STRATEGIC DECISION MAKING AT KENYATTA UNIVERSITY IN KENYA

BY

IMMACULATE MUKAMI MUTETI

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OCTOBER 2015
DECLARATION

This research project is my own original work and has not been presented for the award of a degree or diploma in any other university.

Signed…………………………………………………

Date………………………………………………

IMMACULATE MUKAMI MUTETI

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

Signed…………………………………………………

Date………………………………………………

LECTURER

MR. ELIUD O MUDUDA

SCHOOL OF BUSINESS

UNIVERSITY OF NAIROBI
DEDICATION

This research project is dedicated to my mother Ann Muteti.
ACKNOWLEDGEMENTS

I would like to appreciate all those who made this research project a success. God bless you all.

I am indebted to my supervisor, for the professional guidance, cooperation, unlimited support, commitment and understanding throughout the period.

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My parents for their financial, moral and spiritual support. My siblings for their understanding.
ABSTRACT

The purpose of this research is to find out the process of strategic decision making in Kenyatta University and the factors affecting strategic decision making. This is important as time has proven that strategic decision making is paramount in institutions as it has been blamed to lead to damage of property, strikes and loss of lives witnessed in the recent past. Strategic decision making has the potential to influence the performance of organization and how it relates to both its external and internal stakeholders. The study will seek to answer the following research questions: What is the strategic decision making process at Kenyatta University? What are the factors that influence strategic decision making in the university? The research covered three major divisions of Kenyatta University; Academic, Administration and Finance. The research design used in this study was a case study, data was collected through an interview guide from the respondents on various aspects of strategic decision making at the university. The data collected was analyzed through content analysis, the results of the study indicate that majority of staff are not involved in implementation of the decisions and that the Management Board makes key decisions. The Management Board then deliberates and decides on the solutions and makes decisions which are then passed on to the low level personnel for interpretation (supervisors) and implementation by other staff and student leaders. The research recommends that the university implements methods through which members of staff will be involved in decision making. The university should also make available information required for decisions making to enable their staff make generous contributions towards it.
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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Decision making in performing strategic tasks is an extremely difficult, complicated and at times intriguing and enigmatic process. In the process of strategic management the basic thrust of strategic decision making is to make a choice regarding the course of action to adapt. Thus, most aspects of strategy formulations rest on strategic decision making. The fundamental strategic decision relates to the choice of a mission. With regard to objective setting, the senior management is faced with alternatives regarding the different yardsticks to measure performance.

At the level of choosing a strategy, the senior management chooses from among a number of strategic alternatives in order to adopt one specific course of action which will make the institution achieve its objectives and realize its mission. Apart from this fundamental decision choice, there are many other occasions when senior management has to make important strategic decisions. Thus strategic decision making forms the core of strategic management process and leads to formulation of strategies. Environmental threats and opportunities are abundant that the senior management focuses its attention to only a few of those. Likewise there are many company strengths and weaknesses of which the company senior management considers only a limited number at a given time. With regard to resource allocation the management faces a strategic choice from among a number of
alternatives. Thus strategic decision making forms the core of strategic management process and leads to formulation of strategies. (Graham, 1971)

Quinn (1997) argues that being a manager means making critical decisions that cannot and must not be wrong or fail. One must trust one’s judgment and accept responsibility. There is a tendency to look for scapegoats or to shift responsibility. Decisions are at the heart of any organization. At times there are critical moments when these decisions can be difficult, perplexing and nerve-wracking. Making decisions can be hard for a variety of structural, emotional and organizational reasons. Doubling the difficulties are factors such as uncertainties, having multiple objectives, interactive complexity and anxiety.

Decision making in public universities is very critical, when wrong decisions are made incidences like strikes, demonstrations and destruction of property are witnessed. This has also influenced tertiary colleges like polytechnics as well as high schools where the students use force to complain when they feel that their views were not considered during decision making and the management is more than often blamed for unilaterally making decisions. In the recent five years Kenyatta University has experienced three major strikes which have paralyzed the learning program and led to loss of property worth millions. This has been highly attributed to members feeling that they are not consulted during making of decisions.
1.1.1 Concept of strategy

There has been different theorists trying to come up with the definition of strategy. Chandler (1962) defines strategy as determination of basic long term goals and objectives of an enterprise, and the adoption of courses of action and allocation of resources necessary for carrying out these goals. A strategy is a comprehensive master plan stating how a corporation will achieve its mission and its objectives. It maximizes competitive advantages and minimizes competitive disadvantages. The typical business firm usually considers three types of strategy: corporate, business and functional.

Quinn (1997) also defines strategy as a pattern or plan that integrates an organization’s major goals, policies and action sequences into a cohesive goal. A strategy or general plan of action might be formulated for broad, long-term, corporate goals and objectives, for more specific business unit goals and objectives, or for a functional unit, even one as small as a cost center. Such goals address the nature of the organization, its culture, the kind of company its leadership wants it to be, the market it will or won’t enter, the basis on which it will compete, or any other attribute, quality or characteristic of the organization.

1.1.2 Concept of strategic decision making

For the scope of this paper, strategic decisions were those fundamental decisions that shape the course of an organization, in other words, the decisions which are important, in terms of actions taken, the resources committed, or the precedents set (Mintzberg et Alli, 1976). They are infrequent decisions made by the top leaders of an organization that can affect its performance or even its survival.
Strategic decisions are purposeful actions. The future of any organization and the progress of your career might be profoundly affected by what you decide. Good decisions are made with less stress, and it is easier to explain the reasons for the decision that was made.

Decisions should be made strategically. That is, one should make decisions skillfully in a way that is adapted to the end one wishes to achieve. To make strategic decisions requires that one takes a structured approach following a formal decision making process. Otherwise, it will be difficult to be sure that one has considered all the key aspects of the decision. Narayan, Corcoran, Perry (1997) define decision making as interaction between a problem that needs to be solved and a person wishes to solve it within specific environment.

The complexities of today’s business operations, aggressive competition and government control have made the job of the manager increasingly difficult. It is no longer possible for one individual to be aware of the details of every characteristic of the firm or to make all decisions regarding its operation. As a result, effective decision-making often requires the availability of information analyzed and summarized in a timely fashion.

This also advocates strategic management which is an ongoing process that evaluates and controls the business and the industries in which the company is involved; assesses its competitors and sets goals and strategies to meet all existing and potential competitors; and then re-accesses each strategy annually or quarterly (i.e. regularly) to determine how it has been implemented and whether it has succeeded or needs replacement by a new strategy to meet changed circumstances, new technology, new competitors, a new economic environment, or a new social, financial, or political environment. (Lamb, 1984)
Decisions are at the heart of success of any organization. At times there are critical moments when these decisions can be difficult, perplexing and nerve-wracking. Making decisions can be hard for a variety of structural, emotional and organizational reasons. Adding to these doubling the difficulties are factors such as uncertainties having multiple objectives, interactive complexity and the anxiety.

Strategic decision making is the prominent task of senior managers. At the level of choosing a strategy, the senior management chooses from among a number of strategic alternatives in order to adopt one specific course of action which will make the organization achieve its objectives and realize its mission. Strategic decision making should take into account all the relevant environmental components having an impact to the organization. Stakeholders should be part of the decision making process, implementation of the decision may meet some obstacles.

**1.1.3 Strategic decision making process**

Most discussions of the decision making process break it down into a series of steps. For the most part, the logic can be traced to the ideas developed by Herbert, the well-known Nobel Prize winning organization and decision theorist, who conceptualized three major phases in the decision making process. The intelligence activity, borrowing from the military meaning of "intelligence", this initial phase as consisting of searching the environment for conditions calling for decision making. Design activity, during the second phase, inventing, developing and analyzing possible courses of action take place. Choice activity, the third and final phase is the actual choice- selecting a particular course among those available. Closely related to these phases, but with a more empirical basis (that is,
tracing actual decisions in organizations) are the stages of decision making of Mintzberg and his colleagues.

The identification phase at which, recognition of a problem or opportunity arises and a diagnosis is made. Secondly the development case in which there may be an existing standard procedure or solutions already in place or the design of a new, tailor made solution, while the third phase which is the selection phase, the choice of a solution is to be made. There are three ways of making this selection: by the judgment of the decision maker, on the basis of experience intuition rather than logical analysis, by analysis of the alternatives on a logical, systematical basis and by bargaining when the selection involves a group of decision makers and all the political maneuvering that this entails. Once the decision is formally accepted, an authorization is made. In summary strategic decision making, focuses on how strategic decisions are made and implemented and the factors which affect it. This research is important to management because it provides them with some understanding of the impact of increasing strategic decision making role.

1.1.4 Public universities in Kenya

These universities are established through institutional acts of parliament under the Universities Act, 2012 which provides for the development of university education, the establishment, accreditation and governance of universities. The rapid expansion of university education in the country was a spontaneous response to the increasing demand for higher education necessitated by the increasing flow of students from schools. Currently there are seven public universities in Kenya that have widely been spread all over the country through their constituent colleges and branches, (Sifuna, 2010). They
include: University of Nairobi, Kenyatta University, Moi University, Jomo Kenyatta University of Agriculture and Technology, Egerton University and Masinde Muliro University of Agriculture and Technology.

1.1.5 Kenyatta University

Kenyatta University is a multi-campus public university in Kenya, the largest economy in East Africa. The university main campus is located at Kahawa in Kiambu County. In 1965, the British government handed over the Templar barracks in Kahawa to the newly formed government of Kenya. The barracks were then converted into a college following an act of parliament. In 1985, it was granted full university status and was renamed Kenyatta University.

It offers bachelor’s degrees, masters’ degrees, and doctoral degrees through eleven campuses in Kenya. The vision statement is “to be a dynamic, an inclusive and a competitive center of excellence in teaching, learning, research and service to humanity.” Its mission statement is “to provide quality education and training, promote scholarship, service, innovation and creativity and inculcate moral values for sustainable individual and societal development.

The university has eleven constituent campuses located all over the country. These include: main campus, Kitui campus, Parklands campus, Dabaab campus, Kericho campus, Nakuru campus and Embu campus.
1.2 Research problem

Human performance in decision making terms has been the subject of active research from several perspectives. From a psychological perspective, it is necessary to examine individual decisions in the context of a set of needs, preferences an individual has and values they seek. From a cognitive perspective, the decision making process must be regarded as a continuous process integrated in the interaction with the environment. From a normative perspective, the analysis of individual decisions is concerned with the logic of decision making and rationality and the invariant choice it leads to, (Campbell, 1974). In KU there have been many strategic decisions undertaken to position the university with the 2030 goal, leading to change in leadership and management. This is bound to raise different reactions from various areas, and thus the interest to understand better on what entails the process of strategic decision making.

A good number of studies have also established that management of public universities does not effectively involve their staff and students in decisions. Sifuna (2010) states that effective involvement of staff in decision making leads to ownership of the management decisions and creates conducive environment for effective teaching and learning. Olayo (2005) has established low levels of participation in decision making among staff in selected universities in Kenya which reduces employee work performance with regard to efficiency and effectiveness. Thus, ineffective involvement of staff in decision making is interpreted as impacting negatively on the quality of services offered by the lecturers in both private and public universities. Similarly, students' involvement in decision making is
significantly different between private and public universities. It is believed that students’ involvement in decision making was better in private universities as compared to public universities. This largely explains why there have been more student riots in public universities as compared to private universities. According to Kőkül (2010), the riots were mainly attributed to mainly misunderstanding between the students and the university authority and poor management followed by poor decision making process and inadequate learning facilities and ineffective guidance and counseling services. Maina (2011) also found that colleges that keep students informed of the challenges that they face in providing services, candidly explaining any setbacks and how these are handled, give students an opportunity to experience management in action. Providing opportunities for students to manage their own affairs within the constraints of available resources offers useful experiences for personal development and self-discovery.

From this research, scholars and management may have a better understanding of the process strategic decisions and how to have a better performance of organizations. In reality the process of making strategic decisions is complex: it involves many conflicting interests, takes a long time, and faces many interruptions, delays and disruptions. It is also shaped by environment, decision specific and decision makers’ factors. Important as the strategies (decisions) are, the process of making them is as important also, both content (decisions) and process categories complement each other and the content aspect can aid the process to be adopted. This research will serve to leave a gap in management literature with respect to the area of strategic decision making and best practices that are involved in decision making. This then leads to the question: What is the extent of strategic decision making in Kenyatta University?
1.3 Research objectives

The objectives of this study were:

i. To determine the strategic decision making process at Kenyatta University.

ii. To identify the factors that influence strategic decision making at Kenyatta University.

1.4 Value of the study

Strategic decision making is the prominent task of senior managers. At the level of choosing a strategy, the senior management chooses from a number of strategic alternatives in order to adopt one specific course of action which will make the organization achieve its objective and realize its mission. Strategic decision making should take into account all the relevant environmental components having an impact to the organization. Stakeholders should be part of the decision making process. If the stakeholders are not part of the process, implementation of the decision may meet some obstacles. This study will benefit researchers and learning institutions, policy makers, top managers and other managers of various institutions engaging in strategic decision making process.

To the researchers the study will provide and add knowledge on strategic decision making process and the factors that affect it in institutions and in Kenyatta University, while to the institution it will enable both the policy makers and top managers to be able to identify the kind of strategic decision process taking place. This will enable them amend any form of bureaucracy that may be existing in the strategic decision making structure. The study will identify the key factors that affect strategic decision making, this is very crucial and of assistance to the policy makers and managers both in Kenyatta university and other
institutions. The study will provide an insight on the factors affecting the strategic decision and thus provided solutions to Kenyatta University.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviewed the theoretical literature on strategic decision making and its effects on organizational performance. It also entailed empirical studies that had been done by other researchers on decision making in organizations.

2.2 Theoretical foundation

As organizations and communities conduct their business they influence and change their external environments, while at the same time being influenced by external changes in local and global environments. Organizations and communities are open systems: changing and influencing each other over time. Open system theory is a modern system-based change management theory that enables an organization to design and create healthy, innovative and resilient structures in an organization and communities in today’s fast changing and unpredictable environments ((Luthans, 2002).

The open system tends to explain behavior and in this concept it is composed of regularly interacting or interrelating groups of activities. This is different from conventional models that center on individuals, structures, departments and units separate in part from the whole, instead of recognizing the interdependence between groups or individuals, structures and processes that enable an organization to function. The system approach to management takes into account total organization and efficiency. As it is put in place it works gradually, which is shown to give better and more efficient results.
People too are open systems. Through their actions they influence and change their external environment and at the same time they are constantly being influenced by changes in the external environment (Mathew, 1997). From an employee’s perspective, the organization itself is their immediate external environment and this is the theoretical foundation of my study.

2.3 Strategic decision making process

The organizational decision making process involves proper and efficient implementation of strategic plans and methods to achieve desired business objective. Kartha (2009) argues that decision makers, who are used to depending on their past experiences, must make decisions and take action in the rapidly changing world we face today. In this turbulent environment, the ability to successfully view the current situation through the traditional “good judgment” viewpoint is weakened through increasing external voices (a multitude of information sources on multiple topics) and changing paradigms of how we think about social, cultural, organizational and economic issues, creating internal noise within our prevailing mental models.

Most discussions on the decision making process break it down into a series of steps. For the most part, the logic can be traced to the ideas developed by Herbert, the well-known Nobel Prize winning organizational and decision theorist, who conceptualized three major phases in the decision making process. The intelligence activity, borrowing from the military meaning of “intelligence,” this initial phase as consisting of searching the environment for conditions calling for decision making. Design activity, during the second phase, inventing, developing and analyzing possible courses of action take place. Choice activity, the third and final phase is the actual choice-selecting a particular course among
those available. Closely related to these phases, but with a more empirical basis (that is, tracing actual decisions in organizations), are the stages of decision making of Mintzberg and his colleagues. (Stacey, 1995)

The identification phase at which, recognition of a problem or opportunity arises and a diagnosis is made. Secondly the development phase in which there may be an existing standard procedure or solutions already in place or the design of a new, tailor made solutions, while the third phase which is the selection phase, the choice of a solution is to be made. There are three ways of making this selection: by the judgment of the decision maker, on the basis of experience or intuition rather than logical analysis, by the analysis of the alternatives on a logical, systematical basis and by bargaining when the selection involves a group of decision makers and all the political maneuvering that this entails. Once the decision is formally accepted, an authorization is made. (Lutherans, 2002)

The essential part is that decision making is a dynamic process. This dynamic process has both strategic and behavioral implications for organizations. Recent empirical research indicates that the decision making process that involves making the right strategic choices does lead to successful decisions for the organization, but there are still many problems of managers making wrong decisions. To go beyond the recent dominance of the role that information technology plays in the analysis and practice of effective decision making, this relevance to the study and application of organizational behavior is what has become known as behavioral decision making.
2.4 Factors that influence decision making

As with other psychological phenomena, physical, characteristics of individuals, finances, beliefs, sex and age among the variables that affect decision making or rather, that allow one to establish individual differences. The fact is that our decisions are affected by our beliefs about the characteristics that differentiate the sexes, although those beliefs may be based on questionable criteria. Despite the fact that society is progressing towards social and labor equality between men and women, it is necessary to continue to examine from a psychological perspective whether there are sex differences in the importance that people allocate the factors that determine the decision making process. Till now, the results of research are somewhat ambiguous because, although some significant differences have been identified, most of them are minimal, (Crow, 1991). It seems that women are more affected by the environment; they look for more information and dedicate more time to the decision process, (Gill, 1987). Men, on the contrary, are more dominant, assertive, objective and realistic, (Wood, 1990). However, those differences have been interpreted as the result of the incidence of sex-related social norms and stereotypes that are transmitted in the form of values, traditions and behavioral expectations. Together with some other educational factors, these probably maintain some of the differences associated with certain aspects of decisions (Bussey, 1999).

2.4.1 Age as a factor that influence decision making

Therefore, although till now the findings have been somewhat limited, it is relevant to continue to investigate these differences and determine how they are formed. Regarding age, many studies within the naturalistic approach have been carried out with adult and to a lesser extent with youths and retired persons. Therefore, it would be interesting to analyze
these three age groups conjointly. As with sex, researchers debate without much conviction, about whether there are differences in the quality of the processes used by youths, adults and retired persons. Despite this, the variable age should be taken into account, especially when attempting to investigate from a naturalistic perspective because this focus is specifically based on subjects experience and competence which are normally acquired with age, (Eurydice, 2008).

2.4.2 Characteristics of the individual

Characteristics of the individual decision maker may be very important in understanding the decisions ultimately made, (Millet, 1985). Millet argues that certain conditions increase the probability that the personal characteristics of leaders will affect foreign policy. When the decision maker has wide decision latitude within the government system, when the situation is non-routine, ambiguous or carries with it very high stakes, or when the policy under discussion is a long term strategy or policy. In addition to those situational variables, the personality of a leader may also be very influential. According to Hermann when the leader does not have formal diplomatic training or when the leader is not especially attentive or sensitive to changes in external circumstances.

Furthermore, the analyst must remain aware of limitations and vulnerabilities of human beings both in a physical sense and a cognitive sense. Physically, human decision making can be affected by stress levels, lack of sleep, acute or chronic illness, mental pathologies, medications being used, age so forth. For example, psychologists have found out that decision making tends to be of higher quality when moderate levels of stress are present. Too low a stress level or too high a stress level can be counterproductive. But, there are also cognitive limitations inherent in being human. The human brain is so complex that
human beings often rely on reasoning shortcuts or heuristics to make decisions. Errors of
representation, the “gamblers fallacy” (where the gambler believes that an outcome is more
likely to occur if it has not occurred lately) and many other biases may affect choice.
Furthermore, a person’s ability to handle complexity has an upper limit: psychologists tell
us that even the most conceptually complex human reason can only hold seven things in
mind simultaneously. Robert (1999) explores these factors in-depth in perception and
misperception in international politics.

2.4.3 Personal belief system

Humans are also diverse a lot in terms of their personal belief system. At birth, each human
being develops beliefs about how the world works and what is to be valued. Margret
Hermann created a set of “foreign policy orientations” based on elements such as
nationalism, belief in ability to control events, distrust of others and task-affect orientation,
among others. Alexander George promulgated the tool of “operational code analysis”,
wherein the analyst determines a leader’s beliefs with reference to how best to accomplish
goals. David Winter has sought to typologies the motivating forces for individual leaders.
Such frameworks of analysis often rely on the methodology of content analysis where a
leader’s speeches and writing are analyzed thematically or quantitatively to provide insight
into the specifics of his or her belief system.

It is impossible to comprehend the difficulties encountered in formulating and
implementing strategy if one ignores the fact that the concept of strategy and the process of
making it a reality are inseparable in any organization setting. Although a great deal of
scholarly attention has been devoted to the methods of allocation resources rationality from
the economic point of view, it is equally important to understanding that decisions are the
products of organizational and political processes. In fact, strategy process research as applied to corporate settings has a long history dating back at least to Barnard (1938) and Andrews (1971). Barnard sees the organization as a dynamic cooperative system, a process of continual readjustment to the physical, biological and social environment as a whole. The notion of decision as a formal, conscious, deliberate and logic formal process is the core of his thesis. Similarly, Andrews conceives the administrative process as a decisional process, stressing that processes of decision and the processes of action are the main concerns of the theory of administration.

Managers make strategic decisions also in response to both problems and opportunities, and when their organizations are performing poorly or in crisis. Many management scholars believed that the process used to make strategic decisions affect the quality of those decisions. However, some authors Bourgeois and Mintzberg have observed a lack of research on strategic decision making process. Organizational performance level, poor or excellent has also been posited to affect strategic decision making.

2.4.4 Finances as a factor that influence decision making

The most common challenge uncounted in decision-making is of too much attention being given to financial aspects. Lack of decision-maker preparedness and internal politics also scored highly. Ironically, in spite of the significant focus on financials when making decision; it was observed that that adverse impact of poor decisions was predominantly financial in nature. As might be expected, there were similarities between smaller and larger organizations although resource-based concerns were more common in smaller and medium-sized businesses; while issues surrounding complexity (people, process) were more common in large organizations. The study identified a number of key areas for
improvement in decision-making. From the above it is clear that the process and people failings are present in many organizations, and at all stages of the decision-making process. Areas of greatest concern are the post-implementation review, preparation and the ability to consider multiple scenarios.

Although actual organizational decisions may be made primarily in small groups, the policy positions of group members and the subsequent implementation of decisions made by small groups are only well understood when the analyst includes insights at the organizational and bureaucratic level of analysis (Graham, 1999) essence of decision making stage but also the subversion of rationality at the decision making stage but also the subversion of rationality at the implementation stage. Large organizations typically develop standard operating procedures (SOPs) that allow for quicker, more efficient responses than would otherwise be possible with collectivities numbering in the thousands or even millions of persons. Unfortunately these SOPs are fairly insensitive to the external circumstances as well as to efforts by the leader to adapt or modify them. Indeed, leaders may not even comprehend that when they give an executive order it is first translated into a series of sequential SOP steps. This translation may leave much to be desired in terms of flexibility, creativity and appropriateness where they move closer to their own preferred bargaining position.

At the same time, many negative factors have been identified. Eisenhardt and Bourgeois (1998) identify the importance of power and conflict, and propose a link between centralization of power and the appearance of politics in an organization. Conflict in team processes is discussed by many authors. Amason (1996) notes the importance of team heterogeneity, and suggests both cognitive characteristics and team processes influence
decision process. He also separates (dysfunctional) affective conflict and (functional) cognitive conflict, and notes that well managed team processes are likely to result in better decisions, with less affective conflict. Similarly, Eisenhardt, Kahwajy and Bourgeois (1997) equate substantive, issue-oriented and cognitive conflict, and describe the importance of conflict in extracting comprehensive and extensive decision processes. Dean and Sharfman (1996) also note that managers who collected information and used analytical techniques made decisions that were more effective than those who did not. Those who engaged in the use of power or pushed hidden agendas were less effective than those who did not.

### 2.5 Cognitive dissonance

Cognitive dissonance is an uncomfortable feeling caused by holding two contradictory ideas simultaneously. The ideas or cognitions in question may include attitudes and beliefs, the awareness of one’s behavior and facts. The theory of cognitive dissonance proposes that people have a motivational and drive to reduce dissonance by changing their attitudes, beliefs and behaviors or by justifying or rationalizing their attitudes, beliefs and behavior. Cognitive dissonance theory is one of the most influential and extensively studied theories in social psychology.

Dissonance normally occurs when a person perceives a logical inconsistency among his or her cognitions. This happens when one idea implies the opposite of another. For example, a belief in animal rights could be interpreted as inconsistent with eating meat or wearing fur. Noticing the contradiction would lead to dissonance, which could be experienced as anxiety, guilt, shame, anger, embarrassment, stress and negative emotional states. When people’s ideas are consistent with others, they are in a state of harmony or consonance. If
cognitions are unrelated, they are categorized as irrelevant to other and do not lead to dissonance. A powerful of dissonance is an idea in conflict with a fundamental element of the self-concept, such as "I am a good person" or "I made the right decision." The anxiety that comes with the possibility of having made a bad decision can lead to rationalization, the tendency to create additional reasons or justification to support one's choices. A person who just spent too much on a new car might decide that the new vehicle is much likely to break down than his or her old car. This belief may or may not be true, but it would likely reduce dissonance and make the person feel better. Dissonance can lead to confirmation bias, the denial of disconfirming evidence, and other ego defense mechanisms. (Festinger, 1950)

2.6 Rational decision making theory

Rational decision making theory "rational" people make decisions in this theory based on the optimal choice of greatest benefit of them, rational decisions making models. Rational decision making models involve a cognitive process where each step follows in a logical order from the one before. Cognitive means it is based on thinking through and weighing up the alternatives to come up with the best potential result. There are different types of rational models and the number of steps involved, and even the steps themselves, will differ in different models. Some people assume that strategic decision making is equivalent to problem solving. The comparison is often performed by filling out forms or charts that have names: Decision matrix, Pugh matrix, decision grid, selection matrix, criteria rating form, amongst others. A relative importance is given to each criterion and highest wins. A rational strategic decision making model presupposes that there is one best outcome. Because of this it is sometimes called an optimizing decision making model. The search for
perfection is frequently a factor in actually delaying making a decision. Such a model also presupposes that it is possible to consider every option and also to know the future consequences of each. While many would like to think they know what will happen, the universe often has other plans. It is also limited by the cognitive abilities of the person making the decision; how good is their memory? How good is their imagination? The criteria themselves of course, will be subjective and may be difficult to compare. These models require a great deal of time and a great deal of information. And, of course, a rational decision making model attempts to negate the role of emotions in decision making.

2.7 Decision communication methods

The standards methods of communication are speaking or writing by a sender or listening or reading by the receiver. Most communication is oral, with one party speaking and the other listening. However, some forms of communication do not directly involve spoken or written language. Non-verbal communication (body language) consists of actions, gestures and other aspects of physical appearance that, combined with facial expressions (such as smiling or frowning), can be powerful means of transmitting messages. At times, a person’s body may be talking even as he or she maintains silence. And when people do speak, their bodies may sometimes say different things than their words convey. A mixed message occurs when a person’s words communicate one message, while non-verbally; he or she is communicating something else.

Although technology such as email has lessened the importance of nonverbal communication, the majority of organizational communication still takes place through face to face interaction. Every verbal message comes with a nonverbal component. Receivers interpret messages by taking in meaning from everything available. When non-
verbal cues are consistent with verbal messages, they act to reinforce the messages. But when these verbal and nonverbal messages are inconsistent, they create confusion for the receiver. The actions of management are especially significant because subordinates place more confidence in what managers do than what they say. Unless actions are consistent with communication, a feeling of district will undermine the effectiveness of any future social exchange.

2.7.1 Oral communication

In general, managers prefer to rely on oral communication because communication tends to be complete and thorough when talking in person. In face-to-face interactions, a person can judge how the other party is reacting, get immediate feedback and answer questions. In general, people tend to assume that talking to someone directly is more credible than receiving a written message. Face-to-face communication permits not only the exchange of words, but also the opportunity to see the nonverbal communication. However, verbal communication has its drawbacks. It can be inconsistent, unless all parties hear the same message. And although oral communication is useful for conveying the viewpoints of others and fostering an openness that encourages people to communicate, it is a weak tool for implementing a policy or issuing directives where many specifics are involved. Here are two of the most important abilities for effective oral communication.

2.7.2 Listening as a mode of communication

Listening is making sense of what is heard and requires paying attention, implementing and remembering sound stimuli. Effective listening is active, requiring the hearer to get inside the head of the speaker so that he or she can understand the communication from the
speaker’s point of view. Effective listeners do the following; make eye contact, schedule sufficient, uninterrupted time for meetings, genuinely seek information, avoid being emotional or attacking others, paraphrase the message you heard, especially to clarify the speaker’s intention, keep silent, don’t talk to fill pauses, or respond to statements in a point-counterpoint fashion, ask clarifying questions and avoid making distracting gestures.

Managers often do poor jobs of providing employees with performance feedback. When providing feedback, managers should do the following; focus on specific behaviors rather than making general statements; keep feedback impersonal and goal-oriented; offer feedback as soon after the action as possible; ask questions to ensure understanding of the feedback; direct negative feedback toward behavior that the recipient can control.

2.7.3 Written communication

Written communication has several advantages. First, it provides a record for the referral and follow-up. Second, written communication is an inexpensive means of providing identical messages to a large number of people. The major limitation of written communication is that the sender does not know how or if the communication is received unless a reply is required. Unfortunately, writing skills are often difficult to develop, and many individuals have problems writing simple, clear and direct documents. And believe it or not, poorly written documents cost money. Managers must be able to write clearly. The ability to prepare letters, memos and other written documents may spell the difference between success and failure. The following are some guidelines for the effective written communication; draft the message with the readers in mind; give the message a concise title and use subheadings where appropriate; use simple words and short clear sentences and paragraphs; back up options with facts.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the methodology that the researcher employed in the study. The chapter includes a discussion on the research design that would be adopted, data collection methods and data analysis techniques.

3.2 Research Design

The study adopted a case study research design in establishing the influence of decision making process in Kenyatta University and also was important in enabling the research to obtain disruptive information about the concept in this study. The case study assisted in attaining an in-depth knowledge on the concept.

3.3 Data Collection

Primary data was collected for the purpose of this study. Primary data is information gathered directly from the respondents (Kothari, 2004). The primary data was useful in a case study as it was to improve an in-depth view, and also only primary source of data could provide the information needed in this study.

The data was collected by use of an interview guide that was to guide the interviewer in administering questions to the respondent. The interview guide enabled the researcher to prepare for an in-depth and well planned interview without being constrained to specific questions. This study was about the strategic decision making process and its influence, the
study involved the part of the top administration of the university, that included the dean, registrar and head of department.

3.4 Data Analysis

The data obtained from the interview guide was analyzed using content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of the study. It involves observation and detailed description of objects, items or things that comprise the object study.

This approach was more appropriate for the study because it allowed for deep, sense detailed accounts in changing conditions, thus the qualitative method was suitable for this research because this research was conducted within the environment where implementation initiative occurred.
CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The purpose of this study was to determine the strategic decision making process in Kenyatta University and also to identify the factors that influence strategic decision making in the university.

4.2 Strategic decision making process

Data was successfully collected from a total of three respondents through an interview guide. This study was able to achieve a 75% response rate since the total number of respondents was 4. The study sought to find the key strategic decision making process adopted by Kenyatta University. The study found out key areas among which strategic decisions were made include: student enrollment, academic programs, number of graduates, staff establishment, infrastructure development, research and innovations, linkages and partnerships, community extension, technology transfer, institutional management and resource requirements.

4.2.1 Need for strategic decision making

The research also established that in order to the prevailing national development agenda, Kenyatta university had to review her strategic plan (2004-2014) that ultimately impact the strategic decision made so as to align it to the medium-term rolling plan of the vision 2030 and other relevant national development policies. The review was subject to rigorous analysis by the dean’s committee, senate and university council. While as provided for under clause 11 (1 and 2) of the KU Act, 1994, Kenyatta University is headed by a
Chancellor. A university council comprising distinguished leaders and professionals govern the university. The Vice Chancellor is the Chief Executive Officer of the University, and is assisted by the Deputy Vice Chancellor, (Academic Affairs) the Deputy Vice Chancellor (Research, Production and Extension) and the Deputy Vice Chancellor (Administration Planning and Development). The organizational structure facilitates maximization of resources with training and research as core functions.

The study established that the process of strategic decision making presents a review detailing the fundamental statements of the vision, mission, mandate, core functions and statements of principles, values propositions, policy priorities, current organizational structure, current funding and the achievements of the university.

The study established that the vision of statement of Kenyatta University played a key part in the process of strategic decision making. The vision statement for KU is “To be a dynamic, an inclusive and a competitive center of excellence in teaching, learning, research and service to humanity”. The mission statement of Kenyatta University is “To provide quality education and training, promote scholarship, service, innovation and creativity and inculcate moral values for sustainable individual and societal development”. The mandate and core functions of Kenyatta University are to provide quality education and training and to stimulate intellectual participation of students and staff. The core values constitute the fundamental beliefs that drive the university; these beliefs are upheld because they define the expected standard of behavior and culture. The values guide the university to achieve the transformation of human conduct and governance and management practices.
4.2.2 Those responsible for strategic decision.

The findings from the study revealed that the head of departments and directors were tasked with being in the front line as they were at the executive level to drive the convergence initiative. It was found out that the root for most strategic decision emanated from the response communicated by them. The directors and heads of different departments identified the areas and issues that needed change and that were beyond their level of decision making, once the areas and issues had been identified it was upon them to escalate this to the dean’s committee.

It was clear from the study that communication in strategic decision making played a key part; this was identified in the vast consultation that took place within and with key stakeholders. The communications were regular and updates were made during departmental meetings and board meetings as they were deemed appropriate for the business. The issues raised were analyzed by the dean’s committee who forwarded them to the senate and eventually end up with the university council. This form of communication did not stop here and through consultation was adopted depending on the issues raised, the university further sought to hire or find assistance from experts in the industry. The university also sought to benchmark itself with other institutions across the region, so as to have an overview of where or what direction to undertake on certain issues.

The study also revealed in more practical terms, that leadership and governance in Kenyatta University highly influenced strategic decision making process as the authority to make decisions on fundamental policies were bestowed to those in governance of the institution. Heads of institutions are normally vested with the largest degree of individual formal authority and responsibility within the universities. In Kenyatta University, the
instruments and articles of government or statutes stipulate that the leader is directly responsible for the day-to-day management of the university, which includes directing and leading the university and its staff, determining academic activities in consultation with the academic board or senate and managing the budget and resources. The head is also the academic leader of the university, being chair of the academic board or senate and in addition is responsible for representing academic interests internally.

4.3 Factors that affect strategic decision

The study established that the government nominates most members of the university councils, while academic staff and students' representatives to councils are usually elected by their respective constituencies, key members of the councils, such as the chairman, deputy, the minister for education, and permanent secretaries of ministries dealing with universities are nominated by the chancellor. This system of university council governance has seriously undermined public universities' autonomy and academic freedom and thus interfering with strategic decision making. The government has on many occasions used the councils to order university closures, and to implement government directives in the number of students to be admitted, the terms and conditions of service for university staff, teaching and travel agendas. The Chancellor appoints and dismisses vice-chancellors who in a majority of cases are not necessarily the most administratively and academically able, but those deemed to be politically loyal to the establishment from within the ranks of academic staff. The Chancellor's powers have extended to the appointment of other key university administrators, this has led to the greatly to undermining strategic decision making in the university.
4.3.1 Economic factors

The study also found out that the economic factor in the university tremendously influenced the strategic decision making process, for instance in 2007, the Kenyan economy grew by 6.3% from 0.6% in 2002. The growth rate has since dropped to 1.7% in 2014. On the other hand, the inflation rate has shot up from around 30% to 48% per annum over the same period. Used as economic indicators, these fluctuations impact negatively on the demand for education and government support extended to higher education. By extension, the high inflation rate affects the ability of the students to access basic needs, compromising their academic lives. At institutional level, the increase in the student enrolment has not been matched by the desired government expenditure on universities. KU has increasingly been compelled to address its funding shortfall from alternative efforts; this in regard has led to difficulty in strategic decision making and thus has highly influenced the process of strategic decision making in general.

4.3.2 Environmental factors

The research also determined that environmental factors also had an impact and influence in strategic decision making. The study found out that with the anticipated population growth it is likely to impact adversely on environment besides demands for further exploitation of the natural resources. These natural resources are inclusive of utilization of expansive land resource. The dynamic environment that KU was serving was under the adverse effects of climate change, and it being an agricultural center this had impact on the research being carried out in the University.
4.3.3 Technological factors

The importance of technology, along with its key components of information and communication to Kenyatta University cannot be over emphasized. The University boasts of being the leading in technological advancement in the country and even in the region. The study established that over the last years there have been major strategic decisions made towards technological advancement that have been marked by rapid improvement in ICT infrastructure. Further efforts have been on development and implementation of national and regional policies and regulations aimed at effective governance of sectors as well as growing investor interest. Ultimately, the recognition that information is a resource - which must be generated, collected, organized, leveraged, secured and presented to enhance national prosperity - underscores the central role of the university. Under the Kenya vision 2030, KU incubators have been identified to collaborate projects under which the Government intends to implement a project to assemble laptops for the national and regional market. This has greatly influenced the strategic decision being made in the institution for the last three years in regards to Information Technology department.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter deals with the summary, conclusions, recommendations and areas for further research. This study set to achieve the objectives: To find out the decision making process in Kenyatta University and to determine the factors that influence the decision making process in Kenyatta University. The chapter provides possible areas of further research in order to provide guidance to future researchers on strategic decision making, based on the objectives an interview guide was developed and used to gather the data and the data collected was analyzed using content analysis. In this chapter, the findings of research are summarized and conclusions drawn.

5.2 Summary of findings

Most of the strategic decisions made at the institution were functional level decisions and which are mostly for implementation. It is clear then that the respondents were referring to their level of decision making. Given that majority of the respondents were not involved in strategic decision making, and that there were staff who felt they should be involved in decision making, autocratic leadership at the university was evident as a style.

This research project was aimed at investigating the role of strategic decision making in strategic management and various issues as related to strategic decision making process. From the findings, majority of the staff were not involved in decision making process.
Most strategic decisions were made at dean’s committee and at the council board level, while some were made by directors and heads of departments. While most strategic decisions made were moderately fast to address the issues at hand. Those who at least made decisions had faced dilemmas and personal preferences were the most in occurrence though the respondents felt that information for decision making was not fairly available or sometimes available.

From the findings, most of the staff members were not involved in strategic decision making but were aware of the consequences of those decisions. Most of the strategic decisions were fairly well received, the university communicates its information and decisions by memos and sometimes orally. The study found out that the information for strategic decision making was not available but sometimes available, it goes without saying that the university only communicates information needed for implementation and the rest is lock and key. This information is communicated through memos to the relevant staff for implementation.

The study established once the council had come up with strategic decisions, the process of communicating the decisions began. The strategic decision made was first communicated to the dean’s committee who later transfer the strategic decision made to the respective head of department and school heads. The process of communicating the strategic decision was critical and thus formal letters and memos were the most convenient and desirable modes of communication. Once the strategic decision had been communicated to the heads, they were now able to communicate the decisions to other members of staff to the non-teaching and teaching. The study also established that the deans were to communicate such strategic decisions to the student leaders and other students through memos and newsletter.
5.3 Conclusion

Since the study revealed that majority of the staff and other stakeholders are not involved in formulation of the decisions and the Management board makes key decisions, it is apparent that problems are reported by clerks to their supervisors who then pass them on to higher levels of management until they reach the Management Council. The management council then deliberates and decides on the solutions and makes decisions which are then passed on to the low level personnel for interpretation (directors) and implementation by the heads of departments.

The institution prides itself of staff that has stayed with them for years and obviously has done whatever is possible to recruit, train them for that long. These staff members seemingly climb up the ladder to the level of making strategic decisions at the management board level. This in essence motivates them to stay on their respective jobs and make sure the strategic decisions of the management board are interpreted and implemented accordingly and efficiently, for these they hope to climb up the ladder and make such decisions. These two factors influence the strategic decision making at the institution.

5.4 Recommendations

From the study, the researcher recommends that Kenyatta University management involves its members of staff in making strategic decisions, through this; the staff will feel part of the organization and will be in a position to provide their input towards decision making.

The university should also implement methods through which information towards strategic decision making will be provided to the employees and other stakeholders like students to avoid retaliation through aggressive tactics like strikes and go-slows. Through
this, the members will be able to access the information available in relation to the
decisions in question.

Given that from the respondents most staff was aware of strategic decision making process
at the institution; it goes without saying that the communication within the university was
sufficient to allow good governance of the institution. Given too that the strategic decisions
of management board were received fairly and that they always assessed the effects of the
decisions during implementation, it is clear that the university community were aware of
the consequences of the decisions.

5.5 Suggestions for further research

This study was a case study and therefore it was concentrated on one institution it being
KU, this therefore limited the findings to one institution and not all aspects of strategic
decision making was investigated. Therefore, in connection with further research, the
researcher recommends that a similar study be undertaken which should include three or
more institutions for comparison purpose.

The researcher would also recommend that a study be done to investigate the comparison
between the comparison between strategic decision making in institutions of higher
learning and other institutions.
REFERENCES


Millet, J.D., (1985), Governance of Higher Education in TostenHusen and T. Neville


APPENDICES

Appendix 1: Interview Guide

Part A: Respondent

1. Job title/ Position
   - Director [   ]
   - Manager/ Dean [   ]
   - Assistant manager/ Dept. Head [   ]
   - Officer [   ]
   - Assistant Officer [   ]
   - Clerk [   ]
   - Other (specify) ".."

2. Division
   - Administration [   ]
   - Finance, Planning & Development [   ]
   - Academic [   ]

3. Duration in Department
   - Less than one year [   ]
   - 1-3 years [   ]
   - 4-7 years [   ]
   - 8-10 years [   ]
   - Over 10 years [   ]
Part B

**Strategic Decision Making Process**

1. Who makes key strategic decisions in the University?
2. What is the process of strategic decision making process?
3. At what levels are strategic decisions made?
4. What are the decision making aids in the institution?
5. What is the speed of strategic decision making in the university?
6. What are the challenges faced in the decision making process?

Part C

**Factors influencing strategic decision making**

1. What are the factors influencing strategic decision making?
2. How personalized are the strategic decisions made?
3. What is the process of strategic decision implementation?
4. How involved are you in the implementation of strategic decision making?