

STRATEGIC ISSUE MANAGEMENT PRACTICES AMONG  
MANUFACTURING FIRMS IN NAIROBI, KENYA

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## DECLARATION

I certify that this is my original work and has not been presented to any other University/College for the award of degree/diploma for examination purposes.

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## **DEDICATION**

This project is dedicated to my parents for the love, support and their prayers.

## **ACKNOWLEDGEMENT**

My gratitude goes to the Almighty God for making everything possible to finish this project.

Special thanks go to my mother, father and sister for their support.

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Finally, I wish to thank all my colleagues whom we have shared ideas unselfishly in pursuant of this noble course.

May the Almighty Bless you all.

## **ABSTRACT**

Everyday organisations face different events and developments arising both from external and internal environment. Strategic Issue Management helps managers not only to manage these events but also to take advantage of the opportunities arising out of the business environment. The motivation of this study was based on the fact that organization's performance depends on how they manage their strategic issues. The main objective of this study was to determine the Strategic Issue Management practices that manufacturing firms in Nairobi employ to strengthen their positions in the industry.

Over the last several years, performance of the manufacturing sector has been affected by low capital injection, use of obsolete technologies and high costs of doing business which is attributed to poor state of physical infrastructure, limited access to finance, limited research and development and poor institutional framework. The evolution of the manufacturing industry has presented both challenges and opportunities for the firms.

The study was a survey of strategic issue management practices among manufacturing firms in Nairobi .A sample size of 40 firms was collected and analyzed using descriptive statistics. The data was collected using a structured questionnaire consisting of both closed ended and open ended questions .The result of the study revealed that 60% of the firms practices Strategic Issue Management.

The conclusion was that various Strategic Issue Management practices was being adopted by manufacturing firms in Kenya and respondents had shown a high level of awareness that Strategic Issue Management played in improving the managements of firms. The recommendation made was that Strategic Issue Management needed to be implemented in the organization in order to achieve its objectives.

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Strategic issue management approaches are process components or pieces of the larger strategic planning process. This approach is primarily associated with Ansoff (1980:133) and focuses attention on the recognition and resolution of strategic issues - "forthcoming developments, either inside or outside the organisation, which are likely to have an important impact on the ability of the enterprise to meet its objectives." Many firms now include a strategic issue identification step as part of full-blown strategy revision exercises, and also as part of less comprehensive annual strategic reviews (King, 1982).

Strategic Issues Management is designed to position issues management in the strategic planning and management efforts by staff and executives. Heath (2000) argues that issues management is not only one of the many communication functions, but a management function that can entail use of public policy resources to achieve harmony with key publics. Issues management is vital to organisations' strategic management. It entails understanding and achieving high standards of corporate responsibility by listening to and acknowledging the soundness of key publics' opinions. Thus, issues management is featured as supporting strategic management, getting the organisations "house" in order, engaging in tough defense and smart offense.

Manufacturing industries are the chief wealth producing sectors of an economy. These industries use various technologies and methods widely known as manufacturing process management. Manufacturing industries are broadly categorized into engineering industries, construction industries, electronic industries, chemical industries, energy industries, textile industries, food and beverage industries, metalworking working industries, plastic industries, transport and communication industries. Manufacturing industries are important for an economy as they employ a huge share of the labour force and produce materials required by sectors of strategic importance such as national

infrastructure and defense (Economy Watch, 2012). Strategic Issue management is essential to operating an efficient, successful manufacturing enterprise.

### **1.1.1 Strategic Issue**

Dutton and Duncan (1987:103) define strategic issues as “developments, events and trends having the potential to impact an organisation’s strategy”. Strategic issues are trends that emerge from an organisation’s internal or external environments; they have the potential to affect an organisation’s performance (Ansoff, 1980; King, 1982).

Strategic issues are foundations upon which strategies are developed and therefore not only important but also forward –thinking and seize on current opportunities. The issues require to be viewed from the context of strength, weakness, opportunity and threat of the enterprise (Ansoff and Mc Donnel (1990). Organisation faces two types of strategic issues originating from inside or outside the organisations boundaries (Ambler, 1999). Decline in employee satisfaction or the development of a new technology by an organisation research and development represent internal strategic issues. Such issues are classified as strategic because they can alter the organisation’s performance if left unnoticed or un-addressed; they are distinctly internal because the focus for the occurrence is within the organisation’s boundaries. In contrast, external issues emanate from sources outside the organisation’s boundaries. For example competitor actions, political unrest or changes in regulatory rules represents political external strategic issues. Strategic issues always centre on a tension or conflict to be resolved. Such tensions or conflicts may be related to differences between past ways of doing things and future demands or current capacities necessary for delivering the required services.

### **1.1.2 Strategic Issue Management**

Strategic issue management is a process by which organisations endeavour to identify and control, manipulate, finesse or mitigate elements in the public environment, whether they are social, political or otherwise, that have the potential to impact on the corporate environment (Gaunt and Ollenburger, 1995; Wartick and Rude, 1986). An early champion of the discipline, Chase (1984), defined issues management to include several

key elements including the identification and analysis of issues, planning for change, and a program of action, followed by the evaluation of results.

The issues management process is frequently described as a multi-stage process with three conditions to be met. Ansoff and McDonnell (1990) have proposed three conditions to be met. First, that the aggressiveness of the firms' strategic behaviours should match the turbulent environment. This means that as the level of turbulence increases, creativity and intensiveness of the firm is evitable. Secondly, the responsiveness of the firms' capability should match the aggressiveness of its strategy. When the firm is repetitive, the firm is driven by precedents. Thirdly, the components of the firms' capability must be supportive of one another. The firm's financial base and research should adapt to the environmental turbulence or change. If one factor shifts to a higher level, the rest should follow suit. To be successful, a firm adopts an open system by taking resources from the environment in and finally delivers them back as outputs. Organisations are open systems and thus cannot operate without interacting with the external environment

Strategic Issue Management (SIM) systems are one set of organisational procedures, routines, personnel and processes devoted to perceiving, analyzing and responding to strategic issues; they enhance an organisations capacity to adopt to learn (Duncan and Weiss, 1979; Herdberg, 1981; Normann, 1985). SIM systems facilitate an organisation's adaptive capability by collecting, disseminating, and interpreting information, thus identifying issues that require management interpretation (Daft and Weick, 1984). Managers must adopt real-time systems from the planned change practices. Real time strategic responses is based on the appreciation that the periods systems of managing organisations may no longer be capable of perceiving and responding to threats and opportunities in a highly turbulent environment . The nature of strategic response of the firm enables it to reduce adverse effect or make the firm miss an opportunity.

### **1.1.3 The Kenyan Manufacturing Industry**

A manufacturing industry uses tools and labour to make things for use or sale. It is a range of human activity, from handicraft to high tech, but is most commonly applied to industrial production in which raw materials are transformed into finished goods in a large scale. Kenya has a large manufacturing sector compared to the neighbouring countries serving both local and international markets. The manufacturing sector is a major sector of growth, with its share in GDP having risen from 13 percent in 2002 to 15.7 percent in 2007. Kenya, as the most politically stable country in East Africa, has attracted a large number of investors who now thrive in many sectors of manufacturing. The manufacturing sector comprises of more than 700 established enterprises and employed over 218,000 people in 2000. Kenya exports mainly to East Africa and COMESA markets. According to the Economic Recovery Strategy for Employment and Wealth Creation Report, the manufacturing sector is a major source of growth, with still high potential of growth and investment (Embassy of the Republic of Kenya in Japan, 2012).

The Kenyan manufacturing industry is under the Kenya Association of Manufactures (KAM). KAM was established in 1959 to give manufactures a platform for negotiating common position with the relevant government authorities. According to Bigsten (2002), in a climate of economic instability and uncertainty due to devaluations and high inflations, suppliers not only require cash payment but also quoted prices in dollars instead of Kenya Shillings. Hence, for firms relying on imports of raw materials, the depreciation of the Kenya shilling increases their production costs, reducing firm profitability. In the same connection, firms facing financing imports by trade credit are unable to predict how much foreign currency they would need to pay when their letters of credit are called (Ndung'u 1998).

Lack of knowledge, high cost and fear of change has led to low technology uptake. Similarly, there are weak linkages between the technology and research providers and the market. Further, low funding for Research and Development has also contributed to poor

adaptability of technology. In addition, there is lack of institutionalization of incentives for promotion and efficient use of existing knowledge, creation of new knowledge and flourishing of entrepreneurial activities which will increase the capacity and competitiveness of local enterprises. Rapidly changing consumer needs, preferences and quality requirements, both locally and internationally are creating a strain for many Kenyan manufacturers. This provides a strain in meeting the product quality standards. ISO certification can guarantee international competitiveness but awareness among manufactures on the process and benefits is still low. However, the capacity for many Kenyan manufacturers to undertake and implement ISO certification requirements is low. In addition the process of certification is still too costly to many firms. Lack of access to formal financial services such as credit products and trade guarantees have inhibited the competitiveness and growth of manufacturers both in rural and urban areas (Mars Group Kenya, 2011).

According to Mars Group Kenya (2011), low levels of penetration and high cost of ICT infrastructure has hindered access and usage leading to low access to markets and technological information and increased costs of marketing and communication. There is also media access with some restrictions hindering effective marketing of the manufactured products. However, opportunity for growth exists with the manufacturing industry. Some key Kenyan manufacturing sub-sectors include galvanized iron sheets, cement, cigarettes, beer and wheat flour. All of these have increased in production between 2003 and 2005, particularly cement which has always been a good indicator of economic activity (Embassy of the Republic of Kenya in Japan, 2012).

## **1.2 Research Problem**

Strategic issue management (SIM) is a managerial function that helps corporations to identify, analyse and respond to social and political concerns that can significantly affect them (Greening and Gray, 1994). Strategic issues are foundation upon which strategies are developed and therefore not only important but also forward thinking and seize on current opportunities. The issues should to be viewed from the context of strength, weakness, opportunity and threat of the enterprise (Ansoff and Mc Donnel 1990)

Strategic issues usually centre on a tension or conflict may be related to differences between past ways of doing things and future demands necessary for delivering the required services. Strategic issue management attempts to minimize surprises which accompany social and political change by serving as an early warning system for potential and environmental threats and attempts to promote more systematic and effective responses to particular issues by serving as a coordinating and intergrading force within the corporation (Jacques, 2005).

The Kenyan manufacturing industry faces competitive challenges which cannot be ignored because the industry plays a significant role in our economy. According to Investment climate Assessment report by the World Bank Group in 2007, the top constraints identified were tax rates and tax administration, corruption, security, infrastructure services (electricity and transportation) and business licensing. According to KSB (2005), sugar imports from low cost sugar producing countries such as Brazil and Sri-Lanka pose very stiff competition to the local sugar producers. The result of such competition has forced the sales levels of the local sugar producers to remain below the production levels in the market which is known to be an expansion trend. In the textile sector, EPZ officials acknowledged that the threat from China is real. Issues such as delays in port clearance, poor transport, and communication systems, high power costs, all contribute towards making Kenyan exports competitive (Ngunjiri,2005). Notably, the cost of electricity in Kenya is five times higher than in South Africa and nearly three times more than in China (Irungu, 2005).

Several studies on strategic issue management on other sectors of the economy have been carried out. Muya (2006) conducted a research on strategic issue management practices by classified Hotels in Kenya and established the strategic issue management practices adopted. He also identified the factors influencing the strategic issue management in the hotel industry. Ochako (2007) looked at the strategic issue management practices by Safaricom Limited and concluded that the organisation remained competitive as a result of strategic issue management. Ali (2008) established the strategic issue management practices in the Kenyan commercial banks and further established that the SIM practices being adopted by industry commercial banks played a significant role in assisting the

institutions achieve the desired objectives. The study on Ochako is a case study and thus does not represent general view of the industry. The previous study of Ali represents a study of the service industry and Muya, a hospitality industry that faces different challenges from that of the manufacturing industry. For example, these industries do not face the challenges of importation and exportation of its products. The study seeks to answer the following question: what strategic issue management practices have manufacturing firms in Kenya adopted?

### **1.3 Research Objective**

To establish the strategic issue management practices by manufacturing firms in Kenya.

### **1.4 Value of the Study**

Firstly to the researchers, the study provides holistic view of the strategic issue management process in the manufacturing industry as a basis for further research. It will also assist in the focusing of research attention to the key issues, which determine the success of the manufacturing industry.

Secondly, the study should benefit managers and practitioners in the sector by enabling them to identify gaps that may require re-evaluation.

Thirdly, the study is aimed at creating awareness on the importance of strategic issue management as an essential tool in strategic management in the manufacturing industry.

Lastly, to the government to enhance policy formulation to enable the industry record further growth and create synergy with the stakeholders.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter commences with the concept of strategic issues and continues with the discussion of strategic issues management. The strategic issue management process, strategic issue management analytical techniques and also application of strategic issue management and organisational factors will also be discussed in this chapter.

#### **2.2 The Concept of Strategic Issues**

According to Carrol (1993), an issue may be thought of as a matter that is in dispute between two or more partners. The dispute evokes a debate or controversy that needs to be resolved. Further, that at some point the business needs to make a decision on the unresolved matter, and a feature of issues is that they are ongoing and therefore require ongoing response.

Dutton and Ottensmeyer (1987) refer to strategic issues as developments or trends that emerge from a business' internal or external environment, and are perceived to have the potential to affect a business performance. Furthermore, two types of issues are identified by Dutton and Ottensmeyer (1987): those originating inside the business such as, decline in employee satisfaction, development of new technology by the research and development. Such issues are strategic because they can alter the business' performance if left unnoticed or unaddressed. Internal issues are often triggered by deviations in the business' performance from targeted performances.

Brown (1979) identified three stages of development issues, that is, emerging, current and unfolding. Coates et al (1986) states that emerging issues are those that lack a clear definition, and which decision makers may not be aware of, which deal with matters of conflicting values and interest, and which expert knowledge may be able to resolve. Current issues are those that are progressing towards resolution. They could be already in a legislation or regulatory phase. They are fully emerged current operational issues

handled by departments under existing business policies and strategies (Ewing 1987).Theron (1994) argued that unfolding issues can be viewed in the context of impact and time. The certain current issues although resolved in terms of their stages of development, could still be unresolved in terms of future impact on the business and could therefore again unfold as new issues.

### **2.3 Strategic Issue Management**

Carrol (1993) refers to issues management as a process by which businesses identify issues in the business environment, analyze and prioritize those issues in terms of their relevance to the business, plan responses to these issues, and then evaluate and monitor results. According to Carrol (1993), issues management has been thought of in two ways: narrowly, in which public issues as the main focus, and broadly, in which strategic issues and the strategic management are the focus. Faney in 1986 provided a useful method of sorting the two approaches to issues management (Carrol, 1993). Post (1983) defines strategic issue as gaps between the organisation's relevant publics expect its performance to be and the organisations actual performance. Thus the extension of the study of strategic issue management special in transition economies is important because it is less known (Mc Kenzie, 2000).

The environment in which a firm operates is becoming increasingly turbulent and complex. Public opinion and individual norms and values have changed and society's expectations and demands it makes to companies are now higher than before (Oomens and Bosch, 1999). Ansoff (1987) contends that 'to survive and succeed in an industry, the firm must match the aggressiveness of its operating and strategic behaviours to the changeability of demands and opportunities in the market place'. The extent to which the environment is changeable or turbulent depends on six factors: changeability of the market environment, speed of change, intensity of competition, fertility of technology, discrimination by customers, and pressures from governments and influence groups. He suggests that the more turbulent the environment is, the more aggressive the firm must be

in terms of competitive strategies and entrepreneurialism or change orientation if it is to succeed.

For a firm to implement its strategy in an increasing turbulent environment, Ansoff and Mc Donnell (1990) have proposed three conditions that should be met: First, that the aggressiveness of the firm's strategic behaviour should match the turbulence of its environment. This means that if the environment is stable, strategic aggressiveness can be based on historical facts or precedents. As one moves along the continuum of turbulence to surprising levels, the strategic aggressiveness of the firm changes to reactive anticipatory, entrepreneurial and to being creative. This means that as the level of turbulence increases the creativity and innovativeness should match. Secondly, that responsiveness of the firm's capability should match the aggressiveness of its strategy. When the environment is repetitive, the firm is driven by precedents. This works well in a closed system. However, when the environment is very turbulent (unforeseen), the firm should adopt an open system, that entails, embracing a total commitment to creativity. Thirdly, the components of the firm's capability must be supportive of one another. The firm's internal capabilities such as financial base and research and development coupled with the strategic formulation process should adapt to the environmental turbulence or change. If one of the factors shifts to a higher level the rest should follow suit.

According to Ansoff and MacDonnell (1990), strategic issue management (SIM) relies heavily on strategic surveillance through environmental scanning and special alert controls. It employs the technique of object gap analysis to ensure that operational controls are in place. This requires organisational capabilities, which facilitate management response to surprising changes. They propose that for a firm to deal effectively with surprising changes it requires to invest in a strategic surprise system. According to Oomens and Bosch (1999), scholars have developed a great deal of time and effort drawing up models presenting the issue management process as a sequence of steps to be executed. These are; scanning or monitoring the environmental issue identification, prioritization, analysis, strategic decision and action programs, implementation and evaluation.

For a firm to be able to invest in a strategic surprise system to enable it to close the environmental and capability gap, it is paramount to design the capabilities (managerial as well as functional), which will enable it to initiate and support the new strategic response (Ansoff and Mc Donnell, 1990). The planned response and the capability design must be put in practice to avoid organisational resistance (Ansoff and Mc Donnell, 1990). Strategic issue management is therefore, how to create the condition that make proactive change a natural way of life (Kanter, 1997). There are many models of issues identification, some of which argue that strategic issue diagnosis takes place at the top of the organization, by senior executives and communications managers (Dutton and Duncan, 1987).

#### **2.4 Strategic Issue Management features**

The building of open communication channels and the capture of information about the organization's environment that is already available through the interaction of the organization with its stakeholders will help ensure an effective issues management process (Stoffel, 1994). Strategic Issue Management has four important features: First, the issue is sudden, that is, it is unanticipated. Secondly, it poses novel problems for which the firm has little prior experience. This is because the future may have no relationship with the past. For example, new products continue to penetrate the market because companies have invested in their research and development function. The past is recognized only as something not to be repeated (Ansoff and McDonnell, 1990).

Third, failing to respond implies either a major financial reversal or loss of a major opportunity. If a firm fails to respond to such issues, they can escalate and cause negative publicity and poor financial performance. A well known example of such an issue is the commotion caused for Shell over the dumping of the Brent Spar oil platform in North Sea (Oomens and Bosch, 1999). Four, the response is urgent and cannot be handled promptly enough by the normal systems and procedures (Ansoff and McDonnell, 1990). More importantly, business as usual approaches seems very difficult to justify in the post-industrial era. Waiting to act until "fuzzy" environmental signals become clearer rather than investing in learning more about them now, means losing competitive leadership to

others (Stoffel, 1994). For a firm to handle events noted here above, it requires to invest in a strategic surprise system. The system requires an emergency communication network, an information evaluation and assignment centre, repartitioning the responsibilities of the top management, a strategic taskforce in prompt response to novel problems and exercises the networks under non crisis conditions (Ansoff and McDonnell, 1990).

Carrol's (1993) issues management process contains the planning aspects (identification, analysis, and ranking, formulating response) and implementation as well as evaluation aspects. According to Carrol (1993), terms such as "social forecasting", "future's research", "environmental scanning" and "public issues scanning" have been used to describe issues identification. Common to all these terms is the need to scan the environment and to identify emerging issues that might later be determined to have some relevance to the business. To analyse means to carefully study, dissect, breakdown group or engage in any specific process that helps to understand the nature or characteristics of the issue better. Analysis requires that you look beyond the obvious manifestation of the issues and strive to learn more of its history, development, current nature and potential for future relevance to the business. Ranking of issues may range from a simple grouping of issues of urgency to a more elaborate or sophisticated scoring system.

Formulating refers to the response design process. Strategy formulation refers not only to the content of what the business intends to do, but to the overall strategy of aggressiveness in pursuing that strategy. Aspects that need to be addressed in the implementation process includes the clarity of the plan itself, resource need for implantation, top management support, organisational structures, technical competence, and timing. The focus on the evaluation stage is to continually evaluate the results of the business response to the issue and to ensure actions are kept on track, and in particular the response of stakeholders' opinions. The information gathered in this stage is fed back to the earlier stages in the process so that changes or adjustments might be made as needed (Carrol, 1993).

## **2. 5 Analytical techniques in Strategic Issue Management**

Ansoff and McDonnell (1990) proposed four analytical techniques for strategic issue management. These are use of simple environmental impact analysis, cross impact analysis, ranking approach and Euroquip matrix. The first one is simple environmental impact analysis which diagnosis one event/trend at a time and does not concern itself with their interdependence. Threats/opportunities and future strengths /weaknesses can be identified from the continuous surveillance of three sources (external environmental trends, internal capability trends and performance trends). The second is the issue ranking approach which involves a continuous environmental surveillance through trend analysis (external environment, internal environment and internal performance) SWOT identification. Impact and urgency of the trends are estimated and presented as key strategic issues to top management at frequent meetings and whenever a new major threat or opportunity is perceived. Then together with planning staff, top management sorts issues into one of the four categories. High current issues of far reaching effect which require immediate attention (that is, minor issues).The urgent issues are assigned for study and resolution, either to existing organisation units, or to special task forces. Top management both for strategic and tactical implications monitors the resolution issues. The list of issues is kept up-to-date through periodic review by the top management (Ansoff and Mc Donnel, 1990).

The third technique according to Ansoff and McDonnell (1990) is a cross impact analysis, which can be added to estimate the likelihood of simultaneous occurrence of several trends/events, which are likely to impact together on the firm and facilitates identification and preparedness of probable future disaster scenarios or opportunity scenarios. The fourth method,' Euro quip matrix' analyses issues after the ranking has been done and after the synergy analysis. Either the positive or the negative synergy evaluation is done for the issues impact and issue urgency's positive synergy occurs when strengths and or weaknesses are applicable to responding to threats and opportunities. A negative synergy occurs when neither strengths nor weaknesses help in with threats and opportunities.

## **2.6 Organisational factors affecting Strategic Issue Management**

Strategic issues management is a managerial function that helps corporations identify, analyze, and respond to social and political concerns that can significantly affect them (Greening and Gray, 1994; Nigh and Cochran, 1987). There are organisational factors that may influence SIM practices. These factors include top management's response behaviour towards diagnosing perceived trends, adequacy of resources required to handle strategic issues, existence of clear channels of communication to disseminate strategic issues to staff and, most important of all, the recognition that SIM plays a crucial role in the organisation.

Oomens and Bosch (1999) using a strategic perspective suggests that there are three ways of organizing for strategic issues; corporate level, functional level and process oriented. However, the location and focus of the analysis influence the decision making strategic issues. If the analysis is made at the corporate level and focus is on corporate issues the decision making tends to be centralized. If the location and the focus are at the business and operating company level, this produces a more decentralized decision making process. As soon as an important strategic issue has been identified, they should be allocated to a particular person in staff or in line management who will be responsible for monitoring and managing it. According to Oomens and Bosch (1999), there is a general consensus in the literature that senior managers should be responsible for important strategic issues and that staff members should play a supporting, advising and coordinating role. There is also consensus that Issue Management should be part of strategic decision making process, that is, formal planning and appraisal session, and that top management commitment to issue management is crucial.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The purpose of this chapter was to provide a detailed insight and understanding of research methodology that was used during the study. That included the research design, population of the study, sample size, sample frame, data collection methods, research procedures and data analysis and presentation.

#### **3.2 Research Design**

This research problem was best studied through the use of a descriptive cross-sectional survey. Descriptive research portrays an accurate profile of persons, events or situations (Robson, 2002). This design was considered appropriate for this study because cross-sectional data is required to satisfy the objective of the study.

#### **3.3 Target Population**

The study targeted all the 450 manufacturing firms in Nairobi, Kenya. The justification for choosing this industry was provided in paragraph two of the research problem.

#### **3.4 Sample Design**

A sample is a group of items taken from the population for examination (Harper, 1991). A sample of 45 firms was studied. Simple random sampling method was used to select the 45 firms and was consistent with recommendation by Mugenda and Mugenda (2003) that 10 percent of the accessible population is considered adequate for descriptive study.

#### **3.5 Data Collection**

Primary data was collected using a self administered questionnaire, having both open-ended and closed-ended questions. It was to be administered to the Chief Executive Officers (CEOs) or the persons in charge of strategy of the respective institutions. This was done through their offices as well as through their electronic mail. The questionnaire focused on issues of strategic management and was structured into two sections. The first



section was on the profile of the company, that is, the name of the manufacturing company, date of incorporation and job title of the respondent. The second section featured the strategic issue management practice in the company.

### **3.6 Data Analysis**

After collection, the raw data was edited for completeness and consistency.

Descriptive statistics such as mean, standard deviation, frequency distributions and percentages was used to analyse and summarize the data. Results were presented in tables and charts.

## CHAPTER FOUR

### FINDINGS AND DISCUSSIONS

#### 4.1 Introduction

This represents the analysis and findings from the data collected from the field based on the specific objective. Total of 45 questionnaires were distributed to 45 manufacturing firms operating as at 31<sup>st</sup> December 2012. 40 firms responded by completing and returning the questionnaires representing 88.9% of the response rate.

#### 4.2 Organisation Response to Changes in Strategic Issues

##### 4.2.1 Established system for constantly studying significant changes in strategic issues

The respondents were required to indicate the extent to which they agreed to have a well established system for constantly studying significant changes or developments in the environment. The outcome of the study is shown in the table below.

**Table 4.1: Established system for constantly studying significant changes in strategic issues**

|                        | Frequency | Percent |
|------------------------|-----------|---------|
| to a less extent       | 4         | 10.0    |
| to a moderate extent   | 10        | 25.0    |
| to a great extent      | 10        | 25.0    |
| to a very great extent | 16        | 40.0    |
| Total                  | 40        | 100.0   |

The respondents were required to rate the extent to whether their organization has established mechanism for recognizing significant changes in strategic issues. The results are presented in table 1. As shown in the table, the findings show that 65% of the firms

have put in place the necessary mechanism for recognizing significant changes. The remaining 35% of the firms either have the above mentioned requirements to a much less or moderate extent.

#### **4.2.2 Established mechanism for recognizing significant technological changes and a flexible structure for prompt change for prompt change to the environment**

The researcher sought to find out the extent to which the manufacturing firms had a well established mechanism for recognizing significant changes and also the level of flexible structure that enables the firms to have a prompt response to strategic changes .The respondents were asked to tick one of the considerations from to a much extent, moderate extent, great extent and a very great extent.

**Table 4.2: Well established mechanism for recognizing significant technological changes and a flexible structure for prompt change to the environment**

|                        | Well established mechanism |         | Flexible structure |         |
|------------------------|----------------------------|---------|--------------------|---------|
|                        | Frequency                  | Percent | Frequency          | Percent |
| much less extent       | 6                          | 15.0    | 6                  | 15.0    |
| to a moderate extent   | 4                          | 10.0    | 4                  | 10.0    |
| to a great extent      | 14                         | 35.0    | 16                 | 40.0    |
| to a very great extent | 16                         | 40.0    | 14                 | 35.0    |
| Total                  | 40                         | 100.0   | 40                 | 100.0   |

The respondents were required to rate, on a five-point likert scale, the extent to whether their organization has established mechanism for recognizing significant technological changes and a flexible structure for prompt adjustment to changes in the environment. The results are presented in table 2. As shown in the table, 75% of the firms have put in place the necessary mechanisms for recognizing technological changes as well as a

flexible structure. The remaining 25% of the firms either have the above mentioned requirements to a much less or moderate extent.

**4.2.3 Mechanism for observing strategic shifts by competitors and ability to regularly identify and respond to strategic changes with significant potential impact emanating from the environment.**

The table below shows the level of the respondent’s agreement with the existence of good mechanism for observing strategic shifts by competitors and ability to regularly identify and respond to strategic changes with significant potential impact emanating from the environment.

**Table 4.3 Mechanisms for observing strategic shifts by competitors and ability to regularly identify and respond to strategic changes with significant potential impact emanating from the environment**

|                        | A good mechanism for observing strategic shifts by competitors |         | Ability to regularly identify and respond to strategic changes with significant potential impact |         |
|------------------------|----------------------------------------------------------------|---------|--------------------------------------------------------------------------------------------------|---------|
|                        | Frequency                                                      | Percent | Frequency                                                                                        | Percent |
| much less extent       | 10                                                             | 25.0    | 10                                                                                               | 30.0    |
| to a less extent       | 4                                                              | 10.0    | 8                                                                                                | 10.0    |
| to a moderate extent   | 4                                                              | 10.0    | 2                                                                                                | 10.0    |
| to a great extent      | 12                                                             | 30.0    | 10                                                                                               | 30.0    |
| to a very great extent | 10                                                             | 25.0    | 10                                                                                               | 25.0    |
| Total                  | 40                                                             | 100.0   | 40                                                                                               | 100.0   |

The respondents were required to rate, on a five-point likert scale, the extent to whether their organization has a good mechanism for observing strategic shifts by competitors and the ability to regularly identify and respond to strategic changes with significant potential impact. The results are presented in table 3. As shown in the table, 55% of the firms have put in place the mechanism for observing strategic shifts by competitors necessary mechanism as well as identification and response to strategic changes with significant potential impact as evidence by the likert ratings on the likert scales .The remaining 45% of the firms either have the above mentioned requirements to a much less or moderate extent.

### **4.3 Issue Management**

#### **4.3.1 Business /Operating environment**

Business environment dynamics and changes may affect strategic issue management. The researcher sought to find out from the respondents whether the business/operating environment within the last five years in their manufacturing firms was turbulent, relatively stable or irregular.

All the manufacturing firms that were studied stated that the business environment was relatively stable. As such, stability provided a suitable environment for planning and therefore emerging issues were tackled in a focused way. Further, they all confirmed that the business plans were regularly reviewed to allow adjustment with changes in the environment.

#### **4.3.2 Strategic Issues encountered**

The respondents were required to indicate the strategic issues that they had encountered for the last five years due to changes in the environment by way of listing the issues down .The table below summarises the issues raised by the respondents with frequency indicating the number of times the issue was mentioned.

**Table 4 Strategic Issues Encountered**

| Issues                                                 | Frequency | Percentage |
|--------------------------------------------------------|-----------|------------|
| Changes in manufacturing regulations                   | 20        | 50%        |
| Changing customer needs and demands for efficiency     | 18        | 45%        |
| Managing liquidity ,capital adequacy and profitability | 3         | 7.5%       |
| System change and technological innovations            | 35        | 87.5%      |
| New entrants into the market                           | 32        | 80%        |
| Acquisition and merges of manufacturing firms          | 9         | 22.5%      |

**4.4 Strategic Issue Management practices**

Table 5 indicates the respondents rating of the level of strategic issue management practices in their organisation.

**Table 4.5 Strategic Issue Management Practice**

| Percent | Extent of practice  | Frequency |
|---------|---------------------|-----------|
| 60.0    | highly practiced    | 24        |
| 25.0    | partially practiced | 10        |
| 15.0    | not practiced       | 6         |
| 100.0   | Total               | 40        |

The respondents were required to rate the extent to whether their organisation practices strategic issue management. The results are presented in table 5. As shown in the table, 60% of the firms highly practice strategic issue management .The remaining 35% of the firms either partially practice it or do not practice it at all. The results imply that Strategic Issue Management practices have not been fully adopted or efficiently utilised to make maximum advantage of the opportunities in the manufacturing industry.

#### 4.4.1 Response to key strategic issues

Since response to strategic issues should not be a onetime affair as an organization is an open system which must give and take from the environment, the respondents were asked whether their firms respond to strategic issues each year. The results are presented in figure 1.

**Figure 4.1 Response to strategic issues**

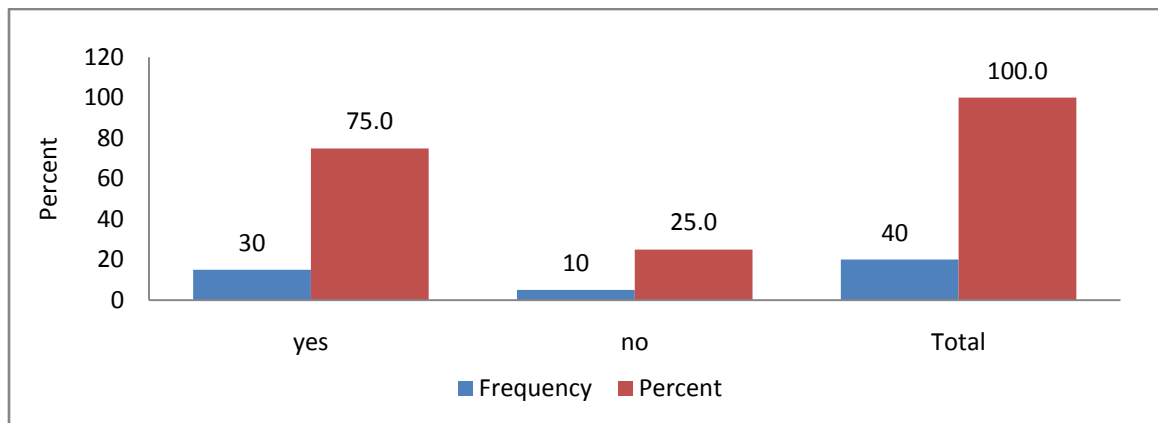


Figure 1 indicate that majority (75%) of the organisations respond to key strategic issues each year that arise from within or outside of their organisation.

#### 4.4.2 Rating of Strategic Issue Management

This study sought to establish the perception of respondents to various issues relating to strategic issues .The respondents were asked to rate the issue on a five point likert scale where, 1-not applicable,2-to a less extent,3-to a moderate extent,4-to a great extent and 5-to a very great extent. Table 6 shows the findings.

**Table 4.6: Respondents Rating of Strategic Issue Management**

| Statement                                                          | 1    | 2    | 3    | 4    | 5    | Mean | Standard Deviation |
|--------------------------------------------------------------------|------|------|------|------|------|------|--------------------|
| Strategic Issue Management holds a place in the manufacturing firm | 12.5 | 0    | 0.50 | 50   | 37.5 | 4    | 1.31               |
| Strategic Issue Management is a motivating activity to undertake   | 0    | 0    | 37.5 | 12.5 | 50   | 4.1  | 0.99               |
| It is critical to address strategic issues                         | 0    | 0    | 12.5 | 50   | 37.5 | 4.2  | 0.71               |
| The resources required are adequate                                | 0    | 12.5 | 50   | 25   | 12.5 | 3.4  | 0.92               |
| The top management takes interest                                  | 25   | 0    | 37.5 | 12.5 | 25   | 3.1  | 1.53               |
| Strategic issues logs are clear to all line managers               | 25   | 0    | 12.5 | 37.5 | 25   | 3.4  | 1.60               |

From the above table 6, it can be concluded that management understands how critical it is to address strategic issue as it had the highest mean of 4.20 which in the response scale of 1-5, means that this variable was important to a great extent. All the other factors had mean ranging from 3.1 to 4.1.

#### **4.4.3 Impact of economic issues.**

This study sought to establish the response on the impact of economic issues on the firm. The respondents were asked to rate the issue on a five point likert scale where, 1-strongly disagree, 2-disagree, 3-neutral, 4-agree and 5-strongly agree. Table 7 shows the findings.



**Table 4.7: Response on the impact of economic issues on the firm**

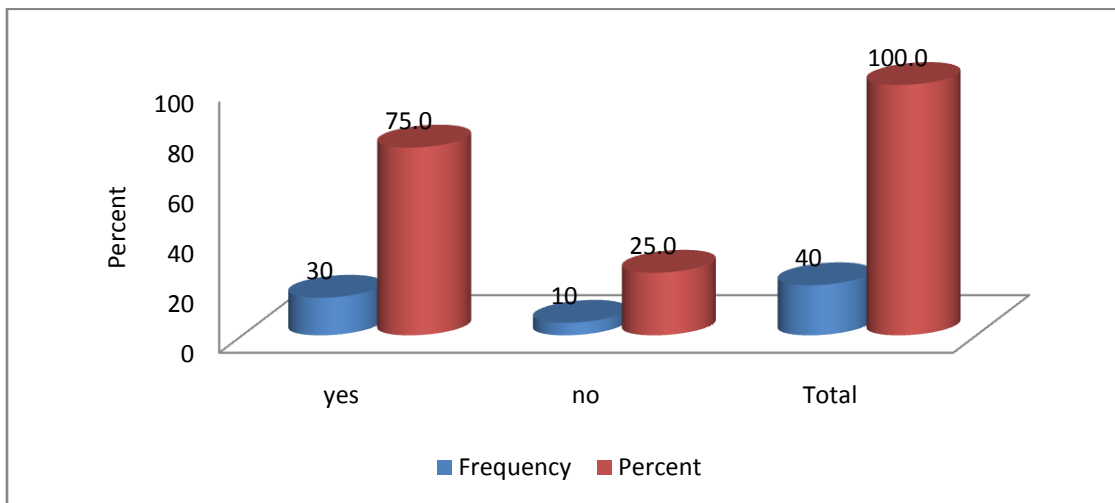
| Economic issues              | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|------------------------------|-------------------|----------|---------|-------|----------------|
|                              | 1                 | 2        | 3       | 4     | 5              |
| 1.Exchange rate changes      | 0                 | 0        | 50%     | 30%   | 20%            |
| 2.Increase in interest rates | 0                 | 0        | 20%     | 50%   | 30%            |
| Increase in inflation        | 0                 | 0        | 20%     | 50%   | 30%            |
| Cost of transportation       | 0                 | 0        | 20%     | 50%   | 30%            |
| Scarcity of funds            | 0                 | 0        | 0%      | 50%   | 50%            |
| Competition from imports     | 0                 | 0        | 30%     | 50%   | 20%            |
| Foreign investments          | 0                 | 0        | 20%     | 30%   | 50%            |
| Communication costs          | 0                 | 0        | 52%     | 28%   | 20%            |

The respondents were required to rate, on a five-point likert scale, the extent to the impact of economic issues in the firm. The results are presented in table 7. The majority of the respondents indicated that exchange rate changes, increase in exchange rates and inflation will on the whole affect the manufacturing firms hence pointing towards agree. It can also be pointed out from the table that scarcity of funds is the major issue facing firms in this region. Access to capital is typically a major problem to firms without a track record or without a form of guarantee.

#### 4.4.4 “Strategic Plans” and “Urgent and critical issues”

While strategic plans follow norms and a certain pattern as laid down by management, urgent and critical issues are those perceived problems or happenings which have profound or major impact on the firm and must be acted upon without delay. The study sought to find from the respondents whether management perceives the above as the same between the planning cycles or not by simply indicating Yes or No. The results are indicated in Figure 2 below.

**Figure 4.2 Continual checking of urgent and critical issues that may affect daily operations**



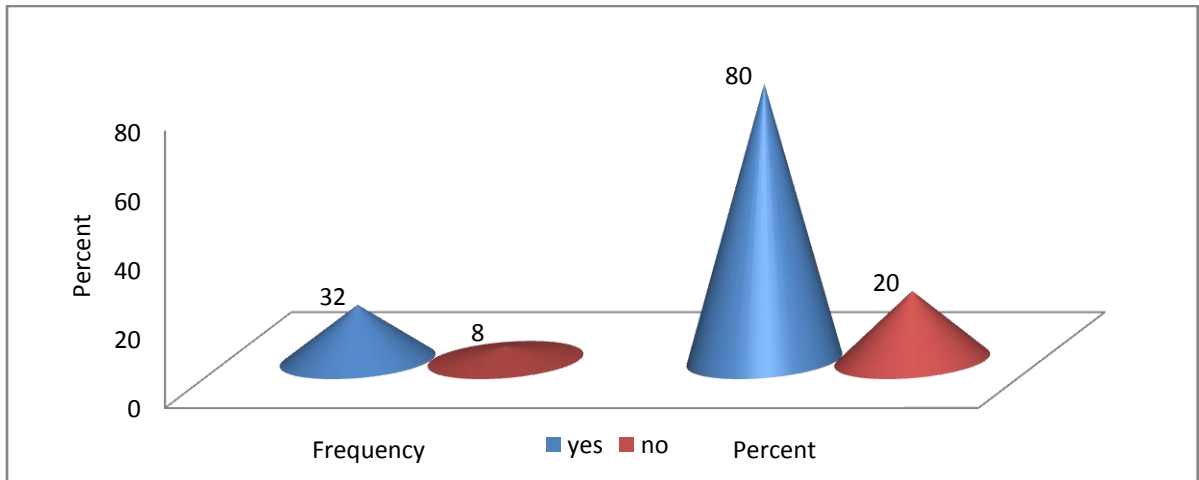
The results in figure 2 indicate that majority (75%) of organisations under study have continues checking of urgent and critical issues that may affect daily operations where urgent and critical issues/factors are those perceived problems or happenings which have profound or major impact on the manufacturing firm and they must be acted upon without any delay.

It can be concluded therefore that the majority of the firms understand how critical it is to address strategic issues while still remain focused on the strategic plan.

#### 4.4.5 Long term planning carried out by the management

The study sought to find from the respondents whether management carry out long term planning in their organisations by simply indicating Yes or No. The results are indicated in figure 3.

**Figure 4.3 Long term planning carried out by the management**



The results in figure 3 indicate that majority (80%) of the respondents practice long term planning in their organisations.

#### 4.4.6 Extent of Authority of Manufacturing Firms

The study sought to establish the extent to which the management has authority to review strategic issues, to accept or reject strategic issue proposals and to offer advisory role in strategic issues management process. The results of the study are shown in the table below:

Table 8 gives the extent of authority of the manufacturing firms in management of strategic issues to their respective organisation based on review of strategic issues, acceptance of rejection of strategic issue proposal and offer advisory role in strategic issue management.

**Table 4.8 Extent of Authority of Manufacturing Firms**

| Extent of agreement by the respondents | Review of strategic issues |         | Acceptance or rejection of strategic issue proposal |         |
|----------------------------------------|----------------------------|---------|-----------------------------------------------------|---------|
|                                        | Frequency                  | Percent | Frequency                                           | Percent |
| not applicable                         | 8                          | 20.0    | 4                                                   | 10.0    |
| to a less extent                       | 10                         | 25.0    | 8                                                   | 20.0    |
| to a moderate extent                   | 10                         | 25.0    | 10                                                  | 25.0    |
| to a very great extent                 | 12                         | 30.0    | 18                                                  | 45.0    |
| Total                                  | 40                         | 100.0   | 40                                                  | 100.0   |

The results in table 8 reveal that the majority (30%) of manufacturing firms review strategic issues to a very great extent followed by a moderate extent and a less extent (25%) and finally not applicable (20%). Based on the response on acceptance or rejection of strategic issue proposal, the respondents (45) agreed to a very great response followed by (25%) to a moderate extent while the least response (10%) was not applicable.

#### **4.4.7 Empowerment of the Employees of manufacturing firms to handle strategic issues**

Table 9 indicate the manner to which employees of an organisation is empowered to handle strategic issues towards realizing their goals.

**Table 4.9 Empowerment of the Employees of manufacturing firms to handle strategic issues**

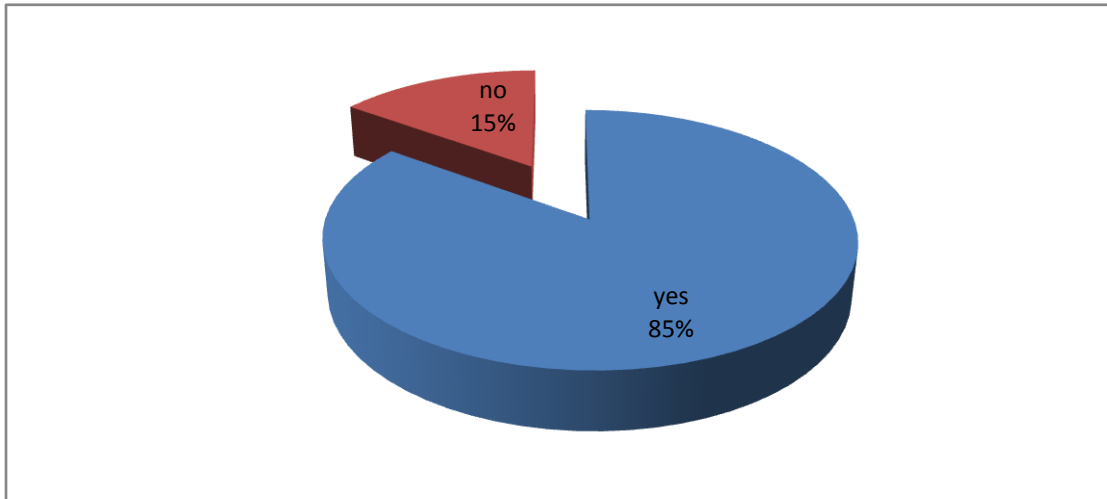
|       |                                      | Frequency | Percent |
|-------|--------------------------------------|-----------|---------|
| Valid | Training                             | 26        | 65.0    |
|       | involvement in identifying solutions | 4         | 15.0    |
|       | Excluded                             | 4         | 10.0    |
|       | Others                               | 6         | 10.0    |
|       | Total                                | 40        | 100.0   |

The study findings in table 9 indicate that the majority of the organisation have their employees empowered through training (65%) followed involvement in identifying solutions (15%) and then others and excluded with equal measure (10%). Majority of staff therefore receive formal training or are involved in identifying solutions.

#### **4.4.8 Existence of documented process to handle strategic issues**

Figure 4 indicate whether there exists a documented process in the manufacturing company to handle strategic issues in the organisation

**Figure 4.4 Existence of document process to handle strategic issues**



The results in figure 4 indicate that majority (85%) of the respondents have their organisation having documented process to handle strategic issues.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

From the analysis and data collected the following discussions, conclusions and recommendations were made. The analysis was based on the objections of the study

#### **5.2 Summary of the Findings**

The findings show that 65% of the firms have put in place the necessary mechanism for recognizing significant changes. The remaining 35% of the firms either have the requirements to a much less or moderate extent.

The results also indicate that 75% of the firms have put in place the necessary mechanisms for recognizing technological changes as well as a flexible structure. The remaining 25% of the firms either have the mentioned requirements to a much less or moderate extent.

Also, 55% of the firms have put in place the mechanism for observing strategic shifts by competitors' necessary mechanism as well as identification and response to strategic changes with significant potential impact. The remaining 45% of the firms either have the above mentioned requirements to a much less or moderate extent.

All the manufacturing firms that were studied stated that the business environment was relatively stable. As such, stability provided a suitable environment for planning and therefore emerging issues were tackled in a focused way. Further, they all confirmed that the business plans were regularly reviewed to allow adjustment with changes in the environment.

The research findings further showed that 60% of the firms highly practice strategic issue management. The remaining 35% of the firms either partially practices it or do not practice it at all. The results imply that Strategic Issue Management practices have not

been fully adopted or efficiently utilised to make maximum advantage of the opportunities in the manufacturing industry.

Majority of the respondents as shown by 75% of the organisations respond to key strategic issues that arise from within or outside of their organisation.

The results show that management understands how critical it is to address strategic issue as it had the highest mean of 4.20 which in the response scale of 1-5, means that this variable was important to a great extent.

The majority of the respondents indicated that exchange rate changes, increase in exchange rates and inflation will on the whole affect the manufacturing firms hence pointing towards agree .It can also be pointed out that scarcity of funds is the major issue facing firms in this region. Access to capital is typically a major problem to firms without a track record or without a form of guarantee.

The majority of the respondents indicated that exchange rate changes, increase in exchange rates and inflation will on the whole affect the manufacturing firms hence pointing towards agree .It can also be pointed out from the table that scarcity of funds is the major issue facing firms in this region. Access to capital is typically a major problem to firms without a track record or without a form of guarantee.

The results show that the majority of organisations as shown by 75% under study have continues checking of urgent and critical issues that may affect daily operations where urgent and critical issues/factors are those perceived problems or happenings which have profound or major impact on the manufacturing firm and they must be acted upon without any delay.

The results also indicate that majority of the respondents as shown by 80% practice long term planning in their organisations.

The findings indicate that the majority of the organisation have their employees empowered through training (65%) followed involvement in identifying solutions (15%) and then others and excluded with equal measure (10%). Majority of staff therefore receive formal training or are involved in identifying solutions.



The results indicate that majority of the respondents as shown by 85% have their organisation having documented process to handle strategic issues.

### **5.3 Conclusion**

The study has established various Strategic Issue Management practices being adopted by manufacturing firms in Kenya has no doubt has played significant role towards assisting the institutions achieve the desired objectives. Respondents have shown a high level of awareness on the role Strategic Issue Management can play in improving the managements of the firms. However, Strategic Issue Management practices in the manufacturing firms are greatly influenced by the management culture and the operating environment.

### **5.4 Recommendations**

1. From the summary of the findings and conclusions in this chapter, the researcher can highly recommend strategic issue management as a process of specifying the organization's objectives, developing policies and plans and for the company to achieve this, strategic issue management should be highly implemented in the organization.
2. Organizations need to embrace strategic issue management systems to enhance their capacity to adapt and learn. Organizations also need to continuously monitor strategic issue throughout the year in order to be able to realize full potential of investing in it.

### **5.5 Limitations of the study**

The study suffered from a couple of limitations. Most of the major limitations were related to data collection. The respondents were skeptical about the intentions of the researcher hence took a lot of time to fill in the questionnaires –As the respondents were heads of departments in the organization, finding the time to fill in the questionnaires

was also a problem thus they had to be reminded a couple of times by the researcher to respond. It thus took a lot more time than was earlier estimated to collect the data.

### **5.6 Areas for further research**

The study focused on strategic issue management in manufacturing firms in Nairobi. The study recommends that more descriptive surveys to be carried out to determine the factors that affect strategic issue management practices in the whole industry.

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## APPENDIX 1: QUESTIONNAIRE

### SECTION 1: PROFILE OF THE COMPANY

NAME OF THE COMPANY:

DATE OF INCORPORATION:

JOB TITLE:

### SECTION 2: STRATEGIC ISSUE MANAGEMENT PRACTICE

(NB: For the following, please tick as appropriate).

1. Rate the extent to which the following practices or approaches describe how your organization responds to changes or developments of strategic nature either in the internal or in the external environment that have environmental implications for its strategies or strategic direction.

|                                                                                                                                | (1)<br>To a<br>muc<br>h<br>less<br>exte<br>nt | (2)<br>To a<br>less<br>extent | (3)<br>To a<br>moder<br>ate<br>extent | (4)<br>To a<br>great<br>extent | (5)<br>To a<br>very<br>great<br>extent |
|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------|---------------------------------------|--------------------------------|----------------------------------------|
| (1) My organization has a well established system for constantly studying significant changes/developments in the environment. |                                               |                               |                                       |                                |                                        |
| (2) My organization has a well established mechanism for recognizing significant technological changes.                        |                                               |                               |                                       |                                |                                        |
| (3) My organization has a very flexible                                                                                        |                                               |                               |                                       |                                |                                        |



|                                                                                                                                                                                                                                                                                                                                                |  |  |  |  |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|
| <p>structure that enables it to respond promptly to changes in the environment.</p> <p>(4) My organization has a good mechanism for observing strategic shifts by competitors.</p> <p>(5) My organization is able to regularly identify and respond to strategic changes with significant potential impact emanating from the environment.</p> |  |  |  |  |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|

2. How would you describe your business or operating environment within the last five years (tick one).

- a) Turbulent ( )
- b) Relatively stable ( )
- c) Irregular ( )
- d) Others (Please specify).....

3. Do you have business plans in place to allow adjustments with changes in the environment (tick one) Yes ( ) No ( )

4. In your view, what strategic issue have you encountered for the past five years due to change in operating environment (kindly list them down) (NB: Strategic issues management is a managerial function that helps corporations identify, analyze, and respond to social and political concerns that can significantly affect them)

.....

.....

5. How do you rate the level of strategic issue management practices in your organisation?

Highly practiced ( )

Not Practiced ( )

Partially practiced ( )

6. Do you practice a list of key strategic issues for each year? (NB: A strategic issue is a forthcoming development, either inside or outside of the organisation, which is likely to have an impact on the ability of the enterprise to meet its objectives)

Yes ( ) No ( )

7. To what extent does the manufacturing firm management perceive the various issues relating to strategic issues management practices?

(1=Not applicable 2=to a less extent 3=to a moderate extent 4=to a great extent 5=to a very great extent)

| Statement                                                          | 1 | 2 | 3 | 4 | 5 |
|--------------------------------------------------------------------|---|---|---|---|---|
| Strategic Issue Management holds a place in the manufacturing firm |   |   |   |   |   |
| Strategic Issue Management is a motivating activity to undertake   |   |   |   |   |   |
| It is critical to address strategic issues                         |   |   |   |   |   |
| The resources required are adequate                                |   |   |   |   |   |
| The top management takes interest                                  |   |   |   |   |   |
| Strategic issues logs are clear to all line managers               |   |   |   |   |   |

Others (specify).....

8. Rate the extent to which the following economic issues affect the firm.

| Economic issues              | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|------------------------------|-------------------|----------|---------|-------|----------------|
|                              | 1                 | 2        | 3       | 4     | 5              |
| 1.Exchange rate changes      |                   |          |         |       |                |
| 2.Increase in interest rates |                   |          |         |       |                |
| Increase in inflation        |                   |          |         |       |                |
| Cost of transportation       |                   |          |         |       |                |
| Scarcity of funds            |                   |          |         |       |                |
| Competition from imports     |                   |          |         |       |                |
| Foreign investments          |                   |          |         |       |                |
| Communication costs          |                   |          |         |       |                |

9. Does your planning and management team perceive and treat “strategic plans” and “urgent and critical issue (Factors)” which affect the manufacturing firm between planning cycles as the same? (NB: Urgent and critical issues/factors are those perceived problems or happenings which have profound or major impact on the manufacturing firm and they must be acted upon without any delay).

Yes ( ) No ( )

10. Is long term planning carried out in your manufacturing firm? Tick  
 Yes ( ) No ( )

11. To what extent does the manufacturing firm management have authority to do the following?

(1=Not applicable 2=to a less extent 3=to a moderate extent 4=to a very great extent)

|                                             |  |  |  |  |
|---------------------------------------------|--|--|--|--|
| Statement                                   |  |  |  |  |
| Review of strategic issues                  |  |  |  |  |
| Accept or reject strategic issues proposals |  |  |  |  |

12. How are the employees in your manufacturing firm empowered to handle strategic issues? (Tick)

- a. Through Training
- b. Through Involvement in identifying solutions
- c. Excluded
- d. Others (Please Specify).....

13. Is there a documented process in your manufacturing company to handle strategic issue?

Yes ( ) No ( )

THANK YOU VERY MUCH

## **APPENDIX 2: LIST OF SAMPLED COMPANIES.**

1. Alankar Industries Ltd.
2. Auto Litho Ltd.
3. Basco Products Ltd.
4. Baumann Engineering Ltd.
5. Bayer East Africa Ltd
6. Beiorsdof (EA) Ltd
7. Best Foods Kenya Ltd.
8. Bio Food Products Ltd.
9. Bobmil Industries Ltd.
10. Cadila Pharmaceuticals Ltd.
11. C&P Shoe Industry Ltd.
12. Chandaria Industries Ltd.
13. Colgate Polmalive (EA) Ltd
14. Color Creations Ltd.
15. Cosmos Ltd.
16. Crown Berger Ltd.
17. Crown Food Ltd.
18. Cussons & Co. Ltd.
19. E.A. Packaging Industries Ltd.
20. E.A. Cables Ltd.
21. Fine Line Industries Ltd.
22. Galaxy Paints &Coatings Ltd.
23. General Motors (K) Ltd.
24. General Plastics Ltd.
25. Glaxo SmithKline Ltd.
26. Global &Allied Industries.
27. Henkel Kenya Ltd.
28. Jambo Bisuits Ltd.
29. Kaluworks Ltd.
30. Kapa Oil Refinery Ltd.

31. Kartasi Industries Ltd.
32. Kenafric Industries Ltd.
33. Kenya Breweries Ltd.
34. Kenya Wine Agencies Ltd.
35. Mabati Rolling Mills Ltd.
36. Mann Manufacturing Company Ltd.
37. Marshal Fowler Engineers Ltd.
38. Mastermind Tobacco (K) Ltd.
39. Midco Textile Ltd.
40. Mini Bakeries Ltd.
41. Nestle Food Kenya Ltd.
42. Orbit Chemicals Industries Ltd.
43. Patco Industries Ltd.
44. Pipe Manufacturers Ltd.
45. Polythene Industries Ltd.

Source: Management Consulting Services.