STRATEGIC MANAGEMENT PRACTICES ADOPTED BY THE ARCHITECTURAL ASSOCIATION OF KENYA

BY

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DECLARATION

I declare that this research project is my original work and to the best of my knowledge it

has not been submitted for the award of a degree in any other university.

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This research project has been submitted for examination with my approval as the

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Signature…………………………… Date………………………………

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DEDICATION

To Almighty God, who has been my strength and divine inspiration in everything I do.

My fortress and redeemer.

To my dear Mummy and Daddy

Mr. and Mrs. Wafula

To my siblings

Olive, Caleb, Daisy, Claire, Linda, Amos

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ABBREVIATIONS AND ACRONYMS

AAK   Architectural Association of Kenya

AGM   Annual General Meeting

BoT   Board of Trustees

CAA   Commonwealth Association of Architects

CEO   Chief Executive Officer

CoF   College of Fellows

GC   Governing Council

KABCEC   Kenya Association of Building and Civil Engineering Contractors

ABSTRACT

For any organization to remain successful, it has to continuously recognize and apply strategy as a tool at all levels in order to remain relevant in an ever changing environment. The aim of the study was to contribute to a greater understanding of the strategic management practices in Membership Associations particularly the Architectural Association of Kenya. The objective of the study was to determine the strategic management practices adopted by the Architectural Association of Kenya. In order to effectively achieve this objective, a case study research design was conducted at AAK. The data was collected by use of an interview guide with a key interviewee who is a long serving member of the Association. The data collected was analyzed qualitatively using content analysis. The research revealed that the Association has a five year strategic plan with the most recent covering the period 2013-2018 which was formulated with the help of a contracted external consultant. The research also revealed that members are from time to time allowed to make contributions towards the strategy through various forums such as the AGMs, committee meetings among others. The research also revealed that the Association has applied various strategic management approaches in running its operations. The Architectural Association of Kenya continues to apply strategic management practices in running its operations so as to achieve the stated vision and mission. However, the Association should find robust ways of cushioning itself against the effects of changes in the external environment such the effects of political dynamics in the country among other factors. In addition, the fact that the leadership of the organization donates their precious time towards managing the Association's affairs is an indicator that the Association is committed towards achieving the set goals and objectives. This is also an indicator that the Association is a learning organization since members are allowed to engage with other through various forums such as the AGMs. Owing to the nature of the working conditions in the organization, it was not possible to interview all the top leadership who had tight schedules of work and on official duties. It was also a challenge scheduling the interview sessions as the officials were stationed in different offices in dispersed locations of the organization. Further research should be done on factors affecting strategic management at the Architectural Association of Kenya. Also, research is needed on strategic management practices for a large number of similar membership organizations in the same industry. In addition, a comparative study should be done so as to establish how strategic management is practiced in other membership organizations in the same industry. This shall provide more information in terms of similarities and differences. This shall also shed more light on why some organizations are more successful than others.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic management is defined as that set of managerial decisions and actions that determines the long-run performance of a corporation, and includes aspects such as environmental scanning, strategy formulation, strategy implementation, and evaluation and control. It is designed to set a firm's courses of action, identifying the strategies it will use to compete in the market-place and how it will organize its internal activities. Strategic management has evolved as an interdisciplinary corpus of knowledge (Pearce, (1997). Strategic management is concerned with broad, long-term future of an organization and the way it will prepare for change to the extent that change is perceived as being a necessary prerequisite of future continued success. Strategic decisions and plans are thus subject to greater uncertainty than either administrative or operational decisions. Strategic management has a co-ordination and integration role, seeking endorsement of the public sector and supporting strategies such as HR workspace and IT and assuring the appropriateness of strategic themes (Ansoff 1990).

The theoretical foundation on which this study is based on is the theory of a learning organization (Senge, 1990). A learning organization is an organization that facilitates the learning of its members and continuously transforms itself. Learning organizations develop as a result of the pressures facing modern organizations and enables them to remain competitive in the business environment. A learning organization has five main

features which are systems thinking, personal mastery, mental models, shared vision and team learning. The Learning organization concept encourages organizations to shift to a more interconnected way of thinking. Organizations should become more like communities that employees can feel a commitment to. They will work harder for an organization they are committed to (Kimotho P., 2006).

The Architectural Association of Kenya (AAK) is the Kenya's body for professionals in the built and natural environment and brings together Architects, Quantity Surveyors, and Town planners, Engineers, Landscape Architects, Environmental Design Consultants and Construction Project Managers. The Association is registered under the Societies Act and brings together professionals from the Private Sector, Public Sector and Academia. The Association also acts as a link between professionals and stakeholders in the construction industry including policy makers, manufacturers, real estate developers, financial institutions, and so on(www.aak.or.ke). To do this effectively, the Association needs to adapt to the ever-changing dynamics on its membership, and the changing political, economical, socio-cultural, technological and legal environment as so to remain competitive as a membership Association.

1.1.1 Strategic Management practices

Strategic management practices have continued to gain importance in recent years. Cole (2003) further argues that during the past years, organizations focused on long-term planning. Long-term planning assumed that external and internal environment will remain stable for a long period which in most cases is not the case. Today it is clear to the

managers that environment can change at any point of time and their plans should follow a strategy that put into consideration that both internal and external environmental changes may influence the strategic management practices of an organization.

Strategic management answers the big question why some firms perform better than others. It provides a sense of direction to an organization and helps the organization to adapt to the ever-changing environment. Strategic management is concerned with how actions and events involving top executives in a company influence the success or failure of that organization. Executives in a firm are considered by scholars as having the ability to master strategy (Sekhar, 2009).The responsibility of senior leadership in any given organization is for them to strategically manage the organization keeping in mind that strategic management is a continuous process rather than a one-time event. For these leaders to achieve success they must be facilitators, consultants and consensus builders; the acquisition of these traits which form part of transformational leadership requires hard work and dedication, risk taking and the internalizing of an organization's vision and objectives (Sekhar, 2009).

 Sekhar (2009) adds on further that strategic management is not considered a step by step process neither is it linear but very dynamic which requires the discipline and dedication of the people in an organization to make it a reality and move it forward into the future. It is a representation of a new focus in an organization and a compelling future vision. Strategic management practices can be either financial as well as non-financial and may result in benefits to an organization; some of the benefits that come with strategic

management practices include: Sustainable competitive advantage implying the business secret or master plan over its competitors, having strategic direction which means a long term plan and a cost saving strategy.

Strategic management practices for professional associations involves using sophisticated qualitative and quantitative research techniques; consulting with stakeholders, including components (chapters, branches, districts/regions, specialties), sponsors, partners, suppliers, policymakers, regulators, funders, collaborators, and others, to get a sense of the organization within its ecosystem; scanning the environment, including review of competing organizations and services, relevant trends, and emerging issues; planning, preparing for, and facilitating Board meetings, to formulate strategies and arrive at robust, durable decisions; working with staff and Board to develop a tactical plan, including metrics, specific projects, and milestones to put the plan into action and creating communication plans to inform stakeholders of the strategic direction of the organization. The strategic direction involves formulation of the vision, mission, core values, objectives, situation analysis, strategy formulation and implementation.

1.1.2 Architectural Association of Kenya (AAK)

As mentioned earlier, the Architectural Association of Kenya was established in 1967 and is Kenya's apex Association for professional practitioners in the built and natural environments. AAK, a leading professional body, represents the interests of the following professionals: Architects, Town Planners, quantity Surveyors, Engineers, Landscape Architects, Environmental Design consultants, and Construction Project Managers. As an

umbrella Association, AAK brings together professionals in central   governments local authorities, private sector and academia. The Association also acts as a link between professionals and stakeholders in the wider construction industry; including policy makers, manufacturers, real estate developers, and financial institutions, among others. AAK is a social professional Association with no legal executive mandate. However based on its objectives, the Association takes interest and participates in several issues of public concern:

The Association participates in the drawing up of the Training Curricula at the local Universities, Polytechnics among other academic institutions. In some cases like Architecture, the Association has solicited the support of the Commonwealth Association of Architects (CAA) to accredit schools of Architecture to give degree courses international recognition. In addition, in order to keep pace with changing technologies throughout the world, the Association conducts seminars and workshops through which the members continually develop their professional skills. Kenya is one of the few countries in Africa that conducts Continuous Professional Development. The Association also takes interests and participates, as a public watchdog, in the setting up of building construction standards through local authority by-laws. The Association also makes periodical written submissions to the local authorities for adoption or amendment of construction standards from time to time (www.aak.or.ke).

In addition, the Association in collaboration with the Kenya Association of Building and Civil Engineering Contractors (KABCEC) has established the Joint Building Council to periodically review and publish recommended prices for building material and labor within the Building Construction Industry. The two Associations also publish the

Standard Agreement and Conditions of Contract for Building Works. AAK also takes particular interest in Town and County governments. This includes preparation of national, regional and local/Town development Plans. Members of AAK sit on the respective Boards of Registration of the different building professional ethics. The role of the Association as a provider of solutions that simplify lives has allowed it to become more customer-oriented leading to higher standard of professionalism in the built industry. It is in this context that the study intends to investigate to what extent strategic management is being adopted and practiced at the Architectural Association of Kenya (www.aak.or.ke).

1.2 Research Problem

'Strategic management generally is a set of managerial decisions and actions that in the long run will determine the performance of an organization and make remain competitive for the long term. There are facets involved in strategic management and they include: external and internal environment, strategy formulation, and strategy implementation and finally evaluation and control. In a nutshell then when strategic management is idealized, emphasis is placed on monitoring and evaluation of external opportunities and threats taking into consideration the strengths and weaknesses of an organization' (Amason, 2010).

'Strategic management is an ongoing process to develop and revise future-oriented strategies that allow an organization to achieve its objectives considering its capabilities, constraints and the environment in which it operates. Diagnosis includes performing a

situation analysis including identification and evaluation of current mission, strategic objectives, strategies and results plus major strengths and weaknesses. Strategic management is a broad programme of defining and achieving an organization's objectives and the organizations response to its environment overtime' (Stoner and Edward, 1989).

Various studies on the strategic management practice have been conducted by various scholars such as (Aosa, 1992; Awino, 2001; Machuki, 2005; Koske, 2003; Bryson, 1989; Nutt and Backoff, 1992). From their studies they established that each organization that practiced strategic management be it state corporations, large corporations or small and medium enterprises had a distinct and organizations' clear formulation of vision and mission statements, environmental scanning and had independently formulated their strategic plans and implementation (even though they may have used the services of same consultant) and formulated their annual business plans. They observed that strategic management is a set of management decision whose aim is to decide on organizational goals, the means of achieving those goals, and ensuring that the organization is positioned in a sustainable composition in order to pursue the set goals and plan of action(s) that determines the long term performance of an organization, but there still existed a knowledge gap.

Due to the contextual and managerial differences among the studies carried out above in the various organizations, the studies therefore enlightened that strategic management was sensitive to the context in which it was practiced. Further, issues in strategic

management practices gained from these previous studies may not be assumed to explain strategic management practices at the Architectural Association of Kenya. In addition, there are a number of studies done on strategic management practices in different companies which are not necessarily membership associations. For example implementation of strategic management practices in Malaysia construction industries; strategic management in Indian companies and Strategic management practices at Kenya Wildlife Service.

All these however, are not done at the Architectural Association of Kenya .What are the strategic management practices adopted by Architectural Association of Kenya?

1.3 Research Objectives

The objective of the study was to determine strategic management practices adopted by the Architectural Association of Kenya.

1.4 Value of the Study

The objective of the study was to examine the extent of adoption of strategic management practices at the Architectural Association of Kenya. Therefore the study shall help in widening knowledge on strategic management theories and also contribute knowledge on strategic management in membership organizations. The study would also help in guiding management in the sector while at the same time help in shaping managerial policy in the sector.

It also important to note that strategic planning for a not-for-profit organization is different from strategic planning for a profit organization. Association planning is not the same as the planning for universities or businesses or government agencies. Associations need to be consistently receptive to the needs of the membership-at-large. The main purpose is to serve the members more than to make a profit or to increase the size of the organization. It is also important to note that there is no one-size-fits-all strategic planning model. Each organization will develop its own approach, often by selecting a model and modifying it in response to local realities and program feedback. (www.meredithlow.com).

Findings of the research will add to the knowledge and understanding of the subject of strategic management and its application by organizations. The study will be significant in the sense that it will allow the identification of the concepts and frameworks of strategic management that takes into account the nature of work and environment under which organizations operate. Greater awareness will be gained by organizations on the importance of having a proper and practical strategic management framework as a vehicle to organizational effectiveness while at the same time providing useful knowledge on the challenges that face the whole strategic management process and how they can be overcome. The study shall also contribute to guiding managerial policy to the sector.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a review of the literature related to the purpose of the study providing a clear understanding of existing knowledge base in the problem area. It reviews the literature on strategic management.

2.2 Theoretical Foundation

Two theories under focus are the open system theory (Katz and Kahn, 1978) and the theory of a learning organization (Senge, 1990).

2.2.1 Open system Theory

Open systems theory (Katz and Kahn, 1978) contains a framework that encompasses passionate and energetic inputs to the organization, the process of transforming these inputs within the organization, outputs in tune with the energy levels of the inputs; and reforming.

According to the open systems theory (Katz and Kahn, 1978), 'the organization is environment dependent and environment serving .i.e. the firm gets its raw materials from the environment, processes them into finished goods which are then consumed by the same environment. The environment also presents opportunities and threats such as competition. Performance is highly dependent on a firm's ability to achieve its goals and outshine its rivals in the industry. The environment in its nature is turbulent and the organization needs to develop competitive advantage to ensure its survival. Open

Systems theory is basically modeling the key variables, both internal and external to the organization'.Katz and Kahn, (1978).

The theory is relevant in the sense that the Architectural Association is dependent on the environment within which it exits. It draws its membership from various institutions of higher learning and its dynamic inputs include employees of the organization; raw materials utilized by the organization and of course capital. 'Over and top of it are intangible factors such as position, importance, satisfaction and other personal recognition in terms of rewards and so forth. The quality of inputs involved is very vital, as the quality of the output generated have a direct linkage with the kind of input supplied. Intangible assets like brand names and so forth also go a long way in the ultimate success of the organization' Katz and Kahn, (1978).

The main limitation that an open system may create is the flow of interaction with the organizations providing inputs and the environment. The organization is not autonomous. It depends on the provider of electricity, the sources of raw materials, and the quality of the provided inputs in order to activate the transformation system. When the raw materials are not supplied on time, the organization may be late in the production process, and then the outputs will be seriously impacted by the external inputs. Indeed, the lack of alignment will cause symptoms of ineffectiveness and inefficiency. Another key problem is the fact that open system is flexible. That is, it needs to be proactive to the environment so that the operating system can be adjusted to the environmental factors. If there will be shortage of electricity, the organization must plan an alternate source of energy or change

the schedule for its operations. Another problem may be the feedback from the environment. According to the complexity and the constant change in the environment, it is very difficult for the organization to follow efficiently all the feedbacks. It requires resources and skills to assess the feedbacks in order to make the best use of them.

2.2.2 The Theory of the Learning Organization

According to Senge (1990), learning organizations are organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together.

The basic rationale for such organizations is that in situations of rapid change only those that are flexible, adaptive and productive will excel. For this to happen, it is argued, organizations need to 'discover how to tap people's commitment and capacity to learn at *all* levels'. According to Senge (1990), 'real learning gets to the heart of what it is to be human. We become able to re-create ourselves. This applies to both individuals and organizations. Thus, for a 'learning organization it is not enough to survive. 'Survival learning" or what is more often termed "adaptive learning" is important – indeed it is necessary. But for a learning organization, "adaptive learning" must be joined by "generative learning", learning that enhances our capacity to create' (Senge 1990).

The theory is relevant in the sense that the Architectural Association is an organization that has continued to apply various strategies so as to adopt the ever changing environment. It is a learning organization. The dimension that distinguishes learning

from more traditional organizations is the mastery of certain basic disciplines or 'component technologies'. The five that Peter Senge identifies are said to be converging to innovate learning organizations. They are Systems thinking, Personal mastery, mental models, Building shared vision and Team learning (www.leontesconsultinggroup.com)

The limitation of the theory is that while all people have the capacity to learn, the structures in which they have to function are often not conducive to reflection and engagement. Furthermore, people may lack the tools and guiding ideas to make sense of the situations they face. Organizations that are continually expanding their capacity to create their future require a fundamental shift of mind among their members (www.en.wikipedia.org/wiki/Learning_organization).

2.3 Strategic Management Practices

'The first step is goal setting. The purpose of goal-setting is to clarify the vision for your business. This stage consists of identifying three key facets: First, define both short- and long-term objectives. Second, identify the process of how to accomplish your objective. Finally, customize the process for your staff; give each person a task with which he can succeed. The goals should be detailed, realistic and match the values of the vision. Typically, the final step in this stage is to write a mission statement that succinctly communicates your goals to both shareholders and your staff (smallbusiness.chron.com).

A vision statement sets out a company's long-term goals and aspirations clearly and concisely. A vision statement is intended to inspire and motivate the company's workforce by providing a picture of where the organization is heading. It also provides a reality check for managers, who can compare their strategic objectives and operational

plans to the vision statement. If a planned course of action doesn't move the company toward its vision, it may need to be revised (smallbusiness.chron.com).

A mission statement defines the business sector in which a company operates and sets out its key purpose. It summarizes what the company does and why. It also sets out how the company conducts its business and identifies key stakeholders, such as shareholders, customers and employees. A mission statement helps employees understand where their contribution fits into the company's objectives. It also helps other stakeholders decide whether they want to do business with the organization (smallbusiness.chron.com).

The development of vision and mission statements is an essential part of the strategic management process. Having clearly defined the vision and mission of the organization, managers then can set strategic objectives that are aligned with the company's long-term goals. Managers translate these strategic objectives into an operational strategy that can be implemented, monitored and evaluated. The outcome of the evaluation will determine whether any revision of the vision statement, mission statement, objectives or operational strategy is required (smallbusiness.chron.com).

The second step is environmental analysis or situation analysis. This is a key stage because the information gained in this stage will shape the next two stages. In this stage, gather as much information and data relevant to accomplishing the vision. The focus of the analysis should be on understanding the needs of the business as a sustainable entity, its strategic direction and identifying initiatives that will help the business grow. Examine any external or internal issues that can affect your goals and objectives. Identify both the

strengths and weaknesses of your organization as well as any threats and opportunities that may arise along the path (smallbusiness.chron.com).

Therefore, a business environmental analysis is a process in which you look at the outside factors that can have an impact on your business. Some of the items that could have an impact on your business are political, economic, social and technical. You examine each one of these components individually, and then see how it could affect the success of your business. For example, if the government has many restrictions in place, it could negatively impact your ability to do business (smallbusiness.chron.com).

The third step is strategy formulation. A strategy is a broad plan developed by an organization to take it from where it is to where it wants to be. A well-designed strategy will help an organization reach its maximum level of effectiveness in reaching its goals while constantly allowing it to monitor its environment to adapt the strategy as necessary. Strategy formulation is the process of developing the strategy. The first step in forming a strategy is to review the information gleaned from completing the analysis. Determine what resources the business currently has that can help reach the defined goals and objectives. Identify any areas of which the business must seek external resources. The issues facing the company should be prioritized by their importance to your success. Once prioritized, begin formulating the strategy. Because business and economic situations are fluid, it is critical in this stage to develop alternative approaches that target each step of the plan (smallbusiness.chron.com).

Last but not least is strategy implementation. Strategic implementation put simply is the process that puts plans and strategies into action to reach goals. A strategic plan is a

written document that lays out the plans of the business to reach goals, but will sit forgotten without strategic implementation. The implementation makes the company's plans happen. Successful strategy implementation is critical to the success of the business venture. Strategic implementation is critical to a company's success, addressing the who, where, when, and how of reaching the desired goals and objectives. It focuses on the entire organization. Implementation occurs after environmental scans, SWOT analyses, and identifying strategic issues and goals. Implementation involves assigning individuals to tasks and timelines that will help an organization reach its goals. A successful implementation plan will have a very visible leader, such as the CEO, as he communicates the vision, excitement and behaviors necessary for achievement. Everyone in the organization should be engaged in the plan (smallbusiness.chron.com).

Performance measurement tools are helpful to provide motivation and allow for follow up. Implementation often includes a strategic map, which identifies and maps the key ingredients that will direct performance. Such ingredients include finances, market, work environment, operations, people and partners. This is the action stage of the strategic management process. If the overall strategy does not work with the business' current structure, a new structure should be installed at the beginning of this stage. Everyone within the organization must be made clear of their responsibilities and duties, and how that fits in with the overall goal. Additionally, any resources or funding for the venture must be secured at this point. Once the funding is in place and the employees are ready, execute the plan' (www.smallbusiness.chron.com).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1. Introduction

This chapter describes the methods and procedures that were used by the researcher to achieve the objectives. It detailed the research design, the data collection and the data analysis.

3.2. Research Design

The research design was a case study which was used to address the research question on strategic management practice at Architectural Association of Kenya. Kothai (1990) described a case study as a careful and complete examination of a social unit institution, family, cultural group, or entire family/community. The researcher considered this design as appropriate because of the purpose of the study, topical scope, researcher involvement, time period over which the data was collected, nature of the data that was to be collected and the type of analysis that was to be performed (Cooper & Schindler, 2006).

Case study design came in handy in developing an in depth understanding of the strategic planning and implementation at AAK. The design is good because it provides very detailed information about the subject which would not be possible to acquire through another type of experiment.

3.3. Data Collection

The researcher collected both primary and secondary data. The primary data was collected through an in-depth interview with key respondent who is a long serving member of the Association. He had previously served as Honorary Treasurer in charge of Finance and Administration. He is currently a member of the Governing Council and serves as Treasurer with the Board of Trustees of the Association. The interview guide was the main instrument which was used as a guide to the key questions for discussion while the secondary data was collected through studying of the Association's, AGM reports, its strategic planning files among other documents.

Personal interview was conducted by the researcher to collect data. Open end questions were asked to gather information and to give more liberty to the interviewee while answering the questions. The questions covered stage activities and implementation of the strategic management plan at AAK.

3.4. Data Analysis

The data collected was analyzed using content analysis. 'This is a technique for making inferences by systematically and objectively identifying specified characteristics messages and using the same approach to relate to treads. Content analysis is a form of qualitative analysis of data that is no empirical in nature and it is where researchers obtain detailed information about a phenomenon being studied and try to establish trends and relationships from information gathered' (Cooper & Schindler, 2006).

A content analysis was performed on the data to allow for in-depth understanding of issues in regard to planning and implementation practices within AAK and to establish the challenges of strategy implementation in the Association. The analysis was done by comparing data that was collected with theoretical approaches and documentations cited in the literature review. In all cases, the researcher treated evidence fairly to produce analytical conclusion in answering the research question.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter outlines the analysis of the findings in line with the study objective of establishing the strategic management practices at the Architectural Association of Kenya. Primary data was collected by interviewing a long serving member of the Association who is also a member of the Governing Council by using an interview guide while secondary data was gathered from the Strategic Plans, Annual General Meeting reports, year planner among other reports. Since the research involved interviewing one key resource person, the findings may not be entirely the views of AAK as an organization considering the elaborate structure of the organization. It is also important to note that the researcher is currently serving as an Assistant Executive Officer at the Association.

4.2 Vision, Mission, Core Values, and Objectives of AAK

The Vision statement of the Association is to be the leading professional organization in the built and natural environment in the region. On the other hand, the mission statement of the Association is to promote professionalism and integrity in the built and natural environment. The mission is the over-riding reason for the existence of the organization. When the interviewee was asked to describe how the Association formulated the vision and mission statements, he indicated that a study was commissioned whereby an external consultant was engaged to assist the Association formulate the vision and mission

statements. When probed to explain further on how exactly the consultant helped the leadership in formulating the vision and mission statements, the interviewee indicated since the Association knew what it wanted, the consultant acted as a couch by consolidating the ideas generated forth from the leadership of the Association.

When asked to establish whether the established vision, mission statement, core values and objectives adequately capture the ideals of the Association, the interviewee responded in affirmative and indicated the Association has continued to serve the needs of members satisfactorily. When probed to explain if a section of the membership could be feeling sidelined as a result of how the objectives are structured, the interviewee indicated that the Association is a nonprofit making entity and as such its composition is largely made up of the membership and no section of the membership has indicated that the objectives do not meet their needs.

The researcher established the following as the objectives of the Association. To co-ordinate the activities of professionals concerned with built and natural environment in Kenya and promote professionals integrity and to direct members of Association in all matters of professional practice; advance the science and art of planning and building by developing the standards of professional education, training and practice, and facilitate matters of mutual interest of the member professions; create public awareness by marketing the services of member professions and provide professional opinions on the matters pertaining to violation of the statutes provided for good maintenance of the built and natural environment; establish and accredit Continuing Professional Development

programmes for the members of the association and encourage collaboration of professionals and societies engaged in the built and natural environment; offer community services by participation in the enhancement of built and natural Environment.

Other objectives are to maintain building information services, and monitor quality assurance on materials; liaise with the government and regulatory agencies on the matters affecting registration and licensing of the professionals engaged in the built and natural environment; foster National, Regional and International co-operation in matters dealing with the professions related to built and natural environment; maintain and protect heritage of the built and natural environment; facilitate research and dissemination of information for advancement of professional education, training, and practice; publish documents and publications for the benefit of the members of the Association and the general public in matters of the built and natural environment; create revenue generating activities for the Association(www.aak.or.ke).

4.3 Environmental Analysis

Environmental analysis as the scanning of an organization's environment to determine the opportunities and threats that it faces. This analysis also encompasses the assessment of the organization's internal strengths and weaknesses vis-à-vis the operating environment. Factors captured during the environmental analysis include economic, social-cultural, political, legal and technological factors.

When asked to explain how the above mentioned factors affect the performance of the Association, the interviewee indicated that the Association is a non-profit entity and it largely depends on support of members and other stakeholders. Therefore the performance of the Association is hinged on the performance of the members. The interviewee further indicated that members pay yearly subscriptions to the Association which goes a long way in sustaining the welfare of the Association. He also indicated the performance of the Association is also reflection of the general performance of the economy. When asked to explain how the legal and economic environment has affected the Association, the interviewee indicated that the new constitutional dispensation has led to establishment of various institutions such as the county governments and some bodies such as the National Construction Authority and as such this has led to introduction of development levies to sustain these institutions. This has in turn led to an increase to the cost of doing business. On the other hand, the right to housing as enshrined in the constitutional dispensation has led to increased civil works both at the national level and the county level.

On the technological front, the interviewee explained that introduction of the e-permit system for submission of plans for approval seem to be a good step towards making the process of processing submissions easier but the expected easiness has generally not been felt yet. The interviewee indicated that this can be attributed to rent seeking behaviors by some officials in authority as one has to follow up to get the actual result. On how the social-cultural factors have affected the performance of the Association, the interviewee

indicated that social-cultural factors have had no effect on the performance of the Association.

When asked to explain how political factors have affected the performance of the Association, the interviewee indicated the performance of the political landscape has a direct bearing on the performance of the Association. For example, championing of 'sovereignty and non-interference' and enactment of not so good policies by political class can easily ruin the diplomatic relationships between Kenya and other countries and this in turn makes investors and donors shy away from investing in the country. This leads to reduced donor funds and hence reduced infrastructural development. When the economic welfare of members is affected, the Association is affected.

4.4 Strategy Analysis and Choice

When asked to explain what informed selection of the current strategy, the interviewee explained that since the Association is a non-profit making entity, what informed strategy selection was largely to bring the membership together and foster the common interest of the membership. When probed to explain on whether the strategies adequately cover the objectives of the Association, the interviewee indicated that the strategy is adequate at the same time flexible enough to respond to any changes.

4.5 Operationalisation of Strategy

The interviewee was asked to explain how the Association has operationalised the strategy. The interviewee indicated that the Association's strategy has been cascaded

across various organs that govern the activities of the Association at various levels. The levels work together in a synergetic manner to enhance the function and existence of the organization.

These organs are the membership of the Association which constitute as Annual General Meeting, the AAK Trustees, the Governing Council, the Executive Committee, Finance and Administration Committee, Ethics and Practice Committee, Public Relations and Functions Committee, Membership,CPD Committee, LA/NEMA Liason Committee and finally the AAK Secretariat.

4.6 Institutionalization of Strategy

When asked to explain whether members of the organization have owned the strategy or feel that it has been imposed on them, the interviewee indicated that members participate at all levels and most of these activities have been captured by the by-laws. Members are involved through various platforms such as the Chapter meetings. As to whether rewards have been linked to desired action, the interviewee indicated that the Association is not a regulatory body and as such there is no reward system. Government is the key enforcer of most policies and regulations.

On how policies are revised and enforced, the interviewee indicated that enforcement of policies within the Association is done through the Annual General Meetings and or special Annual General Meetings. The interviewee indicated that challenges experienced by the Association include lack of adequate resources to set a resource centre, physical

infrastructure among other facilities and the time constraint since officials work on a voluntary basis.

4.7 Evaluation and Control

When the interviewee was asked to explain who is responsible to monitor the implementation of the plans, he indicated that Governing Council sets up task forces from time to time and monitoring is also done through various committees of the Association such us the Public relations and functions committee among others. When asked to indicate whether the goals of the Association are still realistic and whether they should be changed, the interviewee responded in affirmative that they are still realistic and that members put across any emerging needs through the various chapter meetings and other forums such as the Annual General Meetings which is the supreme organ of the Association. Therefore the strategy is flexible enough to accommodate any changes.

When asked to indicate what can be learned from monitoring and evaluation in order to improve the future monitoring and evaluation activities, the interviewee indicated that there's always room for improvement and the Association shall continue to perform its activities increasingly better. On what challenges the Association is experiencing when undertaking evaluation and control and how they can be overcome, the interviewee indicated that he was not better placed to respond as it involves various levels such as the annual audits, compliance with statutory requirements among other aspects. However, the interviewee indicated the Association has continued to achieve various milestones mainly the activities envisaged on the year planner such as the dinners, Annual General Meetings, elections and so forth.

4.8 Comparison with Theory

The objective of the study was to establish the strategic management practices adopted by the Architectural Association of Kenya. The objective of the study was met since the research was able to establish that management at AAK has indeed adopted a number of strategic management practices. The study established that the organization had well documented vision and mission statements, which were communicated to employees and other stakeholders. Furthermore, the study also established that AAK is a learning organization as put forward by Senge (1990).

Robbins and Coulter (2002) have mentioned that strategic management is the process that encompasses strategic planning, implementation and evaluation. The findings showed that at Architectural Association of Kenya followed through this process while implementing strategies. The continuous evolution of the organizations activities, the study clearly showed that the organization scans its external environment so as to evaluate the trends and events beyond it. The research results also supported the literature by Fred (1997) who stated that external environmental scanning is to identify and evaluate trends and events beyond the control of the organization. According to Porter (1980) sees the competition as the core to firm's success or failure and highlights the importance of having a competitive strategy to successfully position against the forces that determine industry competition. Furthermore, Hitt and Hoskisson (2005) assert that the analysis of general environment focuses on the future, and the analysis of the industry environment focuses on the factors and conditions that influence the company's profitability within its industry while analysis on competitor environment focuses on

predicting the dynamics of competitor's actions, responses and intentions. These literatures were consistent with the findings of this study.

The findings from the study pointed that the Architectural Association of Kenya is ready to alter its organization structures so as to fit into the ever changing business needs. This findings was consistent with the literature from Chandler (1962) who stated that any effective successful strategy is dependent on structure, thus to achieve any effective economic performance the organization needs to alter its structure.

Thompson and Stickland (2003) mentioned that strategy implementation was a dynamic process within the strategic management process. The finding that a wide range of critical factors were considered in implementation of strategy supported this literature. The process of strategy implementation was found to be difficult, complex, involving, dynamic and dependent on the nature and size of implementation. This result was consistent with the research by Jooste and Fourie (2009), who concluded that strategy implementation was perceived as an important but difficult component of the strategic management process, and the failure of change initiatives is largely due to poor implementation of strategy.

The research found that while planning for implementation, it was important to turn the strategy into a series of actions in the form of action plans and then assign the actions to skilled persons to execute and in the process track the performance of each action against the plan in order to determine review areas. In addition, every manager implementing strategy would at least be involved in tracking the performance of the strategy at every

stage of the implementation to determine its impact and its sustainability. This was consistent with the literature by Johnson and Scholes (2004) that strategy implementation is the translation of strategy into action plans.

4.9 Contribution to Managerial Practise

AAK used the SWOT tool to scan the external environment. Planning takes place at the organization because the company operates on a long term strategic plan of five years. The strategic plan contains the strategic issues and challenges to be faced by the organization, such as the vision and mission statements, situational analysis, the proposed organization structure and the proposed staffing levels, funding and revenue sources, a monitoring and evaluation framework, monitoring methodologies and evaluation mechanisms and finally key assumptions and risks. This concurs with a study by Johnson et al, (2010) who observed that SWOT analysis creates a quick overview of a company's strategic situation through the dimensions of strengths, weakness, opportunities and threats. Pearce and Robinson, (1988) also noted that organizations must be alert for potential important outer ring developments, and from these developments the company then asses their impact and influence and adapts the company's direction and strategy as required.

PESTEL method is widely used as a method of scanning the environment in addition to SWOT analysis. In PESTEL analysis, AAK takes into consideration the political, economic, social, technology, environmental and legal issues affecting their operations. AAK's vision communicates desired future state of the organisation. It is an aspiration around which a strategist within the organization seeks to focus the attention and efforts

of members of the entire organization. The vision also helps guide the actions and decisions of each member of the organization. The organization's mission clearly stipulates the purpose for the organizations existence and signifies what the organization is providing to society. The organizations strategy formulation process adopts a bottom up approach culminating at the board level which approves the plan and hands it to the director equatorial Africa and then to the country manager for implementation.

According to Johnson et al, (2010) during the strategic implementation process, strategies and policies are put into action through development of programs, budgets and procedures. This study concurs because it is established that AAK set objectives were communicated to the members of the organization. Strategies were then developed from the objectives. The study clearly showed that there is continuous evolution of the organizations activities; where it scans its external environment so as to evaluate the trends and events beyond it. This was supported by the research of Garner and Edward (2008) where they argued that the concept of strategic management emerged in response to this increased turbulence. Strategic management involves continuously scanning and adapting to the environment rather than just scanning the environment at the annual planning review. Strategic management is a continuous process that involves the efforts of strategic managers to successfully fit their organization to their environment by developing competitive advantages. These competitive advantages allow the firm to capitalize on its opportunities and minimize its environmental threats.

4.10 Contribution to Policy

The findings that the formulation of the strategies was a preserve of the top management is in agreement with those of Lekasi (2010), Hezron (2010) and Kamaku, (2010) who found that the strategy formulation in their respective studies was a preserve of the top management . The importance of matching organizational culture with strategy also came out clearly whereby stakeholders are key in charting the direction of the organization whereby they contribute towards the activities of the association from time to time such as the AGMs and other committee meetings.

The first step in the process of policy formulation is to capture the values or principles that will guide the rest of the process and form the basis on which to produce a statement of issues. The statement of issues involves identifying the opportunities and constraints affecting the association, and is to be produced by thoroughly analyzing the both the internal and external environment.

4.11 Discussion

The findings suggest that AAK is conventionally using strategic management practices that are common and well known in the field of strategic management. Most of the strategic management processes from the formulation, implementation and then evaluation are common to most organizations that have adopted strategic management practices. This will also be in line with Ansoff (1990) and Berry (1995) who define Strategic management as a systematic process for managing the organization and its

future direction in relation to its environment in a way that will assure continuous success as well as security from surprises.

The findings concur with the theory of a learning organization and the open systems theory discussed in the literature review. Thompson and Stickland (2003) mentioned that strategy implementation was a dynamic process within the strategic management process. The finding that a wide range of critical factors were considered in implementation of strategy supported this literature. The process of strategy implementation was found to be difficult, complex, involving, dynamic and dependent on the nature and size of implementation. This result was consistent with the research by Jooste and Fourie (2009), who concluded that strategy implementation was perceived as an important but difficult component of the strategic management process, and the failure of change initiatives is largely due to poor implementation of strategy.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter presents the summary of findings, conclusion and recommendations on the strategic management practices adopted at the Architectural Association of Kenya. It was structured as follows: summary of findings, conclusion, implication of the study, suggestions for further study limitations and recommendation.

5.2 Summary of the findings

The study was carried out by interviewing a member of the governing council using an interview guide. The interviewee was able to comprehend quite conclusively the meaning of the concept strategic management, thus to them strategic management means long run effectiveness in the strategy implementation. Since the organization is a membership organization, strategic management consideration is significant, taking into account the rapid change and the coming up of competing organizations in the built environment sector.

The application of strategic management at all the levels of the organization is an indication of how serious the organization takes strategic management and how fast it intends to achieve the set objectives and goals. Some of the key strategic initiatives adopted by the organization such as purchasing of new computers to replace old ones; use of technology to conduct elections; use of online platforms to enhance the online presence of the Association and affiliation and collaboration with other stakeholders are the strategy trends that the Association has undertaken to remain competitive in serving

the membership. The interviewee understood quite clearly the distinction between the internal and external environment, thus are better placed to implement strategies effectively since they understand how in the long run their actions will either be a threat or opportunity to the organization as well as strength or weakness. It was found that there is harmony between the mission of the organization and its current operations which aligns well for strategy implementation.

5.3 Conclusions

Empirical literature supports the contention that strategic management plays a central role in the manner in which Architectural Association of Kenya is run and the management is very keen on ensuring best practices and standards of strategic management practices. Organizations should also consider implementing their strategies right from the formation of the organization and at all levels of the hierarchy.

Furthermore, it's also important to note that strategic management in non-profit making organizations is different from strategic management in profit making organizations. Whereas strategic management in profit making organizations is geared towards increasing the capital base and managing competition, strategic management in non-profit making entities is tailor made towards enhancing and bettering the welfare of the members.

Strategic management is not a theory but a practical approach that can be used in organizations to bring about the achievement of goals and objectives set out by the organization. Strategic management practices adopted and implemented by organizations

should be reviewed at a regular interval to ensure that they are in line with the achievement of success for the organization.

Strategic management practices in an organization are an investment that needs to be looked into seriously and amicably. The insights suggested by the study are that strategic management is indeed taken seriously by the Architectural Association of Kenya and that the organization is keen on ensuring that they use all the possible practices that are available in strategic management that will best are suited the organization.

5.4 Recommendations

The Architectural Association of Kenya continues to apply strategic management practices in running its operations so as to achieve the stated vision and mission. However, the Association should find robust ways of cushioning itself against the effects of changes in the external environment such the effects of political dynamics in the country among other factors.

In addition, the fact that the leadership of the organization donates their precious time towards managing the Association's affairs is an indicator that the Association is committed towards achieving the set goals and objectives. This is also an indicator that the Association is a learning organization since members are allowed to engage with other through various forums such as the AGMs.

5.5 Limitations of the Study

Owing to the nature of the working conditions in the organization, it was not possible to interview all the top leadership who had tight schedules of work and on official duties. It

was also a challenge scheduling the interview sessions as the officials were stationed in different offices in dispersed locations of the organization.

Another limitation is that the time frame provided could not allow the researcher to interview a higher number of interviewees. Therefore the researcher interviewed a key interviewee who is a long serving member of the Association.

5.6 Suggestions for Further Study

Further research should be done on factors affecting strategic management at the Architectural Association of Kenya. Also, research is needed on strategic management practices for a large number of similar membership organizations in the same industry.

In addition, a comparative study should be done so as to establish how strategic management is practiced in other membership organizations in the same industry. This shall provide more information in terms of similarities and differences. This shall also shed more light on why some organizations are more successful than others.

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APPENDIX 1: INTERVIEW GUIDE

1. Describe how you came up with the Vision and mission for AAK?

2. Did you have alternative vision and mission statements?

3. Has the vision and mission statements been changed since they were formulated? How can they be modified?

4. What are the AAK's strategic objectives, core values and core functions?

5. How has the general environment (economic, social, political, legal and technological factors affected the performance of AAK?

6. What approach was used for developing the strategy for AAK?

7. Does the strategy adequately cover the objectives of the Association?

8. Have the members of the Association owned the strategy or they feel it has been imposed on them?

9. How do you implement the strategies formulated?

10. What challenges have you experienced in implementation of the strategies?

11. What strategic direction have you undertaken in order to remain competitive in the market?

12. How has rewards been linked to desired actions?

13. What considerations would you suggest for successful strategy implementation?

14. Who is responsible in undertaking monitoring and evaluation?

15. How is strategy monitoring and evaluation done?

16. How are policies revised and enforced?

17. What can be learned from monitoring and evaluation in order to improve the Association's operations?

18. What challenges do you experience when undertaking evaluation and control?

19. Are some goals and objectives receiving less attention than others?

20. What can be learned from monitoring and evaluation in order to improve future planning activities and also improve future monitoring and evaluation efforts?