

STRATEGIC PLANNING PRACTICES AT KENYA REVENUE AUTHORITY

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DECLARATION

This research project is my original work and has not been presented for examination in any other university.

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

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DEDICATION

This project is dedicated to my lovely wife and sons for their support and encouragement.

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LIST OF ACRONYMS AND ABBREVIATIONS

EAC	East African Community
ICT	Information Communication Technology
KAM	Kenya Association of Manufactures
KRA	Kenya Revenue Authority
PMS	Performance Management System
RDT	Resource Dependence Theory
SWOT	Strengths, Weaknesses, Opportunities, and Threat

ABSTRACT

The focus of the research was on the study of strategic planning practices at the Kenya Revenue Authority (KRA). Strategic planning has been viewed as a systematic process of envisioning a desired future and translating this vision into broadly defined goals or objectives and a sequence of steps to achieve them. Strategic planning is a means to an end, a method used to position an organization through prioritizing its use of resources according to identified goals in an effort to guide its direction and development over a period of time. This study, therefore sought to identify the strategic planning practices at Kenya Revenue Authority. The research adopted a case study design which was deemed appropriate because it involves a careful and complete observation of social units or a phenomenon and it also offers a comprehensive understanding of the social units or phenomenon under study. The primary data was collected using a comprehensive interview guide. Data collected was analyzed using content analysis. This is because the nature of data collected was qualitative in nature. The study concluded that Kenya Revenue Authority undertakes formal strategic planning in terms of environmental analysis and that it uses balanced scorecard approach on four perspectives of enhanced revenue collection, customer service enhancement, internal processes enhancement and people development initiatives. The Study also concludes that inadequate funding from treasury, inadequate employee involvement, ineffective coordination especially poor communication of strategic plans, time allocated for the planning, lack of a structured way of managing strategic planning practices, lack of needed resources for example specialized labour which is either non-existent or expensive were amongst the challenges affecting strategic planning practices at KRA. Further, the study concluded that the performance of entire organization relied heavily on the strategic plan set and thus it is a very important process that should be given greater support by all the managers and employees. The study also concluded that there is enhanced revenue collection at low cost because of effective strategic planning. The study recommends that the Authority continue use of formal strategic planning for continued effectiveness and efficiency. The Authority should however develop a strategic plan process to ensure appropriate focus on both the pre- and post-implementation challenges and should build employee trust and gain their commitment to the core values and objectives of the organization. Finally, the study recommends change of organizational structure and culture through restructuring and training to align to the organization's objectives. This is important in order to improve commitment within the organization so that employees can identify with their organization and its goals, and deliver the services more effectively and efficiently.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Strategic planning is designed to help public and non-profit organizations (and communities) respond effectively to their new situations. It is a disciplined effort to produce fundamental decisions and actions shaping the nature and direction of an organization's (or other entity's) activities within legal bounds. These decisions typically concern the organization's mandates, mission and product or service level and mix, cost, financing, management and organizational design. Strategic planning practices were designed originally for use by organizations (Bryson, 2011).

Strategic planning can be helpful for purposes of; gathering, analysing, and synthesizing information to consider its strategic significance and frame possible choices; producing considered judgements among key decision makers about desirable, feasible, defensible, and acceptable missions, goals, strategies, and actions, along with complementary initiatives such as new, changed or terminated policies, programs, and projects; addressing in effective ways key organizational issues or challenges now and in the foreseeable future; enhancing continuous organizational learning; and creating significant and enduring public value (Thompson, 2007).

The concept of strategy is based on a number of associated concepts; competitive advantage resource-based strategy, distinctive capabilities, strategic intent, strategic capability, strategic management, strategic goals and strategic plans (Mintzberg, 1994).

The process of identifying where you want to be and deciding what you must do to get

there is known as strategic planning, and it's important for any organization. At the core it deals with the adjustment of specific policies to particular situations. The term strategy has a range of related meanings and authors have generally felt quite free to use it quite idiosyncratically. For game theorists, strategies are concrete actions or rules for choosing actions in a conflict situation, for the same strategy is "high-level" or "long-term" planning, while others see it as referring only to broad gauge issues of "mission" (Capon, 2008).

In Kenya, public institutions have adopted various approaches to public sector management to address challenges that have inhibited their performance as government agencies in the past, such as excessive controls, multiplicity of principals, frequent political interference, poor management, and outright mismanagement. These approaches include creation of new organizational structure and arrangements for managing and delivering programs and services (e.g. privatization, commercialization, outsourcing, and decentralization of local government). They also involve systematic reforms (e.g. new budgeting and planning systems, administrative modernization and decentralization of management authority). Finally, they require new methods of service delivery (Larbi, 2001).

The crucial strategic planning practices at Kenya Revenue Authority which are implemented aim at; creating a workforce that adheres to KRA core values and vision; upgrading the work environment to enhance staff morale, efficiency and effectiveness; achieving revenue targets through a revamped enforcement strategy, innovative approaches to enhance collection in sectors with low tax compliance and scaling up

compliance within the SME sector; and improving customer service through benchmarking against service delivery standards of upper middle income economies (Mutune, 2010).

1.1.1 The Concept of Strategy

Strategy is concerned with the long-term direction and scope of an organization. It is also crucially concerned with how the organization positions itself with regard to the environment and in particular to its competitors. It is concerned with establishing competitive advantage, ideally sustainable over time, not by technical manoeuvring but by taking an overall long-term perspective (Johnson & Scholes, 2002).

A strategy refers to the set and specified way of doing things. Majorly, a strategy works under a set vision that has a long term goal to achieve in the future. This shows that a strategy is mainly concerned with the long term goals of an organization. This is achieved through the strategic analysis of strengths, weaknesses, opportunities and threats (SWOT) that face an organization. This in turn helps the organization to know where it stands in its operations and defines the specific future it wants to be in the defined time. The strategic analysis therefore provides an organization with the know-how of maximizing on its opportunities and strengths. On the other hand the organization must also develop strategies that will help it deal with the weaknesses it has and overcome the threats it faces from its rivals (Barnley, 2001).

1.1.2 Strategic Planning

Strategic planning is a management technique intended to identify the strengths and weaknesses of the organization, the challenges and opportunities facing it, and its vision of the future and how it will seek to achieve its vision. Strategic planning focuses on the organization's long-term goals, assess its capabilities to achieve those goals, examine environmental factors that may affect the organization, and identifies strategies designed to move the organization forward (Kumar, 2006).

Strategic planning approach conceives strategic decision making processes as logically sequenced activities that allow management to analytically determine an appropriate strategic path for the whole organization. It has been depicted as the development of decision making rules that guide future organization actions. Centralized strategic planning system are developed to integrate functional activities and co-ordinate long-term organizational actions that arguably should facilitate corporate adaptation (Bartlett & Ghoshal, 1998).

Strategic planning may sound similar to the business planning process, but differs in a few key ways. The critical distinction is that strategic planning is more of a planning technique intended to get the organization thinking strategically with a long-term perspective, while business planning builds from the strategic planning process and provides clarification of short-term actions necessary to achieve the desired future. The common thread for both processes is adopting a strategic mind-set, where the organization focuses on the results to be achieved (Bryson, 1995).

1.1.3 Public Sector in Kenya

Public sector is the part of the economy concerned with providing basic government services. The composition of the public sector varies by country, but in most countries the public sector includes such services as the police, military, public transit, primary education and healthcare for the poor. Companies within the public sector can be one of two types, either funded directly by the government or publicly owned where majority of the company's shares are owned by the government (Flynn, 2007).

The Kenya's public service has been undergoing multidimensional, interdependent and interlocking reforms through performance improvement strategy. The country has made tremendous progress through these reforms that were anchored in the Performance Management System (PMS). Role of public sector in the implementation of vision 2030 underpins the just, prosperous and democratic society that the public sector working towards. The sector is expected to play a key role in communicating the vision to Kenyans, its implementation and evaluation (Kenya Vision, 2030).

1.1.4 Kenya Revenue Authority

Kenya Revenue Authority (hereinafter referred to as KRA or the Authority) is a semi-autonomous state corporation which was established by an Act of Parliament, CAP 469 of the Laws of Kenya on 1st July 1995. KRA is expected to advise the government of Kenya on all matters relating to the administration of, and collection of revenue under the written laws or the specified provisions of the written laws set out in the first schedule of the KRA Act. The authority is mandated on behalf of the Republic of Kenya to collect, to account for and administer laws related to tax and revenue collection. As an agency of the

government, over the years, KRA has evolved to become a modern and fully integrated revenue administration agency. Revenue collection has increased from Kshs 122 billion at inception of KRA in 1995, to Kshs 963.8 billion in the 2013/14 financial year, accounting for over 93% of total government revenue (KRA, 2014).

KRA is headed by a Commissioner General, who is assisted by four (4) Commissioners. The Commissioners head the following departments: Domestic Taxes, Investigation and Enforcement, Support Services and Customs and Border control. In addition, there are eight (8) other support departments, namely: Finance, Human Resource, Board, Corporate Services and Administration, Internal Audit & Risk Management, Information and Communication Technology, Legal, Research and Corporate Planning, and Marketing & Communication (KRA, 2014).

The overarching goal for KRA is to scale up its services to that of the better performing emerging economies in line with the country's Vision 2030 strategy. This will enable KRA to play a leading role in accelerating the country's overall economic development. KRA corporate plan identifies six strategic priorities; creating a workforce that adheres to KRA core values and vision; upgrading the work environment to enhance staff morale, efficiency and effectiveness; upgrading KRA's ICT to facilitate achievement of international best practice, raise performance standards and reduce operational costs; implementation of new organizational structure for increased efficiency and operational effectiveness; improving customer service by benchmarking service delivery standards against (upper) middle income country standards, expanding the scope of services where KRA meets international best practice and increasing service options to taxpayers, and'

achieving the revenue targets through a revamped enforcement strategy, innovative approaches to enhance collection in sectors with low tax compliance and scaling up taxation of SME sector (KRA, 2014).

1.2 Research Problem

Strategic planning is a very important practice to all organizations. The key objective of a strategy is to bring about a competitive advantage over the rivals in the market. It also aims at providing sustainability in the market even when there are environmental changes. The dynamism in environment poses a great challenge to the managers during planning thus they must first conduct an environmental scanning both externally and internally. Scanning of the external environment helps to identify the possible opportunities and threats while that of internal environment helps to identify the possible strengths and weaknesses (Mintzberg, 1999).

The environment presents organization with opportunities, threats and constraints that force them to have specific strategies to help in fulfilling their mandate in the market. Environmental forces keep on changing every now and then and thus leaving a market gap that has to be filled by the most competitive organization. This organization should always have strategies that will help it operate in the greatest environmental dynamics in order to create a competitive advantage and create sustainability that leads to a future growth. Organizations can be affected by both internal and external environments. Planning is one of the major functions of the management and thus it fosters very pertinent issues that have to be handled by the executives. This is because it directs the organization where it wants to go in the future. Strategic planners should understand both

the internal and external environments that surround their organizations before coming up with the organizational strategy. This is achieved by carrying out a SWOT analysis of the environment to see the gaps created by the prevailing opportunities and threats in the market (Johnson & Scholes, 2002).

KRA strategic planning as envisaged in their fifth corporate plan 2012/13 – 2014/5 stipulates that its overarching goal is to scale up its services to that of the better performing emerging economies in line with the country's vision 2030 strategy. This will enable KRA to play a leading role in accelerating the country's overall economic development. KRA has been able to keep pace with the global nature of its operations by maintaining a match between its strategy and the environment through revision of its strategic planning to match the turbulence to ensure success of its service delivery (Njagi, 2010).

Strategic planning if well conceptualized and implemented should result in strategic management. Strategic management treats strategic thinking as a pervasive concept for running a business organization and regards strategic planning as an instrument around which all other control system budgeting, information, reward and organization can be integrated. Strategic planning specifically entails the allocation of resources to programmed activities in such a way as to achieve a set of business goals in a dynamic competitive environment (King & Cleland, 1987).

Several local studies have been carried out on strategic planning practices which include: Oriko (2010) undertook a study on evaluation of strategic planning at Kenya Revenue Authority. The study findings concluded that KRA has met most of its strategic goals and

objectives across the three strategic plans. Also the implementation of KRA's strategic plan was influenced by various factors which include external and internal factors. Wachira (2014) studied factors influencing implementation of strategic plans at the Kenya Revenue Authority and found out that KRA top management is committed towards strategic planning and implementation, and this commitment affected to a very great extent the strategy implementation. The study also concluded that lack of proper knowledge poses a challenge in strategic plan implementation.

All these studies were relevant to the specific fields but none clearly explored the strategic planning practices *per se* used by these respective organizations. Therefore a knowledge gap exists on strategic planning practices at Kenya Revenue Authority. This necessitates the need for this research study to be undertaken. It is on this basis that this study has been conducted to answer the question, what are the strategic planning practices adopted by Kenya Revenue Authority towards accomplishing its business activities.

Greenley (1986) recognizes in his research that profits increased by the use of strategic planning, which are inherent as the consequences of its use. He refers to the concept of "intrinsic values of planning." So there are economic advantages to the use of strategic planning practices. There remains a priori that strategic planning has a major effect on company performance.

Bresser and Bishop (1983) argue that explicit strategic planning practices can be dysfunctional if it introduces rigidity and encourages excessive bureaucracy. In these cases the planning results in rigidity and inflexibility of responses to the changing

environment. Strategic planning practices tend to increase the need for coordination and control of the process of forming strategies, usually fluid, flexible and informal. In other words in order to maintain some control, strategic planning practices tend to be an exaggerated extrapolation of past and present.

Effective strategic planning practices depend on the involvement and participation of all actors involved in the life of the organization, including officers, employees, shareholders, customers and potential strategic partners to identify priorities for the organization, its strengths and weaknesses, and to avoid prejudicing a sector for the benefit of another and avoid conflicts. But strategic planning practices are still too often the result of a small group of people. The needs (in terms of financial resources, technical, appropriate architecture, procurement, human resources, information management of the organization) and business priorities are defined only by this group. Moreover being a long and meticulous process, strategic planning requires a high expenditure of energy and time for its implementation. In practice it is difficult to mobilize resource (especially human) necessary for its implementation (Dutton & Duncan, 1987).

Kamau (2008) studied strategic planning practices adopted by tour and travel firms in Kenya, and found out that the strategic planning practices in the firms follows the formal planning process, save for the involvement of key stakeholders such as employees in the planning process. It also established that another planning practice is that the firms in the industry do external as well as internal environmental analysis to ascertain the effects of various factors on their operations before formulating their plans.

Does strategic planning practices increase the amount of management effectiveness of an organization? In other words does the application of strategic planning practices lead, in practice, businesses to success?

1.3 Research Objectives

This study was guided by the following objectives:

- i) To identify the strategic planning practices at KRA.
- ii) To establish the challenges facing KRA in implementing its strategic planning practices.
- iii) To determine the benefits of strategic planning practices at KRA.

1.4 Value of the Study

The findings of this study benefited various groups of people. The management of KRA benefited substantially from this research study, since it assisted the management in effective strategic planning. They were able to determine whether the existing strategic plan that are being used by the authority are adequate and effective in ensuring that problems are identified and addressed early enough before they impact negatively on the organization. They also served to inform both current and future strategic planners on formulation, control, implementation and evaluation by the organization.

Researchers and academicians benefited from this research study, as it added to the body of knowledge in strategic planning and specifically on how public sector organizations strategically respond to strategic planning challenges in their environment. This study also applied to policy, theory and practice by emphasizing that organizations employ corporate, business and functional level strategic planning in response to environmental challenges.

Thirdly, this study also was important to public corporations as its documentation and evaluation of KRAs strategic planning practices will serve as a reference point for similar or related studies in the public sector. In addition other stakeholders such as taxpayers, audit firms and other government agencies whose interests lie in receiving of quality service benefited a great deal.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focuses mainly on previous literatures that have been written by various scholars, researchers and authors. The key points of discussion are: the theoretical foundation of strategic planning, concept of strategic planning, challenges facing strategic planning and the benefits accrued from strategic planning processes and practices.

2.2 Theoretical Foundation

This study's theoretical foundation is the Resource Based Theory and the Resource Dependence Theory. Resource based theory is a theoretical framework for understanding how competitive advantage within a firm is achieved through resources and how that advantage might be sustained over time (Pearce, Robinson & Mital, 2012). This theory further states that a successful business must have sufficient resources to use. This theory will be used to explain how the availability of resources can create a competitive advantage and hence contribute to successful strategic planning practices (Dollinger, 2003).

The resource-based view of strategy is that the strategic capability of a firm depends on its resource capability. It is based on the ideas of Penrose (1959) who wrote that the firm is 'an administrative organization and a collection of productive resources.' It was expanded by Wernerfelt (1984), who explained that strategy is a balance between the exploitation of existing resources and the development of new ones. Resource-based

strategy theorist such as Barney (1991) argue that sustained competitive advantage stems from the acquisition and effective use of bundles of distinctive resources that competitors cannot imitate.

Resource Dependence Theory (RDT) maintains that organizations are resource-insufficient; they strive to acquire and sustain resources from their external environment. Resources are controlled by external actors who exert demands on the organization. These actors perceive certain advantages in their relationship with the organization and exercise power through control over resources (Hillman, Withers & Collins, 2009).

Resource dependence theory is underpinned by the idea that resources are key to organizational success and that access and control over resources is a basis of power. Resources are often controlled by organizations not in the control of the organization needing them, meaning that strategies must be carefully considered in order to maintain open access to resources. The challenge is for the organization to proactively and effectively manage incompatible and competing demands (Davis & Cobb, 2010).

According to Dunnette and Hough (1992) the theory explains organizational behaviour or reaction to environment by looking at organizations content. Organizations require various types of resources to carry out their businesses. These resources determine how organizations make and deliver their goods and services. This theory further posits that strategy is dynamic and thus making access to resources a challenge. This theory is important in the study and will be used to explain on the environment for resources and how performance can be affected.

2.3 Strategic Planning Processes/Practices

Strategic planning practice is the way of planning for the future by considering the most appropriate strategies and anticipating the changes in the strategic direction (Thompson, 2007). Most decisions facing a business are strategic and therefore deserve strategic planning attention. Strategic issues require top management decisions, larger amounts of the firm's resources, often affect the firm's long term prosperity, are future oriented, usually have multifunctional and multi business consequences, thus they require considering the firm's external and internal environment. Therefore strategic planning helps in formulating strategies that address all the above mentioned issues. All those affected by the plan should be involved in the planning process.

Strategic planning is a management tool to help an organization to improve its performance by ensuring that its members are working to the same goals and by continuously adjusting the direction of the organization to the changing environment on the basis of results obtained (Johnson & Scholes, 2002). Strategic planning is not just a cold technical undertaking that spells out future objectives to be reached and actions to be taken. It needs a global sense of purpose and direction capable of guiding implementers in making everyday choices about what actions should be taken in order to produce the expected results. Kaufman and Herman (1991) recommend that strategic planning should start with the formulation of a mission and a vision statement. A mission statement is a short paragraph summarizing; the overall goal which the organization is trying to accomplish; the main method it is going to follow to reach its goal; and the basic principles and values that will guide the fulfilment of the mission. A vision statement is somewhat broader since it sets out the ideal state of affairs which the organization would like eventually to achieve.

Strategic planning is based on the belief that the successful development of an organization is the result of finding the right fit between its internal strengths and weaknesses and the external opportunities and threats stemming from the environment. The main assumption is that, in order to be effective organizations must be responsive to their environment, which is continuously changing. They must place the emphasis on understanding the changes and adapting their decisions accordingly (Bryson, 2011).

There is no single 'best practice' for how to do successful strategic planning. The timing and process will defer depending on industry, market pressures, and the size and culture of the business (Shaw, 1998). Strategic planning is typically oriented to a particular organization's circumstances at a particular time in its history (Iansiti & Levien, 2004).

Strategy experts Hamel and Prahalad (1990) look at strategy as a revolution. He believes that a strict top-down approach to the strategic planning process leads to rigidity and an inability to strategize appropriately within a firm's ever-evolving environment. Strategic planning for most organizations evolves as a complex process of quantitative analysis, assessments about the business environment, intense conversations, and difficult tradeoffs that often leads to nothing more than a bulleted list of strategies.

In the broad sense of the term, strategic planning covers four different activities from diagnosis to monitoring. In the narrow sense it is often equated only with plan preparation. However within a strategic planning approach, plan preparation should not be opposed to plan implementation strategy planning does not stop when plan implementation starts (Mintzberg, 1994).

Strategic planning is not just a cold technical undertaking that spells out future objectives to be reached and actions to be taken. It needs a global sense of purpose and direction capable of guiding implementers in making everyday choices about what actions should be taken in order to produce the expected results (Shaw, 1998).

Strategic planning is based on the belief that the successful development of an organization is the result of finding the right fit between its internal strengths and weaknesses and the external opportunities and threats stemming from the environment, which is continuously changing. They must place the emphasis on understanding the changes and adapting their decisions accordingly. Consequently, a careful scanning of the environment is important not only at the stage of making the initial diagnosis for preparing a plan, but also, and even more so at the stage of monitoring the plan implementation (Kaplan & Norton, 1996).

One important distinction needs to be restated in the strategic planning process. There is a difference between strategic planning, or the work being done, and strategic thinking, or the creative, intuitive input. The planning element involves the data collection, goal setting, expectation definition, and statement of direction. Strategic planning when treated as a work in progress rather than as a binder on a shelf or a file in the computer provides business with a real and responsive competition advantage. It will help determine and direct the quality of relationships with suppliers, employees, unions, customers and other stakeholders (Hamel, 1996).

Strategic planning to be of real long-term value must be treated as an ongoing business process. It must be reflective of the owner's mission and vision. It must evolve and change to reflect changing market and economic conditions. Effective strategic planning can institutionalize a culture of continuous improvement, effective decision making, and disciplined change (Kaplan & Norton, 1996).

2.4 Challenges of Strategic Planning

Strategic planning cannot succeed without the commitment of the plan implementers and the different stakeholders. Commitment can only be obtained if people identify with the plan, so that they are motivated to produce the expected results. Strategic planning should therefore not be carried out in isolation by experts alone, but rather as an inclusive process in which the implementers and stakeholders are actively involved in one way or another (Mintzberg, 1999).

The most difficult part of strategic planning practices is not technical but human. Strategic planning implies the application of a number of specific techniques such as the logical framework approach, the use of simulation models, the application of programme budgeting techniques, and so on. Spreading those techniques throughout an organization is not always easy, but it can be handled through organizing systematic skill development programmes. A much more difficult challenge is to change the mind-set of the people and to introduce the strategic management culture that goes with the techniques, a culture based on information sharing and focused on producing results (Ryals Rogers, 2007).

According to Larbi (2001), strategic planning faces a great challenge in the face of individuals or sub-group of organization actors who may pursue their own diverse goals and promote their own interests which more often are conflicting in nature. When this happens strategic planning becomes irrelevant and as a result it becomes hard to come up with a common strategy that befits the entire organization. Agreeing on the choice of strategy presented by the group of planners may take a lot of time thus leading to delays of approving important strategies.

Strategic planning faces a great challenge in the face of individuals or sub-group of organization actors who may pursue their own diverse goals and promote their own interests which more than often are conflicting in nature. When this happens, strategic planning becomes irrelevant and as a result it becomes hard to come up with a common strategy that befits the entire organization. Agreeing on the choice of strategy presented by the group of planners may take a lot of time thus leading to delays of approving important strategies (Thompson, Strickland & Gamble, 2008).

Another challenge as identified by Mintzberg and Quinn (1999) includes failure of an understanding throughout the organization of what strategic planning is or how it will be carried out or the degree of the top management of the organization towards doing it well. Strategic planning may require that everyone involved have an understanding of what it is and that the top management team is highly committed in its development. All people that are affected by the plan should be involved in the planning process. A collective discussion especially concerning the main priorities becomes a challenge faced by the group of planners. The plan should be explained to everyone throughout the entire

organization before it is circulated elsewhere. Fear of change is another notable challenge of strategic planning. This leads to resistance of change thus posing a great task to executives of convincing their staff of the need and benefits of that change thereof.

Increased volatility of the business environment makes systematic strategic planning more difficult. Rapid change requires strategies that are flexible and creative, characteristics which are seldom and associated with formalized planning. In vast majority of companies strategic planning is a calendar-driven ritual which assumes that the future will be more or less like the present (Hamel, 1996).

2.5 Benefits of Strategic Planning

The first benefit of strategic planning is the process and not the plan document. Strategic planning is to be seen first of all as a collective learning experience. It is a process of acquiring new techniques and working methods, of learning how to do things differently and more effectively and of developing new attitudes to work. A strategic planning process can be called successful, not when a nice plan document has been prepared, but when the daily actions taken by the different departments or sections have been improved and are resulting in a better service delivery (Kaufman & Herman, 1991).

The benefit of a strategic planning discipline is that it facilitates effective decision making, better selection of tactical options and it leads to a higher probability of achieving the owners' or stakeholders' goals and objectives (Ryals & Rogers, 2007).

An important advantage of the strategic planning process is that it involves all stakeholders, is highly visual and it can be done quickly. The key of the planning session is that it forces all the participants to focus on what will have a real strategic impact on

the movement. This process helps the team to visually conceptualize the key issues and to allow them to focus on those factors that are critical to accomplishing the mission (Lorange & Vancil, 1995).

Strategic planning assumes that an organization must be responsive to a dynamic changing environment (not the more stable environment assumed for long-range planning). Certainly a common assumption emerges in the non-profit sector that the environment is indeed changeable, often in unpredictable ways. Strategic planning then stresses the importance of making decision that will ensure the organization's ability to successfully respond to changes in the environment (Mintzberg, 1994).

Ansoff (1988) asserts that strategic planning is only useful if it supports strategic thinking and leads to strategic management, the basis for an effective organization. Strategic thinking means asking "are we doing the right thing?" perhaps more precisely it means making that assessment using three key requirements about strategic thinking: a definite purpose be in mind; an understanding of the environment particularly of the forces that affect or impede the fulfilment of that purpose; and creativity in developing effective responses to those forces.

Barry (1997) identifies several benefits of strategic planning in government and non-profit organizations. These includes; thinking strategically; clarifying future direction; making today's decisions in light of their future consequences; developing a coherent and defensible basis for decision making; exercising maximum discretion in the areas under organizational control; solving major organizational problems; improving performance; dealing effectively with rapidly changing circumstances; and building teamwork and expertise.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter deals with the research methodology of the study. It addresses the research design, data collection and data analysis.

3.2 Research Design

Research design constitutes the blue print for the collection, measurement and analysis of data. This research study used the case study research design in seeking to address the objectives of the study. Basically a case study is an in-depth study of a particular situation rather than a sweeping statistical survey. It is a method preferred in narrowing down a very broad field of research. Case studies are the preferred strategy when “how” or “why” questions are being posed when the investigator has little control over events (Yin, 2003).

The study gave an insight into KRA’s challenges and benefit in its strategic planning practices. Using a case study was therefore useful for investigating how the practices change over time perhaps as a result of different circumstances or interventions.

3.3 Data Collection

The research study used an interview guide to collect data. The interview guide targeted senior staff involved in strategic planning in the head office at Times Towers, Nairobi. This was done by using semi-structured open ended questions to give the research a qualitative approach.

The interviewees consisted of seven senior staff at KRA. These are senior managers at Corporate planning, Human resources, Investigation and enforcement, Internal audit, Domestic taxes, Customs and border control and Finance departments. These heads of departments were selected because they were responsible for strategic planning, strategy formulation, control and implementation. The researcher personally interviewed the interviewees.

3.4 Data Analysis

The data collected was analysed using the content analysis technique. Babbie (2001) noted that the content analysis measures the semantic content or the *what* aspect of a message. Its breadth makes it a flexible and wide-ranging tool that may be used as a stand-alone methodology or as a problem specific technique.

Content analysis conforms to three basic principles of scientific method and thus preferred. They are; objectivity, which means that the analysis is pursued on the basis of explicit rules, which enables different researchers to obtain the same results from the same document or messages; systematic; the inclusion or exclusion of content is done according to some consistently applied rules whereby the possibility of including only materials which support the researcher's ideas is eliminated; generalizability, the results obtained by the researcher can be applied to other similar situations (Franzosi, 2004).

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1. Introduction

This chapter reports the data analysis and interpretation of the results. The focus shall be on analyzing the data collected from all the respondents in the organization, interpretation of results and discussion of findings. The focus of the study was to determine the strategic planning practices at KRA. To accomplish this objective; data was collected by use of an interview guide that contained open-ended questions that aided in gathering of as much data as possible.

4.2. Demographic Information

The study collected information from the top managers of Kenya Revenue Authority at Corporate planning, human resources, investigation and enforcement, domestic taxes, customs and border control, internal audit departments and finance departments. They each had different working positions but quite longer periods with majority having worked for a period of 15 years and above at KRA and thus were well conversant with strategic planning activities that are undertaken in organization. They worked at different capacities in different departments thus provided clear information on strategic planning practices at KRA and the way the same is assimilated in all the departments. Majority of them were in the departments of domestic taxes and Customs & Border control. They clearly understood the concept of strategic planning and the processes of formulating strategic plans at the Authority.

4.3 Strategic Planning Practices

The study asked the interviewees various questions relating to strategic Planning practices adopted by Kenya Revenue Authority and obtained various responses. These were meant to indicate how the authority develops its strategic plans and whether they involve experts in formulation and implementation.

4.3.1 Strategic Planning Practices at Kenya Revenue Authority

The respondents were kindly asked to indicate the strategic planning practices adopted by Kenya Revenue Authority. The respondents indicated that strategic planning practices involved analysis of its environment for example industry changes, analysis in terms of trade, EAC country changes, analysis of technological changes affecting tax collection, political and legal changes in government affecting taxation and predicting general economic performance impact on revenue collection. The respondents further indicated that external analysis is done by collection and analysis of information through engagements with various stakeholders including Kenya Association of Manufacturers (KAM), all government ministries and Private sector representatives. According to the respondents, the environmental analysis was useful in gauging the position of the organization and identifying opportunities of meeting its objective of maximizing revenue collection at the lowest cost possible. In addition, the respondents noted that KRA uses the balanced score card approach in terms of four perspectives in coming up with its strategies i.e. revenue enhancement, customer satisfaction, internal processes enhancements and people development strategies.

4.3.2 Respondents Involvement in the Formulation of the Strategic Plans

The study sought to establish whether respondents were involved in the formulation of the strategic plans. The findings indicated that majority of the respondents felt that they were involved in the Strategic Planning process, that their opinions were sought and taken into consideration in the planning process and are conversant with the organization's opportunities and threats within the plan. Respondents indicated that Heads of departments are tasked with coming up with strategic issues to be incorporated in the corporate plan who then collect views from all the section heads that also collect views from staff. The strategy department then collects and collates all the views then comes up with a draft corporate plan. Once the plan has been drafted, the employees are sensitized through various sensitization programs spearheaded by the strategy department. During sensitization, comments and recommendations are obtained from employees and incorporated in the final strategy. This implies that respondents are involved in the formulation of the Strategic Plans.

4.3.3 Conducting an Expert Analysis

Respondents were requested to state whether their organization conducts an expert analysis before choosing a strategic planning exercise. The respondents agreed that KRA conducts expert analysis before choosing a strategic planning exercise but on rare occasions. Experts are involved in selected issues only; this is partly as a result of the costs involved and limited budget allocation from Treasury. Expert analysis is mainly undertaken by managers at different branches with the help of employees from all over the country where KRA is present. Everyone is involved in one way or another since the strategies chosen are undertaken in different departments as a result of the feedback

from the employees in their regular interaction with clients. Employee Opinion Surveys are normally conducted to understand employees' feelings and opinions toward strategy development. Environmental analysis was conducted by assessing the different trends and relating them with the information gathered from all the branches across the country.

4.3.4 Criteria for Selecting the Strategic Planning Practices

The study revealed that strategic planning practices are selected if they are deemed to meet; strategic objectives of KRA, internal environment as well as external environment strategies with regards to KRA, and they should confine to the company's mission statement and strategic objectives respectively. Respondents also indicated that strategic planning practices are selected to meet the objectives and goals reflected in the company's strategic plan and, the mission and vision of the company as stated. They also noted that liabilities and assets of the Authority are considered before drawing up of the current strategic plan, and the strengths, weaknesses, opportunities and threats of the organization are well mitigated in the strategic plan. In particular, the respondents noted that the strategies adopted must be accommodated within the budgetary allocation from the Treasury.

4.3.5 Respondents Involvement in the Choice of the Strategic Planning Practices

The study sought to determine from the respondents whether they were involved in the choice of the strategic planning practices that are now in practice at Kenya Revenue Authority. According to the respondents, relative to the type of strategic plans being undertaken, every concerned employee/manager is involved with clearly defined leadership and scope.

4.3.6 Strategic Planning Practices Assistance in Achieving the Set Objectives of KRA

The respondents were also asked to point out whether the strategic planning practices applicable in the KRA assist towards achieving the set objectives of KRA. Respondents responded that the plan clearly outlines the Vision and Mission Statements. All the respondents stated that the plan clearly outlines the organization's strengths and weaknesses and agreed that the plan had clearly stated objectives. Most respondents clearly indicated that the plan had four perspectives namely; Revenue enhancement, Customer satisfaction, Internal processes enhancement and People development perspective. The respondents further felt that the strategies employed were key to achieving organizations objective of maximizing revenue collection at the lowest cost possible. In addition, the respondents were of the view that strategic planning helped in improving communication among staff, motivating staff towards achieving goals, efficient allocation of resources and proactive response to issues.

4.4 Strategic Planning Challenges

The study asked the interviewees various questions relating to strategic planning challenges faced by KRA and obtained various responses. These were meant to indicate the challenges encountered during its formulation. This will help the corporation's future planning managers and benefit other organisations in Kenya and indeed the entire region.

4.4.1 Factors Affecting Strategic Planning Practices

The respondents were asked to point out factors that affect strategic planning practices at KRA. Inadequate funding from treasury, Inadequate employee involvement, ineffective coordination especially poor communication of strategic planning practices, time allocated for the planning, lack of a structured way of managing strategic planning practices, lack of needed resources for example specialized labour which is either non-existent or expensive were amongst the challenges identified. In addition the respondents mentioned that most strategic planning practices are anchored on corporate strategy and which when not properly communicated sometimes become a major challenge, other challenges included lack of support and needed capabilities to undertake change, lack of commitment due to existence of commitment gap and strategic planning agents lacking clear formulation of what strategic planning is desired.

4.4.2 Industry Challenges Encountered while Implementing the Strategic Planning Practices

The study found out that there has been a challenge of implementing strategic planning practices due to complex tax planning practices to counter KRA strategies by major taxpayers mainly because of cutthroat competition among industry players. The respondents also indicated that constant political changes in the government especially in the treasury directly affects the strategy implementation mainly because the authority relies on funding from the government to run its activities. Respondents also indicated industrial challenges as involving the ever-widening informal sector and technological advancement, which have led to increased cases of tax avoidance and evasion.

4.4.3 Operational Challenges Faced while Implementing the Strategic Planning Practices

On the question of operational challenges that KRA faces in the implementation of strategic plans, the study found out that organizational culture of KRA affected strategy implementation. The respondents were of the opinion that among the organisational culture factors that affects strategy implementation are, how managers make decisions, leadership style of managers and the dominant values and beliefs. Respondents cited poor organization rewarding culture, poor structure of office, inadequate staff commitment, and poor regional representation as other challenges that KRA faces in its strategy implementation efforts.

4.4.4 Other Challenges that KRA Encounters During the Implementation of Strategic Planning

The findings further show that the existing organizational structure posed a challenge in the implementation of strategic plans at KRA. Majority of the respondents identified some of the challenges to included; too much bureaucracy, rigid structures, lack of clear policy, structures not in line with the organizational strategic plans; structure lacks appropriate flow of information on the various stages of the implementations of strategic plans and lack of guidelines in the structure on how strategic plans should be implemented.

Other challenges were changes associated with economic integration and regional trading blocs that mainly affects tax treatments of trading partners thus necessitating changes in strategy as well to meet set objectives. In addition, departments were operating autonomously, lack managerial cohesiveness, and personal approach to customer needs.

4.5 Benefits of Strategic Planning

The study asked the interviewees various questions relating to benefits of strategic planning practices adopted by Kenya Revenue Authority and obtained various responses. These were meant to establish how implementations of strategic planning practices are of significance to the Authority.

4.5.1 Operational Benefits of Appropriate Strategic Planning

Respondents were kindly asked to indicate the operational benefits that may be realized by the application of appropriate strategic planning. Most respondents indicated that strategic planning was very important in overall performance of the organization. In particular they responded that strategic planning was useful in proper allocation of tasks to staff, monitoring performance and measuring the outcome of the same. The respondents were also of the view that strategic planning provided clear direction to the staff and management in working towards achieving the set objectives.

4.5.2 Financial Benefits of Effective Strategic Planning

The study sought to establish various financial benefits that accrue due to effective strategic planning at Kenya Revenue Authority. The study established that there are enhanced revenue collection, lower cost of collection and efficient budgetary allocation resulting from the effective strategic planning.

4.5.3 Efficient and Effective Decision Making Policies

The study sought to establish how strategic planning result in efficient and effective decision-making policies. The study established that the benefit of a strategic planning discipline is that it facilitates effective decision-making, efficient allocation of resources, better selection of available options and teamwork. In addition, respondents indicated that strategic planning helps in clearly defining the purpose of the organization and establishing realistic goals and objectives consistent with the mission and vision of the organization.

4.5.4 Administrative Benefits of Strategic Planning

The respondents were of the view that strategic planning increases effectiveness. Some of the respondents stated that strategic planning provides a clear focus by ensuring accelerated effectiveness and efficiency at Kenya Revenue Authority. They also stated that strategic planning increases effectiveness by building strong teams in the management and staff. According to the respondents, strategic planning also increases staff productivity and helps management in effective control and monitoring of performance.

4.6 Discussion of Findings

The findings indicate that KRA conducts expert analysis before choosing a strategic planning exercise but in rare cases. Expert analysis is done by managers at different branches with help from the employees from all over the country where KRA is present. Everyone is involved in one way or another since the strategies chosen in different departments are due to feedback given by employees in their interaction with clients. The public sector, in developing countries, can no longer approach developmental issues as

before, especially, given the advancements in business management made in the world and the expected fast growths needed for quicker transformation in their economies. As a result, various development experts have now resolved to impress on governments to strategically plan and roll out a coordinated and comprehensive strategy to harness their business potential as a pivot for growth (Bryson, 2011).

KRA communicates its strategies and associated changes and how they relate to the broader goals and strategic shifts that facilitate uptake with desired speed and culture to ensure success. Kenya Revenue Authority strategically allocates funds guided by organizational plans and priorities; and strengthens management structures to improve decision-making, implementation, and accountability. Bryson (1995) also established that the most definitive description of the strategic planning consists of eight widely recognized steps; an initial agreement or plan for planning; identification and clarification of mandates; mission formulation; external environmental assessment; internal resource assessment; strategic issue identification; strategy development and a description of the organization in the future its vision of success.

Inadequate funding from treasury, Inadequate employee involvement, ineffective coordination especially poor communication of strategic planning practices, time allocated for the planning, lack of a structured way of managing strategic planning practices, lack of needed resources for example specialized labour which is either non-existent or expensive were amongst the challenges mentioned. In addition, the findings of Peng and Littlejohn (2001) show that effective communication is a key requirement for effective strategy implementation.

Organizational communication plays an important role in training, knowledge dissemination and learning during the process of strategy implementation. In fact, communication is pervasive in every aspect of strategy implementation, as it relates in a complex way to organizing processes, organizational context, and implementation objectives, which, in turn, have an effect on the process of implementation. Furthermore, more articles that are recent confirm notable barriers to successful strategy implementation about which there appears to be a degree of accord including Beer and Eisenstat (2000) who assert that silent killers of strategy implementation comprise unclear strategic intentions, conflicting priorities, and weak co-ordination across functions.

The study found that organization culture of KRA affected strategy implementation. The respondents were of the opinion that among the organisational culture factors that affects strategy implementation are, how managers make decisions, leadership style of managers and the dominant values and beliefs. The respondents cited other challenges that KRA faces in its strategy implementation efforts as poor organization rewarding culture, poor structure of office, inadequate staff, and poor regional representation. These findings are consistent with those of Rap, (2004), who argues that each organization possesses its own culture i.e. a system of belief and values. The corporate culture creates and in turn, is created by the quality of the internal environment. Consequently, culture determines the extent of cooperation, degree of dedication, and depth of strategic thinking within an organization.

The study established that the benefit of a strategic planning discipline is that it facilitates effective decision-making, better selection of available strategic options and teamwork. In addition, respondents indicated that strategic planning helps in clearly defining the

purpose of the organization and establishing realistic goals and objectives consistent with that mission within the organization's capacity for implementation, which aids in effective decision-making. Ryals and Rogers, (2007) also identified that the benefit of a strategic planning discipline is that it facilitates effective decision making, better selection of tactical options and it leads to a higher probability of achieving the owners' or stakeholders' goals and objectives.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This section provides the summary of findings, conclusions and recommendations from chapter four of the study. It further provides a recommendation on the areas for further studies.

5.2 Summary of Findings

5.2.1 Strategic Planning Practices

From the findings, strategic planning practices at Kenya Revenue Authority involved analysis of its environment for example industry changes analysis in terms of trade, EAC country changes, analysis of technological changes affecting tax collection, political and legal changes in government affecting taxation and predicting general economic performance impact on revenue collection. According to the respondents, the environmental analysis was useful in gauging the position of the organization and identifying opportunities of meeting its objective of maximizing revenue collection at the lowest cost possible. In addition, the respondents noted that KRA uses the balanced score card approach in terms of four perspectives in coming up with its strategies i.e. revenue enhancement, customer satisfaction, internal processes enhancements and people development strategies.

The study also established that respondents were involved in the Strategy Planning process, that their opinions were sort and taken into consideration. In addition, the study established that KRA conducts expert analysis before choosing a strategic planning exercise but in rare cases. Expert analysis is done by managers at different branches with help from the employees from all over the country where KRA is present.

The study revealed that strategic planning practices are selected if they meet; strategic objectives of KRA, internal environment as well as external environment with regards to KRA, and they should confine to the company's mission statement and strategic objectives respectively. The study also revealed that strategic planning practices were selected on the basis; objectives and goals as reflected in the authority's strategic plan, the mission and vision of the authority as clearly stated. In addition, resources available to KRA are put into consideration and the strengths, weaknesses, opportunities and threats of the KRA are well mitigated in the strategic plan of the company. Finally, the study revealed that the plan clearly outlines the organization's strengths and weaknesses, and agreed that the plan had clearly stated objectives.

5.2.2 Strategic Planning Challenges

The study revealed that inadequate funding from Treasury, inadequate employee involvement, ineffective coordination especially poor communication of strategic planning practices, time allocated for the planning, lack of a structured way of managing strategic planning practices, lack of needed resources for example specialized labour which is either non-existent or expensive were amongst the challenges affecting strategic planning practices at KRA. The study also found out that there has been a challenge of meeting new customer requirements in terms of customization, simplicity, convenience, transparency, and speed driven by the digital revolution.

The study further found out that organizational culture of KRA affected strategy implementation. The respondents were of the opinion that among the organisational culture factors that affects strategy implementation are, how managers make decisions,

leadership style of managers and the dominant values and beliefs. Finally, the study established other challenges to include economic integration and regional trading blocs changes; In addition, departments were operating autonomously and lacked managerial cohesiveness and personal approach to customer needs

5.2.3 Benefits of Strategic Planning

From this study, it was evident that the performance of entire organization relied heavily on the strategic plan set and thus it is a very important process that is should be given greater support by all the managers. The study also established that there is improved revenue collection and low cost of collection due to effective strategic planning. The study also found out that strategic planning facilitates effective decision-making, better selection of available options in decision-making and facilitates teamwork.

In addition, respondents indicated that strategic planning helps in clearly defining the purpose of the organization and helps in establishing realistic goals and objectives consistent with organizations' mission and vision. The study finally established that strategic planning increases effectiveness by building strong teams in the management and staff and that strategic planning increases productivity of staff and helps management in effective control and monitoring of performance.

5.3 Conclusion of the Study

The study concludes that Kenya Revenue Authority undertakes formal strategic planning in terms of environmental analysis such as industry trends analysis on trade, political and legal changes affecting taxation, tracking of EAC country changes, analysis of technological changes affecting tax collection and monitoring general economic

performance impact on revenue collection. In addition, KRA Uses the balanced score card approach in strategic planning in terms of four perspectives i.e. revenue enhancement, customer satisfaction, internal processes enhancements and people development. By undertaking formal strategic planning, the Authority is able to formulate clear strategies that can be implemented successfully. This will enable the Authority to meet its objective of maximising revenue collection at the lowest cost possible.

The study also concludes that respondents were involved in the Strategic Planning process, that their opinions were sought and taken into consideration in the planning process and is conversant with the organization's opportunities and threats within the plan. The study also concludes that strategic planning practices are adopted if the objectives and goals are reflected in the company's strategic plan, and the mission and vision of the company are clearly stated. Liabilities and assets of the company should be taken into consideration before the drawing up of the strategic plan, and the strengths, weaknesses, opportunities, and threats of the company should be well mitigated in the strategic plan of the company. By involving many members of staff in strategic planning, the Authority is able to formulate good plans that are realistic, achievable and readily acceptable by all thereby ensuring success in implementation.

The study concludes that inadequate funding from Treasury, inadequate employee involvement, ineffective coordination especially poor communication of strategic planning practices, time allocated for the planning, lack of a structured way of managing strategic planning practices, lack of needed resources for example specialized labour

which is either non-existent or expensive were amongst the challenges affecting strategic planning practices at KRA. In addition, the study concludes that organization culture of KRA affected strategy implementation and that the organisational cultural factors that affect strategy implementation are; how managers make decisions, leadership style of managers and the dominant negative attitude towards taxpayer's, resistance to change and bureaucracy.

KRA needs to address the above challenges by ensuring strategic allocation and utilization of resources in order to maximize benefits. To address the resource scarcity the Authority should negotiate for more funding from Treasury and ensure that employees are well trained in order to improve their skills in strategic planning as well as general management.

From this study, it was concluded that the performance of entire organization relied heavily on the strategic plan set and thus it is a very important process that is given greater support by all the managers. The study also concluded that there is increased revenue collection and low cost of collection because of effective strategic planning. The study also concludes that the benefit of a strategic planning discipline is that it facilitates effective decision-making, better selection of available strategic options and facilitates teamwork. It is also concluded that strategic planning is useful in clearly defining the purpose of the organization and helps in establishing realistic goals and objectives consistent with its mission in a defined period within the organization's capacity for implementation.

Through formal strategic planning, the Authority is able to benefit through clear understanding of its strengths, available opportunities, weaknesses and threats. This will ensure proper allocation of resources to deal with the threats as well as utilize available opportunities in achieving the set goals.

5.4 Recommendation

It is recommended that the Authority continue use of formal strategic planning for continued effectiveness and efficiency. The Authority should however develop a strategic plan process to ensure appropriate focus on both the pre- and post-implementation challenges and should build employee trust and gain their commitment to the core values and objectives of the organization. Finally, the study recommends change of organizational structure and culture through restructuring and training to align to the organization's objectives. This is to improve commitment within the organization so that employees can identify with their organization and its goals, and deliver the services more effectively and efficiently.

5.5 Limitations of the Study

Being a case study, the findings were obtained by interviewing few employees of Kenya Revenue Authority, which therefore limits generalizability of findings. The study was also limited by suspicion by the KRA managers on what the information will be used for but was overcome by persuasion that the information is for academic purposes and will be treated with the highest form of confidentiality.

5.6 Recommendations for Further Research

The researcher conducted a case study of the KRA only and therefore recommends that for a more generalized conclusion to be made on the strategic planning practices for Kenyan public organizations, a study should be done or conducted for the other organizations. Repeat surveys, will also offer a distinct advantage as they enable us to capture the net effect changes. By repeating the survey at a different time and asking similar questions, it enables us to collect information that can easily be compared

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APPENDICES

Appendix I: Introduction Letter



**UNIVERSITY OF NAIROBI
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MBA PROGRAMME**

Telephone: 020-2059162
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P.O. Box 30197
Nairobi, Kenya

DATE... 17/6/2015

TO WHOM IT MAY CONCERN

The bearer of this letter... WELDON KIPKOECH NGENO

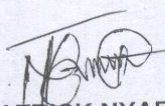
Registration No... DG1/64982/2013

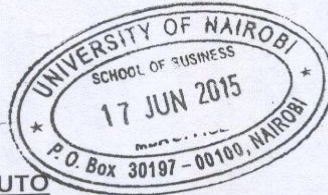
is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.


**PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS**



Appendix II: Interview Guide

Strategic Planning Practices at Kenya Revenue Authority

Section A: Demographic Information

1. Name of the respondent (Optional)

2. What is your position in the organization (KRA)

3. In which department are you working?

4. How long have you worked at Kenya Revenue Authority?

a) Less than 5 years []

b) 5 to 9 years []

c) 10 to 14 years []

d) 15 years and above []

Section B: Strategic Planning Practices

5. Which are the strategic planning practices undertaken in your organization?

6. Were you involved in the formulation of the strategic planning in the organization?

7. Does your organization conduct an expert analysis before choosing a strategic planning exercise?

a) If yes, how frequent do you conduct the analysis?

b) If yes, who conducts it and how is it conducted?

8. Through which criteria do you use to select the strategic planning practices applicable to your department?

9. Were you involved in the choice of the strategic planning practices that are now being used at Kenya Revenue Authority?

10. In your own view do you think the strategic planning practices applicable in the KRA assist towards achieving the set objectives of KRA

Section C: Strategic Planning Challenges

11. Which are the factors that affect strategic planning practices in your organization

12. What are some of the industry challenges that you encounter while implementing the strategic planning practices?

13. What are the operational challenges that you face while implementing the strategic planning practices?

14. In your own view what are the other challenges that Kenya Revenue Authority encounters during the applicability of strategic planning practices?

Section D: Benefits of Strategic Planning

15. What are the operational benefits that may be realized by the application of appropriate strategic planning in your organization?

16. What are the financial benefits that may arise from effective strategic planning in your organization?

17. Will strategic planning in your organization result in efficient and effective decision making policies?

18. Which are the administrative benefits that may be attained by the strategic planning in your organization?

Thank you for your cooperation