STRATEGIC PLANNING PRACTICES AT LAIKIPIA COUNTY, KENYA

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DECLARATION

This research project is my original work and has not been presented for an award of any degree in any other university or institution of higher learning.

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D61/75877/2012

This is to declare that this research project has been submitted for examination with my approval as the university supervisor.

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DEDICATION

I dedicate this project to my family. You have been my inspiration and a source of encouragement throughout the duration of my academic pursuits. Thank you for the moral support and understanding during the course of this program. To my dad, thank you for inspiring and supporting me to pursue my graduate studies. May God Bless you all!
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ABSTRACT

Strategic planning involves articulating the direction, objectives and clear actions required to realize the desired strategic vision of an organization (Balanced Scorecard Institute, 2013). The aim of this research project was to investigate on strategic planning practices at Laikipia County. The study was a case study and used primary data. Primary data was collected using self-administered interview guides. The data collected through the interview guides was qualitative and was analyzed thematically using content analysis method. From the findings, the study concluded that the county was actively involved in strategic planning. The study also concluded that strategic planning at Laikipia County was formal and that the vision and mission statement, and strategic plans at the county were formally documented. The study also concluded that the county carried out an extensive situational analysis to analyze its stakeholders, and review its internal and external environment. The study also established that financial constraints, time constraints, political interference and consensus building were the major challenges faced during strategic planning at Laikipia County. The study confirms the theory that ownership of strategic plans by stakeholders of an organization is key to successful implementation. In public institutions, public participation in the strategic planning process should be encouraged to not only create a sense of ownership by the public on formulated strategies but also to increase the level of awareness on the formulated strategic goals and also to galvanize support of the public during implementation. Based on the findings of the study, the researcher recommends that further research should be done on how policy and practice aspects such as corporate governance, corporate culture and organizational structure affect strategic planning in public institutions.
CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic planning in government is as important as it is to private organizations. Strategic planning is a process carried out by the management with the sole aim of redefining the objectives and future direction of an organization. Strategic planning process helps the management to define the strategic vision of their organizations hence charting the strategic path and molding the organization’s identity (Thompson and Strickland, 2007). The end product of the planning process is a strategic plan. A strategic plan communicates the organization’s goals and actions needed to achieve those goals (Balanced Scorecard Institute, 2013).

This study was anchored on resource based view theory and stakeholder approach theory. The Resource based view theory of the firm provides a distinctive method of analyzing and identifying an organization’s strategic advantages based on an examination of its distinct combination of assets, skills, capabilities and intangible assets such as knowledge (Pearce and Robinson, 2011). Stakeholder approach theory proposes that the interests of key stakeholders in an organization should be analyzed during the strategic planning process and incorporated into the strategic plan of the firm.

A strategic plan defines organizational structures and resources required to actualize the set goals. A carefully formulated strategic plan captures both the internal and external environmental aspects that affect the day to day operations of an organization. Strategic planning at public institutions involves redefining the structures and systemizing business
operations processes in order to improve on service delivery. Counties in Kenya have embarked on strategic planning process with an aim of crafting strategic plans that capture the expectations of all stakeholders. However, they are faced with the challenge of stakeholder commitment and participation in the formulation process as well as capacity to formulate good plans that capture the expectations of stakeholders in their counties.

1.1.1 Strategic Planning Practices

Strategic planning is the heart and soul of managing an enterprise (Thompson et al., 2007). The strategic planning process involves the formulation of strategies that commit an organization to a specific strategic path into the future. Strategy formulation guides the management of an organization in defining the business their firm is in, the end it seeks, and the means to accomplish those needs (Pearce and Robinson, 2011). They further point out that strategy formulation process combines a future-oriented perspective with the concern for the firm’s internal and external environment. Strategy formulation is the process by which an organization chooses the most appropriate courses of actions to achieve its objectives (Saylor, 2014).

According to David (2005) strategy formulation process involves defining a vision and mission, situation analysis of the organization, external environment analysis and determination of an organization’s corporate values. Pearce and Robinson (2011) support this view by stating that strategy formulation begins with definition of the mission, the purpose of existence of a firm, analysis and capturing of the principal factors in its environment.
Thompson (1989), observes that definition and determination of the mission and vision is the first step in strategy formulation process. Strategy formulation is a process of deciding what to do in the short-term, medium term and long term future (Carpenter, 2007). According to Fogg (1994), formulation of the mission statement is an important step in the strategic planning process since it defines the purpose, direction and future thrust upon which future strategic thrusts of an organization are built upon.

The defined mission should capture the views of the stakeholders of an organization. According to Pearce and Robinson (2011) the mission statement of an organization should reflect and incorporate the values of all interested parties. The internal analysis of the firm during strategy formulation is important since it assists strategic planners in the identification of the strengths and weaknesses of the firm. Pearce and Robinson (2011) observe that strategic management process centers on the belief that a firm’s mission can be best achieved through a systematic and comprehensive assessment of both its internal capabilities and external environment.

The objectives and action plans should be defined based on a specified timeline that is, whether they are intermediate objectives, medium-term or long-term objectives. The vision crafted should reflect on the long term objectives of the organization. Strategy formulation therefore, involves determination of the long term direction of a firm.

Stakeholder participation in strategic planning process is crucial. According to Harrison (1994), the management of an organization should understand the desires of all stakeholders of an organization, the firm’s position relative to its stakeholders and the environment it operates in. Allocation of resources should be guided by the needs of the
stakeholders and hence participation of stakeholders in determination of key objectives during formulation process is crucial. According to Friedman (2000), stakeholders possess information and expertise needed in strategy formulation.

The internal and external analysis is carried out to determine an organization’s internal strengths, weaknesses, identify opportunities, threats and also helps in determination of the competitive advantage the organization possesses over its competitors. Resource based view theory of the firm is applied during internal analysis to determine the current internal capabilities and strategic advantages of the firm. The external environment analysis involves analyzing both the micro and macro aspects in the environment. These aspects are best analyzed through PESTEL analysis method and involve the analysis of the political, economic, social, technological and environmental and legal aspects. Evaluation of the organization’s strengths, weaknesses, opportunities and threats is an important step during strategic planning.

The end result of strategy formulation process is a strategic plan that stipulates an organization’s vision, mission and purpose. The strategic plan provides details on the current position of the firm, the desired long term position of the firm and the means of achieving the desired position.

### 1.1.2 Structure of County Governments in Kenya

County governments in Kenya consist of the county executive and county assembly. The county assembly consists of the county speaker and elected county assembly members who represent various wards in a county. The county assembly is the legislative arm at the county. The county executive is made up of the governor, the deputy and the county
executive members and its functions are defined by chapter 12 of the constitution of Kenya, 2010. To perform their duties, county governments are required by law to formulate county strategic plans outlining their shortterm, medium and longterm strategic goals.

A county strategic plan is a document that sets the county’s vision, mission, strategic objectives, strategies and activities (Kara-UNDP, 2012). They further argued that it defines structures, staffing levels and financial resources required to carry out the county’s functions and mandate.

According to Municipal Research and Services Center for Washington (2013) a county strategic plan serves as community's roadmap and is used to prioritize initiatives, resources, goals, and department operations and projects. It enhances operational effectiveness of counties through addressing county human resource capacity and management, enhances county financial management and also aligns county organizational structure with its strategies (Osero, 2012). It also identifies performance goals and objectives and identify external factors that may affect the achievement of the set goals (Bwisa, 2013).

A county strategic plan identifies priority programmes and projects, lays down monitoring and evaluation mechanisms, determines the institutional framework required for strategy implementation and links a county’s vision to the National Vision (Ministry of Devolution and Planning, 2013).
1.1.3 Laikipia County government in Kenya

Laikipia County is one of the 47 county governments in the 1st Schedule in line with Article 6(1) of the Constitution of Kenya, 2010. It is located in the central part of Kenya bordering Meru to the East and Nyeri to the South East and lies between latitudes 0°18" and 0°51" North and between longitude 36°11" and 37°24' East (Laikipia County, 2013). Agriculture, tourism and livestock rearing are the major economic activities in the county. The county government has been mandated to provide devolved services such as health, education, agricultural services and county infrastructure development.

The county’s strategic plans complement the county’s first County Development Integrated Development Plan 2013-2017 (CIDP). The county’s vision is; “To be a Peaceful and Prosperous Model County”. The county priority projects include infrastructural development programs such as county road construction and street lighting in major towns in the county, restructuring the county work force to improve service delivery, Modernization of agriculture through provision of professional agricultural extension services and promotion of new farming activities, social development programs such as provision of grants to community development initiatives and youth development programs, improvement of education standards and facilities, health sector improvement initiatives, and marketing the county as a favorable tourism destination.

1.2 Research Problem

Strategic planning practices is a management process that helps organizations determine their long term vision and scope and helps the management to match the defined vision with the organization’s resources in order to meet stakeholders expectations. Strategic
planning at the county level of governance in Kenya involves the formulation of a county strategic plan that defines the vision, mission and the strategic objectives of a county. Strategic planning by counties in Kenya is of great importance (Bwisa, 2013). Corporate strategic planning by counties aims at outlining specific goals and objectives, identification of priority projects and investments and determination of a resource mobilization framework (TISA, 2013). The need for strategic planning by Laikipia County has been necessitated by the demand for tangible development and effective service delivery at the county level. Stakeholder participation in the formulation of strategic plans at the county is crucial. Stakeholders at the county include the general public, political leadership at the county and representatives of the national government at the county level.

Laikipia County government is mandated with the task of providing public services, initiate development of infrastructure and come up with measures of creating a hospitable environment that encourages public participation in the development of county targets as well as encouraging private sector participation in economic activities. The county is faced with a number of challenges that need to be addressed for it to meet its constitutional mandate of service delivery. The challenges include vested political interests during identification and determination of key priority projects, economic and financial constraints, and legal regulations that govern the operations at the county level. These challenges pose a great threat to the operations of the county hence the need for a strategic plan that sets out the county’s strategic priorities as well as addressing the challenges highlighted above.
Related studies on strategic management have been done internationally. Ridwan and Marti (2012) conducted a study on strategic planning and organizational performance in the regional government owned banks in Indonesia. Mapetere (2012) conducted a study on strategic role of leadership in strategy implementation in Zimbabwe’s state owned enterprises. Similar studies on strategic planning have been done by scholars in Kenya. Mavindu (2012) conducted a research on Strategic Planning Practices by Transit Sheds at Jomo Kenyatta International Airport, Kenya. Kathama (2012) conducted a research on Strategic Planning Practices and Performance of State corporations in Kenya. Nyamoita (2012) conducted a research on Strategy Development Process at The Nairobi Women's Hospital. Nyokabi (2012) conducted a research on Challenges of Strategy Development at Brackenhurst Kenya Limited. The above studies identified major challenges to strategic planning as low stakeholder interest and participation in the formulation process, poor strategic leadership, political interference, inadequate resources, inadequate skilled personnel and legal challenges. It is evident from the above studies that none of the studies done focused on Strategic planning practices in Laikipia County, Kenya. There was need therefore, to conduct studies that would provide an understanding on the Strategic Planning Practices at Laikipia County.

Strategic planning practices approaches in organizations may differ due to their unique nature and the environment they operate in. The study sought to find out: what are the strategic planning practices adopted by the Laikipia County in Kenya? What are the challenges faced by the county during strategic planning?
1.3 Research Objectives

The following were the objectives of the study:

i. To determine strategic planning practices adopted by Laikipia County.

ii. To determine the challenges encountered during strategic planning by Laikipia County.

1.4 Value of the Study

The findings from the study forms a foundation for future reference to scholars, students and researchers who may wish to carry out research on the same or related field. The study may also be helpful to scholars and researchers in identification of further areas of research on other related studies by highlighting related topics that require further research.

The study contributes substantially to strategic planning at the county level. The study provides county planners with invaluable information relating to strategic planning in general and the importance of formulating better county strategic plans. The findings from the study may also provide useful reference to policy makers in public institutions during formulation of strategic plans by highlighting the best strategic planning practices.

The research findings contributes to a better understanding of the strategic planning practices to the management of Laikipia County. Also, the study will help policy makers at the county to identify important aspects of their organization that need to be considered during strategic planning hence ensuring that the strategic plans developed by the county are comprehensive and that they factor in stakeholders views and aspirations.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature pertinent to the subject under study. It covers the theoretical framework upon which the study is based, the concept of strategic planning, strategic planning practices and challenges of strategic planning practices.

2.2 Theoretical Framework

Strategic planning process is a set of decisions and actions resulting in formulation of strategies designed to achieve the vision of the organization (Hiriyappa, 2009). The objective of strategic planning process is the formulation and implementation of strategies that secure the future of the organization as well as maximizing stakeholder value. This study is anchored on Resource based view theory and Stakeholder approach theory.

2.2.1 Resource Based View Theory

The Resource Based View theory proposes that competitive advantage of the firm lies in the application of the resources available at the firm’s disposal (Pearce and Robinson, 2011). The resource based view is a method of analyzing and identifying a firm’s strategic advantages based on examining its distinct combination of assets, skills and intangibles as an organization (Pearce and Robinson, 2011). Firms differ fundamentally in terms of resources and organizational capabilities to employ them during strategic planning to gain competitive advantage.
According to Pearce and Robinson (2011), executives charting the strategy for their organizations tend to focus on the “core competencies” of their firms’. The resource based view of the firm is used to during situational analysis to identify key organizational capabilities. Pearce and Robinson (2011) point out that a firm must identify its core competencies for it to excel in pursuit of its mission. According to Hitt et al. (2011), forming a vision and mission and the subsequent selection of an organization’s strategy requires the application of the resource based view model.

Strategic planning begins with the analysis and identification of a firm’s unique resources and capabilities. Matching key resources of the organization with strategy is key to strategic planning (Thompson, Strickland and Gamble, 2007). Identification of key organization’s resources is a powerful tool around which to build competitive advantage and craft successful strategies (Pearce and Robinson, 2011). They further argue that the key value of a firm’s resources is that they become the bases for managers to use in formulation of strategies and linking them to sustainable competitive advantage. Core competencies should be identified and employed to craft strategies that add value to the stakeholders.

### 2.2.2 Stakeholder Approach Theory

In defining or redefining of the firm’s vision and mission, strategic managers must recognize the rights of their stakeholder (Pearce and Robinson, 2011). The theory proposes that the management should incorporate the interests of stakeholders during crafting of an organization’s vision and mission statements. The theory identifies key stakeholders in the organization to include the employees, government, customers, local
communities and the general public. Stakeholder approach theory suggests that during strategic planning process the management ought to identify its stakeholders, understand the claims of stakeholders in relation to the firm, reconciliation and assignment of priorities to their claims and finally coordinate those claims with other elements of the company vision (Pearce and Robinson, 2011).

The aim of strategic planning in public institutions is better service delivery to the public. Strategic planning in public institutions demands an analysis of all stakeholders’ needs and interests in the organization, and incorporating those needs in the strategic plan. Bryson et al. (2007) point out that public institutions strategies should be based on identifying stakeholder expectations and determining what resources the organization should build and enhance in order to create the highest possible value for the stakeholder. The key to success of public organizations is their ability to identify and build their capacity, particularly their distinctive core competencies in orders to produce the greatest value to their stakeholders (Bryson et al., 2007)

According to Hrebinjak and Joyce (1984), strategic planning requires an understanding of stakeholder expectations on the organization’s strategy. Hitt et al (2011) point out that stakeholders can affect an organization’s vision and mission, and are affected by the strategic decisions made by an organization hence the importance of their participation in the strategic planning process cannot be ignored. Cleg et al. (2011) observe that strategic planning is important because it represents the organizational rationality to its multiple stakeholders.
2.3 Concept of Strategic Planning

Strategy is the ideas and action(s) to conceive and secure the future of an enterprise (Macmillan, 2000). The goal of strategic planning process is the formulation of a strategic plan that conceives the future of the organization and how that future will be secured (Macmillan and Tampoe, 2000). The strategic planning process defines the linkages between short, medium and long term strategic goals. According to Macmillan and Tampoe (2000), the key objective of strategic planning is the formulation of suitable strategies that increase the chances of an organization’s success in the future. Strategic planning on its own does not guarantee with certainty that there will be no changes in the future. Emergent issues in the environment may affect to some extent the progress of implementation of the formulated strategy and hence room should be preserved for future managerial responses to address the same.

The value of strategic planning process is that it triggers new ideas, captures the new ideas for evaluation and finally leads to transformation of those ideas into strategic plans for implementation (Macmillan, 2000). The benefits of strategic planning in public institutions are that it leads to reorganization of structures and systems with the sole aim of improving efficiency in service delivery. Strategic planning also helps the organization conceptualize the objectives that best positions it in its environment (Pearce and Robinson, 2010).

Bobek and Stojan (2012) view strategic planning as a rational process that leads to formulation of objectives that lead to improved organizational performance in the future. Andrews (1971) supports this view by stating that strategic planning process is a rational
process that matches organization’s resources to its objectives. Cohen, March and Olsen (1972) view strategic planning as a fragmented process that takes place over time in a series of incremental decisions. Quinn (1978) supports this school of thought by stating that strategy making is a process of “logical incrementalism”. Clegg et al (2011) view strategy formulation as a rational process that is controlled. Other Scholars such as Weick (1979) view strategy making as an ongoing process that evolves with the current environmental trends.

The strategic planning process is designed with the needs of the organization as the primary driving factor. Saylor (2014) view strategic planning process as a process that brings to life the vision and mission of the organization in regard to its internal and external environment. According to Cleg et al (2011) strategic planning involves deciphering environmental cues to formulate a strategic plan that is relevant a firm’s future. Therefore, strategic planning process is not a reactive process that reacts to every emergent issue in the environment rather it is a constant process that addresses the organizations needs.

2.4 Strategic Planning Process

Strategic planning practice begins with the conceptualization of issues that affect the operations of an organization, forming the right team of strategic thinkers from the business and corporate levels of the organization, adopting planning cycles to the needs of each business and integrating human resources systems into the strategic plan (Dye and Sibony, 2007). Strategic planning begins with establishment of a strategic planning committee and commitment of the management to the planning process. Bresser and
Bishop (2003) argue that strategic planning practice is the product of the best minds of an organization’s internal and external stakeholders. According to Bryson (1988), strategic planning in public and non-public organizations can only work well if there is a planning team or a decision making body to oversee the process.

According to Pearce and Robinson (2011), strategic planning involves the formulation of the vision and mission, situational analysis, selection of long term objectives, selection of annual objectives that are compatible with the long term objectives and the implementation of strategic plan. Ansoff (1965) points out that strategic planning practice is the product of a rational process that leads to the formulation of the vision, mission, objectives and strategies to achieve the chosen objectives.

Strategic planning is a formal process that results into a strategic plan that documents the strategic choices made by the strategic planning team. Pearce and Robinson (2008) argue that formalization in strategic planning is the degree to which participants, responsibilities and authority in decision making are specified. According to Pearce and Robinson (2011), formalization of the planning process is positively correlated with the cost, accuracy and success of planning. They further point out that formalization of the strategic planning process ensures that responsibility to specified action plans meant to realize determined objectives is assigned to the implementation team.

According to McKinsey and Kaplan (1999) the best strategic planning practice is one that is fact driven, transparent and formal. They argue that strategic planning process involves having the ‘right’ dialogues between the strategic planning team, involvement and commitment of the top leadership of the organization in the process. The best strategic
practices are also calendar driven i.e. the implementation strategic action plans should allotted time periods. The objectives should be tightly linked to the organization’s resources. Bryson (1988) points out that strategic planning is a disciplined effort to produce fundamental decisions and actions shaping the nature and direction of the organization within the legal bounds.

Bryson (1988) identifies three steps that are followed during strategic planning. They include; Development of the initial agreement concerning the strategic planning effort i.e. the purpose and the preferred step in the planning process, identification and clarification of mandate and, development and clarification of mission and values. Clarification of mandate ensures that the objectives of the organization are clear hence increasing the chances of them being met in the future. The mission and vision should be intandem with the mandate defined (Bryson and Eden, 2004).

2.5 Challenges of Strategic Planning

According to Haden (2010) strategic planning process is a maligned endeavor marred with usual criticism of taking too much time, too much money and little course of action. Strategic planners in organizations are faced with finding the answers to the following questions: How much time is enough to formulate a good strategic plan? How much of the organization’s resources should be committed in the planning process? The answers for the questions above are determined by the composition of the strategic team involved in the strategic planning process.

Finding the right team for strategic planning with the right skills and knowledge, shared values and above all a shared desire for the organization’s success in the future is hard to
find. Strategic planning team determines the strategic objectives of the organization hence they have a big influence in strategic decisions made by the management. Bryson (1988) argues that key challenge that decision makers face during strategic planning is identification of persons or unit to lead the planning effort.

Haden (2010) identifies major challenges to strategic planning as; Lack of leadership, lack of consensus, being too ambitious and lack of momentum in the short term. Strategic planning requires leadership and commitment by top executives in the organization. Korsgaard et al (1995) identify commitment by top leadership as a key factor in strategic planning. Commitment by leadership demands their presence and engagement at the right times (Haden, 2010). Other commitments elsewhere may pose a challenge to top management participation to the strategic plan formulation process. According to Hrebinia (2008), commitment by the top management galvanizes support to strategy formulation hence the role of organization’s leadership is needed.

Consensus building is a key factor in strategic planning. Building consensus amongst the various stakeholders involved in the planning process ensures that the objectives identified have support and commitment of key strategic leaders in the organization. according to Haden (2010) finding consensus about all issues in strategic planning by stakeholders remains a challenge. To overcome this challenge, proper communication systems should be established to ensure that there is participation and collaboration between stakeholders involved. Building consensus takes time hence strategic planning process should not move in haste and should leave room for a negotiated mechanism to issues under conflict.
While the goal of strategic planning is formulation of an ambitious strategic plan, it should be matched with practicability. Too many strategic goals may pose a challenge during implemention. Resources in an organization are limited and hence strategic planning there is need for tying up strategic objectives with the resources of the organization. Haden (2010) points out that strategic plan should be integrated with the organizations human resources and budget. He further argues that tying decision making and resource allocation to strategic plans is essential. This calls for integration of formulated strategic plans to the day to day operations which is necessary for overall acceptance of the plans by all stakeholders in the organization.

Once strategic priorities are agreed, translating them into short term action plans is crucial. The challenge faced during the translation of long term objectives to short term action plans is maintaining focus on the organization’s mission. According to Haden (2010) to ensure that strategic plans do not ‘gather dust’ on the shelves, short term mobility in implementation is key. He further points out that momentum in the short term conveys the message that the planning process was serious and that the strategic plan formulated is a living document.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the research methodology to be used for the study. More specifically, it covers the research design, data collection and data analysis aspects of this study.

3.2 Research Design

The research design of this study was a case study. Case studies are used to make a detailed examination of a single unit, group or phenomena (Mugenda and Mugenda, 2003). The unit of the study is the Laikipia County to find out the strategic planning practices at the county.

Case study is appropriate where an in-depth analysis and understanding of a single unit of study is desired. Case studies place more emphasis on a full contextual analysis of fewer events or conditions and their interrelations (Cooper and Schindler, 2006). Also, the merit of using a case study is that it involves an empirical investigation of a particular phenomena within its real life context using multiple sources of evidence (Robson, 2002).

3.3 Data Collection

The study used primary data. Primary data was collected through an interview guide. An interview guide is a set of questions an interviewer asks and focuses on a list of topics or areas that the researcher desires to cover in an interview.
The interview guide was administered through personal interviews. The interview was be semi-structured in that it was controlled by the interviewer and allowed the respondent to be flexible when answering questions. The merit for using semi-structured interviews in this study was that it allowed the interview to accommodate new and useful information that cropped up during the interview process.

The researcher sought to utilize respondents who were well versed with strategic planning at the county. These included the governor, deputy governor and departmental heads incharge of finance, planning and county development, enterprise development, education, information technology and human resources at the county.

**3.4 Data Analysis**

The data obtained from the interview guide was analyzed qualitatively by use of content analysis techniques. Qualitative analysis is suitable where the researcher is interested in analyzing information in a systematic way in order to come to some useful conclusions and recommendations (Mugenda and Mugenda, 2003).

Qualitative data analysis tries to establish relationships from obtained data. Content analysis is the systematic and quantitative description of objects or materials under study (Mugenda and Mugenda, 2003).
CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the analysis of data and findings of the study as set out in the research methodology. The chapter specifically covers the general information, strategic planning practices, strategic planning challenges and discussion of the findings. The purpose of this study was to determine the strategic planning practices adopted by Laikipia County in Kenya. The study had two objectives namely: to determine strategic planning practices adopted by Laikipia County in Kenya and to determine the challenges encountered during strategic planning at Laikipia County.

The study had targeted 8 respondents from the Laikipia County. The study however was unable to attain 100% response rate. The study managed to successfully interview 6 respondents hence attaining a response rate of 75%. According to Cooper and Schindler (2006), a response rate of 75% is sufficient enough for scientific and social studies to proceed.

4.2 General Information

The general information of this study comprised of the respondents position at the county and the duration of time that they had been working for the county. This information was used to ascertain the respondents’ appropriateness in responding to questions about strategic planning practices at Laikipia County.
4.3 Strategic Planning Practices

The first objective of the study was to find out the strategic planning practices adopted by the county during the formulation of its strategic plans. The findings of the study noted that Laikipia County was actively involved in strategic planning. The study also established that strategic planning at the county is formal and all the strategic plans formulated by the county are documented into an official county document.

4.3.1 Planning committee

The researcher sought to establish whether the county has a strategic planning committee and the composition of the committee. The respondents reported that the county has a 13 member strategic planning committee which is mandated to steer and guide through strategic planning process.

The study established that the planning committee comprises of heads of departments, employee representatives, and representatives of the business community, national government and non-governmental organizations.

4.3.2 Formulation of vision and mission statement

The researcher also sought to establish the process followed in formulation of the county’s vision and mission statements. The researcher established that the county’s top management and the planning committee were involved in the formulation of the vision and mission statement.

Development of the county’s vision and mission was a result of a rigorous environmental scanning process by the planning committee which was aimed at comparing the county’s
position in its environment and determination of future aspirations of the county. The researcher also established that the mission and vision statement was formally written into an official document of the county and embedded into the county’s strategic plans and the county’s integrated development plan (CIDP).

4.3.3 Stakeholders’ participation in strategic planning

The researcher also sought to find out whether stakeholders were involved in strategic planning at Laikipia County. The respondents reported that strategic planning at the county is an inclusive formal process. The researcher also established that stakeholder participation is an integral part of the strategic planning process at the county.

The respondents reported that the general public, the representatives of the business community, employees and the county executive participate in strategic planning through public consultative meetings and forums organized by the county’s planning committee. During these meetings, the county planning committee receives views, ideas and proposals from the stakeholders which are then evaluated and incorporated into the strategic plans developed by the county.

4.3.4 Awareness and communication of strategic plans

The researcher also sought to establish whether the county communicates its strategic plans to its stakeholders and the level of awareness of the strategic plans by employees in the county. The 6 respondents interviewed by the researcher reported that the county communicated its strategic plans through seminars organized to create awareness on the strategic plans to the employees. Public forums are also held with an aim of communicating the strategic plans developed by the county.
The researcher also observed that all the respondents demonstrated a high level of awareness the county’s strategic objectives. It was also established that strategic plans at the county were communicated internally to the employees through the established internal communication channels. The internal channels used included emails, memos and circulars to various departments at the county.

4.3.5 Situational Analysis

The researcher also sought to establish whether situational analysis is carried out during strategic planning, what it involved and its importance in strategic planning process at the county. The researcher established that situational analysis is usually done during formulation of strategic plans at the county. It was further established that situation analysis conducted by the county’s planning committee involves; internal analysis, external analysis and stakeholders’ analysis.

The researcher also sought to establish the importance of situation analysis in strategic planning at the county of Laikipia. The researcher established that the importance of situational analysis in strategic planning at the county was that it was used to establish the strategic areas of interest in the environment.

The study found that the county conducted an extensive environmental scanning process where SWOT analysis, PESTEL and stakeholder analysis were conducted in order to determine the county’s position in relation to its environment as well as identify strategic objectives and priorities. The researcher established that internal weaknesses such as deficiency in skilled personnel, poor organizational structure and limited finances posed the greatest threat to long term success of the organization.
The researcher also sought to establish the importance of stakeholder analysis during situational analysis. It was established that stakeholder analysis enabled the strategic planners at the county understand who their stakeholders were and how best to engage the stakeholders in strategic planning at the county in terms of developing clear guidelines on the role to be played by the stakeholders in the planning process.

4.4 Strategic planning challenges

The second objective of the study was to establish the strategic planning challenges faced at the county. To determine this, the respondents were guided through a selective interview guide questions.

The study established that time constraint was a challenge during strategic planning. The respondents interviewed were in agreement that limited time was allocated to the strategic planning process. The time allocated for strategic planning events such as public participation forums was not adequate enough to capture the views of the general public at the county.

The study established that financial constraints were a challenge during strategic planning at the county. The study established that the county had a budgetary constraint hence the amount allocated to strategic planning was limited. This forced the planning committee to come up with specific planning timeframes and prudent financial practices in order to utilize the allocated funds.

The study also established that building consensus during strategic planning at the county was a major challenge. The researcher established that differing views between the members of the planning committee, the stakeholders and the general public was a
challenge during strategic planning. Building consensus amongst various parties involved in the planning process was done through consultative meetings and seminars meant to reach out a consensus on the contentious issues.

The study also sought to establish whether political interference was a challenge during strategic planning. The respondents acknowledged that it was a challenge. The researcher established that various political leaders tried to influence the planning process in terms of identification of key priority projects and objectives.

There was consensus amongst the respondents that stakeholder commitment was a challenge during strategic planning at the county. The study established that initially, public participation in the public consultation meetings held by the county planning committee was low. The purpose of the public consultation meetings held were meant to incorporate the views of the Laikipia county public into the strategic objectives and plans of the county and also creates a sense of ownership by the stakeholders in the county to the overall strategic plan. The study also established that the county embarked on public awareness drive meant to encourage public participation in strategic planning.

4.5 Discussion of Findings

Strategic planning process involves various activities which are aimed at formulation of an organization’s long-term mission and near-term objectives, identification of its strengths, weaknesses, opportunities and threats through a thorough strategic analysis of its environment (Pearce and Robinson, 2011). This study established that Laikipia County scanned its environment during strategic planning with the key aim of understanding its effect on its operations. Legal issues including guidelines on budgeting
and procurement as set out by the constitution of Kenya, 2010 are crucial aspects in strategic planning by the county. In light of the above, the county has repositioned its strategic plans with the constitution and also streamlined them with Kenya’s vision 2030 economic blue print.

From the findings of the study, it is evident that strategic planning at Laikipia County was a calendar driven process in which the planning committee played a great role. This conforms to the views of McKinsey (1999), who opined that strategic planning process is a time-bound process which requires a planning committee. Strategic planning requires a high level of discipline in terms of adherence to the objectives set, time and resources allocated hence the importance of it being a formal process. The role of the planning committee during strategic planning is not confined only to the analysis of views from stakeholders but also to ensure that the planning process does not deviate from the expected targets.

Communication of the vision and the organization’s strategic plan in general is important during the implementation phase. It is evident from the findings that Laikipia County communicated its vision and strategic plans to the employees as well as to the stakeholders at the county. This is meant to ensure that employees are committed to the county’s vision and understand the strategic plans they are implementing. This is in line with the views of Thompson and Strickland (2008) that an effectively communicated strategic plan is a valuable management tool for enlisting the commitment of the company’s personnel to strategic objectives of the organization.
The study revealed that strategic planning at Laikipia County is a participatory process involving external stakeholders, the top management and employees. This is conforms to the views of Bryson (2004) that stakeholder participation in strategic planning process is important since it captures their views, creates a sense of ownership to strategic plans and most importantly adds a broad perspective to the planning process.

Laikipia County also sought to analyze and understand its stakeholders with an aim of understanding the county’s obligations to the stakeholders as well as understanding on methodologies of how best to engage them in strategic planning and future engagements. According to Bryson (2004) analysis of stakeholders is important in managing relationships between an organization and the parties that are involved or affected by its operations. The county being a public institution is obligated in creating value to the general public. According to Bryson (2004), analysis and attention to stakeholders by public institutions is important since their operational success and survival depends on satisfying their needs.

The study established that strategic plans and objectives at Laikipia County are built around its long term vision and mission. The findings are in agreement with Thompson et al (2008) views that building strategic objectives from an organization’s vision helps in conversion of the strategic vision into performance goals. Linking the vision with the vision enables strategic planners and implementers convert the vision into measureable targets.

The study established that Laikipia County faced the challenges of financial and time constraints, stakeholder commitment issues, political interference and the challenge of
building consensus. The county strategic committee acknowledged these challenges and established measures of mitigating their effect on strategic planning at the county. Dealing with strategic issues during strategic planning is key to formulation and implementation of strategic plans formulated. The study established that the county strategic planners put in necessary measures to address the strategic issues mentioned above. The findings are in agreement with the views of Bryson (1988) who noted that organizations should identify key strategic issues during planning and devise ways of resolving them effectively.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary, conclusions and recommendations of the study. More specifically it covers the summary of the findings, conclusions, recommendations for theory and managerial practice, limitations of the study and suggestions for further research.

5.2 Summary

This study focused on strategic planning practices at Laikipia County, Kenya. This study had two objectives: to determine strategic planning practices adopted by Laikipia County and to determine the challenges encountered in strategic planning by Laikipia County.

5.2.1 Strategic planning practices

From the findings, the study established that Laikipia County was actively involved in strategic planning. This illustrates that strategic planning was key factor in the county’s operations. Additionally, the study also established that strategic planning was essential in streamlining the operations of the county to achieve operational efficiencies and better service delivery. The county has developed a five year strategic plan and a county integrated development plan that stipulates its strategic objectives and targets to be attained.
From the findings, the study established that communication of Laikipia County’s vision and strategic objectives is an integral part of strategic planning at the county. The study established that internal communication channels were used to communicate the strategic plan to the employees of the county. The county also communicated its strategic plans to the external stakeholders through public forums.

The study established that strategic planning at the county is formal. The vision and mission statements, and all strategic plans formulated by the county are documented into official county policy documents. This further confirms that the county has adopted modern strategic planning practices through formalization of the strategic planning process.

The study also established that strategic plans developed by the county are proactive. This conforms to modern strategic planning practices in public institutions through formulation of flexible strategic plans that are not reactionary to unexpected events. The county’s strategic plans are prepared with clear strategic targets and action plans within stipulated timeframes. The researcher established that preparation of Laikipia county budget was guided by the county’s strategic plans. The study also established that flexibility of the strategic plans is established through short term strategic plans and through the budgetary process that stipulate the measures to be taken by the county to address unforeseen events.

The study also established that Laikipia County applied the following strategic planning practices; resource allocation for the strategic planning process, establishment of a strategic planning unit to guide through the strategic planning process, development of
strategic objectives which contribute to the realization of the county’s vision, conducting a comprehensive situational analysis to understand the county’s position in relation to its environment and development of realistic strategies with well-defined operational goals and performance targets and indicators.

The study established that strategic planning process at the county is an inclusive process involving the top management, other employees of the county and external stakeholders. This was meant to develop a sense of ownership by all stakeholders to the strategic plans formulated by the county. The county strategic planning committee organized forums where the top management, planning committee and stakeholders held consultative meetings to discuss and identify strategic objectives and gauge the county’s strategic position in relation to its environment.

From the findings, the study established that situational analysis was an integral part of strategic planning at the county. The respondents were in agreement that the county used SWOT, PESTEL and stakeholder analysis techniques. The study established that situational analysis conducted during strategic planning was important in understanding the county’s position in relation to the expectations of its stakeholders, identification of legal requirements and laws guiding operations of county governments and identification of areas of weakness to improve on.

5.2.2 Strategic planning challenges

The findings of the study established that financial constraint was a major challenge during strategic planning at Laikipia County. The findings revealed that budgetary allocations to strategic planning was limited hence forcing the strategic planning
committee to adopt prudent financial measures such as cutting back on the number of public consultation forums. Additionally, the findings revealed that county has a low revenue base which in turn impacts on its ability to raise sufficient funds to finance its strategic plans.

The study also established that stakeholder commitment was a challenge during strategic planning at the county. Public participation in public consultative forums organized by the county was low. The public consultative forums were meant to incorporate the general public’s views in strategic plans. Additionally, due to the low public participation in strategic planning at the county, the study established that public ‘ownership’ and awareness of strategic plans developed by the county was also low.

The findings established that political interference had a negative impact on strategic planning at the county. The study established that forms of political interference at the county included vested political interests in determination of key priority projects including determination the physical location of identified priority projects and attempts by political players at the county to influence on budgetary allocations to identified strategic objectives.

The study also established that building consensus was a challenge. Building consensus amongst the political leaders with vested interests on strategic planning at the county was found out to be the most challenging task for the planning committee by the study. The study also established that differing views between the planning committee, the general public and other stakeholders was a challenge during identification of strategic objectives and hence consensus building was a necessity during strategic planning at the county.
The study also found out that time allocated to strategic planning process was a challenge. Limited time was allocated to the strategic planning process at the county. To meet the time allotted to strategic planning process, the county planning committee had to develop timeframes to strategic planning process activities.

5.3 Conclusion

From the foregoing discussions, the following conclusions were deduced. The study concluded that Laikipia County was actively involved in strategic planning. The study also concluded that the strategic planning process at the county was a formal process which resulted into formulation and documentation of the strategic vision and mission statement, and strategic plans.

The study concluded that, strategic planning process at Laikipia County is a participatory process that involves employees, the general public, the business community and, representatives of the national government at the county and non-governmental organizations. The county’s strategic planning committee is also an inclusive unit comprising of key stakeholders at the county. The participation of employees and other stakeholders at the county in strategic planning is meant to empower them to have a say in formulation of strategic plans and on operations of the county.

The study also concluded that the county adopted the following strategic planning practices; establishment of a planning committee with clear a mandate, resource allocation to the strategic planning process, formulation of the county’s vision and mission, and building key county strategies and objectives around the vision.
From the findings, the study concluded that Laikipia County situational analysis was done during strategic planning. The study concluded that SWOT, PESTEL and Stakeholder analysis methods were used by the county to analyze its environment as well as to identify the areas of strengths and weaknesses of the county.

From the findings, it was possible to conclude that communication was a key factor in strategic planning at Laikipia County. The county communicated its vision and strategic plans internally through the internal communication channels and externally through public forums. This was meant to build consensus during strategic planning and to create awareness by stakeholders.

From the ongoing discussions, the study concluded that political interference was a major challenge to strategic planning at the county. The study concluded that political interference during strategic planning at Laikipia County arose from vested interests by political leaders at the county in identification of key priority projects.

From the study, it was concluded that consensus building was used address differing political views and interests amongst the political actors in the county. Additionally, the study concluded that consensus building between the planning committee, the general public and other stakeholders at the county in itself was a challenge during strategic planning.

The study also concluded that financial constraints, time constraints and stakeholder commitment challenges were encountered during strategic planning at Laikipia County. Additionally, the study concluded that financial constraints during strategic planning at the county arose from low budgetary allocation.
5.4 Recommendations

The study recommends sufficient allocation of resources to strategic planning including skilled personnel, adequate budgetary allocations and sufficient time allocation to the strategic planning process at Laikipia County. This would ensure that strategic planning at the county runs smoothly without any unnecessary delays, meets the desired goals and conforms to the best strategic planning practices.

The study recommends that, the management and the planning committee at Laikipia County should recognize and encourage involvement of the local political leadership in strategic planning. This would ensure that the strategic plans formulated have political backing and goodwill hence reducing unnecessary political interference on strategic planning at the county.

Strategy implementation in any organization is influenced by its corporate culture, organization structure and corporate governance. The study recommends that Laikipia County and the other counties in Kenya should align their corporate culture, organization structures and resources to formulated strategic plans for them to be successful implemented.

The study also recommends that formulated strategic plans should be communicated adequately internally to the employees and externally to other stakeholders. This would ensure that there is better understanding by the employees to corporate strategies they are implementing and as well as aiding them to understand the expected deliverables.
5.5 Limitations of the Study

The study was a case study and hence the research was limited to Laikipia County only on strategic planning practices adopted by the county. The findings of the study therefore, were specific to Laikipia County only and as such, cannot be generalized for other counties in Kenya. Each county is unique and may adopt different strategic planning practices. It was also not possible to compare strategic planning practices adopted by the county with other counties and public institutions in Kenya.

The study used interview guides administered to targeted respondents at the county to collect the data used in this study hence the accuracy of the data collected depended on the extent at which the respondents were truthful in responding to questions. Also, the respondents targeted in this study were senior county executives with busy schedules. This posed a challenge during data collection but the study was able to schedule favorable interview times with the respondents thus enabling the study to acquire data from the targeted respondents.

5.6 Suggestions for Further Research

The study focused on strategic planning practices adopted by Laikipia County. The study recommends that further research should be done on the challenges faced during implementation of strategic plans at Laikipia County. This will enable strategic planners at the county to identify aspects to improve on during future strategic planning at Laikipia County.
The study also recommends that further research should be done on how the strategic planning practices adopted by Laikipia County have contributed to realization of the county’s vision and strategic objectives, and their effect on the overall performance of the county.

The study also recommends on the need to conduct further studies on stakeholder participation in strategic planning process at counties in Kenya. This will give an insight on stakeholders’ role in strategic planning at the county level as well as create awareness to county strategic planners on the importance of stakeholder participation in the planning process.
REFERENCES


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APPENDICES

Appendix: Interview Guide

Section A: General Information

1. Interviewee’s position at the County: ______________________
2. Education Background:_________________________________
3. Years in the current position:_____________________________

Section B: Strategic Planning Practices

4. Is your organization actively involved in strategic planning process?
5. Is strategic planning at the county formal or informal?
6. Are the strategic plans formulated reactive or proactive?
7. Does the organization have a strategic planning committee?
8. Are all levels of the organization represented in the Strategic planning committee?
9. Does Laikipia County have a formally documented vision and mission statement?
10. Who was involved in the formulation of the vision and mission statement?
11. Are the resources of the organization a major factor in strategic planning at the county?
12. Are stakeholders involved in strategic planning?
13. Are employees involved in strategic planning at the County?
14. Is Situational Analysis done during strategic planning at Laikipia County?
15. Is SWOT Analysis Technique used in Situation Analysis process at the county?
16. Does the county use PESTEL Analysis during Situational Analysis?
17. Is Stakeholder Analysis used during Situational Analysis at the County?
18. Does the county communicate its strategic objectives to all stakeholders in the organization?

**Section C: Strategic Planning Challenges**

19. Do you encounter the challenge of financial constraints during strategic planning?

20. Is building consensus a challenge during strategic planning?

21. Do you encounter the challenge of political interference during strategic planning at the county?

22. Is stakeholder commitment a challenge during strategic planning at the county?

23. Is time constraint a challenge during strategic planning at the county?

**Thank You**