the potential for companies to relate their current resource allocations with their longer-term vision.

4.10.2 Challenge of Insufficient Use of Expertise

The transfer of strategic planning responsibilities from staff planners to line managers, while resolving problems of formalization and detachment, also entailed a loss of analytical capability. One of the observations that the researcher observed in KRCS was the limited use by the society to developed strategy concepts and techniques. Although performance management tools shareholder value analysis, EVA, balanced scorecards, and the like had achieved significant uptake, the same was not apparent for concepts and techniques of strategy analysis. For example, while respondents frequently referred to 'exploiting key strengths,' and 'leveraging core competences,' they had not introduced any systematic process for assessing and developing organizational capabilities. It is possible that the priority accorded to financial performance targets in strategic planning squeezed out analysis.

4.10.3 Challenge of Strategic Innovation

While breaking down the rigidities of the old formalized planning systems and embracing emergent strategy-making processes, KRCS had done little in terms of positive measures to encourage innovation in strategy making. While bottom-up, informal strategic planning systems offer the potential for innovative strategies to emerge, the absence of impediments to such innovation is not the same as positive measures to foster such innovation.

In addition, the more the organization is involved in influencing divisional strategies, the greater the erosion of divisional responsibility and accountability. Further, in extremely

turbulent environments, resource allocation and cost control measures tend to pull in the opposite direction, making strategy implementation extremely difficult.

4.11 Determinants of Strategic Planning in KRCS

Considering the unpredictable environment that KRCS operates in, planning could be extremely difficult. The researcher therefore sought to find out the factors considered in KRCS before making the strategic plan. They include:

4.11.1 Trend and Past Events

All the respondents confirmed that one of the most important considerations in developing the strategic plan is the panel consider the past events and the trend. They gave an example of conflicts among the pastoralists and farmers in Tana-River County which has been happening year in year out so they consider such events as they make their strategic plan. Other examples given by the respondents include floods especially in Budalangi areas which they anticipate every year and they estimate the magnitude based on the previous events. The drought in Turkana and North-Eastern Region is another example they gave as a trend that has been happening year in year out and so they consider that when planning.

4.11.2 Resources Available

Barney (2001) interpreted resources as being financial capital, physical, organizational and human resources. The internal environment of the organization can be made richer or poorer by its assets. The respondents agreed that the availability of resources and organizational capabilities are pre-requisite to formulating strategies and plans. With regard to the resource-based view (Barney, 2001), the success of organizational change is

deemed to be rooted in identifying and utilizing specific resources in order to gain successful implementation. In examining the consequences of the fundamental rationale of the resource-based view for research into organizational change, one can see that organizations must first possess or control specific resources. In KRCS, the knowledge, experience and capability of an organization's workforce is a determining factor of success. For this reason, they pay particular attention to the recruitment of staff and also to engage in the training of staff and volunteers to build the organization's capability.

The availability of equipment is another asset that can significantly impact on the internal environment. Financial strength is a factor in its own right that influences the internal environment of the organization that is considered in KRCS.

4.11.3 Leadership Commitment

Strategic leadership is seen as a key element in effective strategic management, and for the strategic planning to be effective, there must be commitment and involvement from the very top of the organization. The top management of the KRCS focus their organization on a strategic direction, create an agenda for strategic change, keep an organization progressing towards the strategic vision, overcome resistance to change, facilitate resource requirements, and give managers and employees the power and authority they need to make decisions. The respondents insisted that lack of leadership commitment to the strategic planning process can be seen as a barrier to the planning process. They said that the capability of the management team and the leadership styles employed by managers will have a major impact on the morale of staff and organization culture. More contemporary forms of management involve workers in decision making

processes and trusting that, although managers and workers have different viewpoints, they largely benefit by working together to achieve the business objectives.

Paul (2004) argues that leaders should participate in the appropriate design of strategic planning systems and see strategic planning systems as useful in helping them change things. In a study on the relationship between leadership characteristics and each of the planning processes and planning intensity, results showed that leadership characteristics (including power/control, creativity, and people dependence) have a strong association with planning processes and planning intensity; and even were considered to be strong predictors of strategic planning success (Drago & Clements, 1999).

4.11.4 Socio-Cultural Climate

This is another determinant that the KRCS puts into account when making the strategic plan. An aspect of socio cultural climate is the ambiguity of stakeholder's expectations. For KRCS the planning process is faced with constraints relating to understanding external stakeholders' requirements. Therefore, it is likely to pursue a mix of strategies to satisfy various stakeholders' expectations. Researcher observed that strategic planning is inherently change oriented and managers establish goals in case of any modifications required in the practices carried out in the organization based on organization culture. The culture within the organization is a very important factor in business success. Organization culture can be described as a shared beliefs and assumptions. Schien (1997) acknowledged that these beliefs and assumptions are learned unconsciously through group experience and they define, in a basic fashion, an organization's view of itself and its environment. Organizational culture facilitates agility; promotes alliances; encourages

knowledge management; fosters corporate responsibility and moral integrity; and embraces diversity. Organization culture is beneficial to all organizations' because it fosters motivation, commitment, identity, solidarity, and sameness, which in turn facilitated internal integration and coordination.

4.12 Discussion

The evidence on the strategic planning practices of the KRCS suggests that the long running debate over the roles of rational design and organizational emergence in strategy formulation has been perpetuated by misconceptions of the reality of strategic planning. The vivid caricatures presented by each side of the other's conceptualization of strategy making bear little resemblance to the realities of strategic planning.

Although hierarchical in structure with decision making power ultimately vested in the top management team and critical inputs provided by corporate planning staff, the KRCS strategic planning systems has little in common with the highly bureaucratized, top down processes caricatured by Henry Mintzberg. In particular, strategic planning was primarily a bottom-up process in which corporate management provided direction, but primary inputs came from the business units and operating divisions. However, consistent with the process view of strategy formation, it is clear that the strategies of the KRCS are not created by their strategic planning systems. Strategic planning systems are mechanisms for improving the quality of strategic decisions, for coordinating strategic decision making, and for driving performance improvement. However, the critical strategic decisions that fundamentally affected the business portfolios and direction of

development of the society are, for the most part, taken outside formal systems of strategic planning.

By disbanding aspects of strategic planning conventionally associated with rational, top-down strategy design and embracing adaptive, emergent aspects of strategy making, the KRCS appears not to be deluded by Mintzberg's (1994b: 110-112) 'fallacies of strategic planning.' In terms of the 'fallacy of prediction,' none of the strategic planning systems relied upon precise predictions of key external variables. In terms of the 'fallacy of detachment,' the KRCS locates primary strategy responsibilities with line managers. In terms of 'fallacy of formalization,' the KRCS has substantially reduced the formality of their planning procedures.

In short, the strategic planning system of the KRCS could be described as processes of 'planned emergence.' The primary direction of planning was bottom-up from the business units to the corporate headquarters and with business managers exhibiting substantial autonomy and flexibility in strategy making. In bringing together these bottom-up and top-down initiatives through dialog, debate, and compromise, the systems displayed aspects of the 'generative planning model' that Liedtka (2000) suggests is conducive to strategic change.

What is apparent, however, is that the KRCS has been successful in adapting to the challenges of the decade. Key strategic adjustments by the KRCS included: refocusing upon core businesses, expansion into new geographical regions, the adoption of new

technologies, adaptation to social and political pressures, and responsiveness to the demands of the public. However, as mechanisms for aligning the society's more closely and effectively with their changing environment and guiding their long-term development, the effectiveness of the organizations strategic planning may also have deteriorated.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions and recommendations of the study. This study focused on the determinants of strategic planning in turbulent environment a case of Kenya Red Cross Society.

5.2 Summary of the Findings

The response rate was 100% through interviews. All the respondents had more than five years' experience working with the Kenya Red Cross Society. From the findings, KRCS has a five year rolling strategic plan which is based on long-term thinking of where the organization would like to be in each of the six core business activities around which its activities revolve. The core business strategies include Disaster Management, Health and Social Services, Water and Sanitation, Regional Capacity Development, Supply Chain Development, Supply Chain and Finance and Administration. The study also found that the KRCS has an annual planning cycle each year where the divisions holds a strategy refresh workshop in which the strategy targets are discussed and modified based on the prior year's performance.

From the findings, KRCS is engaged in a formal strategic planning process and the organizations strategic planning is generic. The organizations planning process consist of seven stages including planning guidelines, drafting the business plan, discussing the plan with the corporate, revision of the strategic plan, approval of the strategic plan by the

National Executive Council, performance targets and finally considering the performance appraisal.

The results of the study also revealed that the strategic plan is contributed from the lower cadre employees to the top management and also some members of the general public. In some cases consultancies are involved in making the strategic plans so they can bring in their expertise. The staff of in the corporate planning department reflects a combination of the analytic skills of younger staff with the deep experiential knowledge of longer-serving managers.

The KRCS has a corporate staff unit responsible for strategic planning headed by a director of strategy. Some of the functions that this division is charged with include provide technical and administrative support to strategic management activities, preparing economic, political and market forecasts, risk analysis and other investigations of the business environment to assist strategic planning through the organization, fostering communication between the other departments and ensure there is fair participation and contribution from all regions.

Three key roles that the strategic plan plays in KRCS were identified and they include; strategic planning as a context for strategic decision making, strategic plan acts as a mechanism for coordination and strategic plan acting as a mechanism for hierarchical control in organizations.

Some of the challenges that the KRCS face in the process of strategic planning and they include breaking down the rigidities of the old formalized planning systems and embracing emergent strategy-making processes, resource allocation and cost control measures tend to pull in the opposite direction, making strategy implementation extremely difficult, challenge of strategic innovation, challenge of sustaining long-term goals and challenge of insufficient use of expertise. From the findings, the determinants of the strategic planning in KRCS include trend and past events, resources available, leadership commitment and Socio-Cultural Climate.

5.3 Conclusion

This study focused on the determinants of strategic planning in turbulent environment at KRCS. The findings from this study, shows that strategic planning continues to play a central role in the management systems of organization in turbulent environment especially in KRCS. At the same time, strategic planning practices have changed substantially over the past two decades in response to the challenges of strategy formulation in turbulent and unpredictable environments. Strategic planning processes have become more decentralized, less staff driven, and more informal, while strategic plans themselves have become short term, more goals focused, and less specific with regard to actions and resource allocations. The role of strategic planning systems within companies' overall management has also changed. Strategic planning had become less about strategic decision making and more of a mechanism for coordination and performance managing. The growing prominence of performance targets within strategic plans has changed the role of strategic planning as a corporate control system, permitting

increased decentralization of strategic decision making and greater adaptability and responsiveness to external change. Despite the apparently successful adaptation of strategic planning systems to unstable, uncertain environments, the study pointed to the limited impact of strategic planning processes upon the quality of strategic decisions. Decentralization and informality of strategic planning processes permitted access to a broader range of expertise, but there was limited use of new tools and concepts of strategic analysis and little evidence that the systems of strategic planning were conducive to strategic innovation. The study has implications for the study of strategic management. The features of strategic planning revealed by the study suggest that much of the debate between the 'strategy-as-rational design' and 'strategy-as-emergent-process' schools has been based upon a misconception of how strategic planning works in the real world. The process of 'planned emergence' evident in the companies' strategic planning systems is consistent with management principles derived from complexity theory and observations of complex adaptive systems, and offers insights into the design principles of the multidivisional firm.

In line with the findings, organizations working in turbulent environment must have a strategic plan that is flexible to ensure they curb the unpredictability of the environment they engage in. They must have a contingency plan where extra resources are put aside to curb for any eventualities. The role played by strategic plan in a turbulent environment that the one KRCS is in, include decision making, communication and knowledge sharing, coordination and act as a hierarchical control tool among other roles.

There are several challenges involved in developing strategic plan for an organization in a turbulent environment. Some of them include challenges of innovation, challenges of sustaining long-term goals, challenges of insufficient use of expertise, challenges of uncertainty and unpredictability, challenges of enough manpower and other resources etc. In conclusion therefore, the determinants of strategic planning in turbulent environment especially in KRCS include elements like the trends and past events so they can be able to predict the future, the social-cultural climate of the environment, the availability of the resources and the leadership commitment.

5.4 Recommendations

The study recommends that the organisations involved in turbulent environment need to do an annual plan cycle to keep checking on the long term plan of the organization.

They also need to use more expertise in making the strategic plan instead of using their own employees who might not have the necessary expertise in this process.

5.5 Managerial Implications

Bottom-up strategic planning is conducive to incremental adaptation. Yet, as KRCS demonstrated, when realized performance falls far short of targeted level, the natural bias towards incrementalism is supplanted by pressures for more radical strategic changes. The researchers characterization of the KRCS strategic planning processes as ones of 'planned emergence' corresponds closely to Brown and Eisenhardt's (1997) concept of 'semi structures': the planning systems created an organizational structure, a fixed time

schedule, and defined goals and responsibilities, while offering considerable freedom for experimentation, entrepreneurship, and initiative at the business level. Two aspects of this 'semi structure' character of strategic planning systems were particularly apparent. First, the strategy planning processes embodied the concept of simple rules which models of complex adaptive systems suggest can be remarkably effective in predicting and guiding the adaptation of nonhierarchical systems to changing environmental conditions (Gell Mann, 1994; Eisenhardt and Sull, 2001). The strategy initiatives and guidelines established by corporate management in the form of mission and vision statements and targets for cost reduction, reserve replacement, and debt/equity ratios represented a framework of constraints and objectives that bounded and directed strategic choices. Second, existence of rigid annual planning cycles and the emphasis on breaking down longer-term strategic goals into short-term objectives in the form of strategic milestones, programmed targets, and scorecards corresponded to Brown and Eisenhardt's (1997) concept of time-paced transition from the present to the future.

5.6 Limitation of the Study

The study had a limitation of scale of the research, which was done only at the KRCS headquarters with interviews conducted to the top management. This study could have also interviewed other staff and may be the some public members that are involved in the process of strategic planning of the KRCS so as to get a larger and wider perspective of the determinants.

Availability of most of the respondents was very limited and so the interviews were conducted in a hurry since most of them are in a hurry travelling for meetings or to other regions. This made it quite difficult to get quality responses as the respondents kept receiving phone calls in most of the interview session. This disrupted the whole process. The study could have been a longitudinal type of research instead of the cross sectional research design.

5.7 Areas Suggested for Further Research

The study was done in one organisation, this leaves room for another study to be done in many companies or even in an industry.

This study focused on a public non-profit organisation, more studies can be done in a private profit making organisation.

Other studies can also be done in organisations that are not involved in turbulent environment.

The study has been done using qualitative analysis; another study can be done quantitatively. The same study can also be done in a different geographical location.

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APPENDICES

APPENDIX I: Interview Guide of Determinants of Strategic Planning

Section A: Introduction

Set up the interview environment and explain the following to the interviewee;

- The purpose of the interview.
- Why the stakeholder has been chosen
- The expected duration of the interview
- The need to record the interview in order to preserve data and to aid in analysis
- To answer all the questions as best as they can
- Their response to the questions herein will be treated confidential

Section B: Background Information and Determinants and Process of Strategic Planning

1. What is the name of your department?
2. What is your designation?
3. How long have you worked in the company?
4. What are the major core businesses that Kenya Red Cross Society involves in?
5. How is the planning process done? Does the same process apply in annual planning cycle?
6. Of what qualification are the individuals involved in the making of the strategic planning?
7. What kind of methodology do you employ in making the strategic plan
8. Is there a strategic planning department? What role does it play in the whole process?
9. What is the role of strategic plan process within the overall management of the corporation?
10. Are there any linkages between strategic planning and other systems of decision making like financial control and Human Resource Department?
11. What are the determinants that are considered in making the strategic plan
12. What are the challenges involved by the KRCS in making strategic plan

Thank You for Your Time and Cooperation