

A SURVEY OF STRATEGIC MANAGEMENT PRACTICES OF CHRISTIAN CHURCHES IN KENYA

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By

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**A Management Research Project Submitted in Partial Fulfillment of the
Requirements for the Award of the Degree of Master of Business
Administration, School of Business, University of Nairobi**

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DECLARATION

This Management Research Project is my original work and has not been submitted for a degree in any other university.

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Date 21st November 2006

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

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DEDICATION

To my Lord and Saviour Jesus Christ, without whom this research project would not have been a success.

To my loving husband and best of friend, Pastor Fidelis Obwoye, for giving me unwavering support and encouragement throughout my MBA studies.

To our precious children Deborah and Gideon, for supporting me through earnest prayer, and for their understanding during my studies.

To my beloved mother Diana Muthoki, and my brother, Jeremiah Mbunu to whom I owe most for my education.

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TABLE OF CONTENTS

Declaration.....	i
Dedication.....	ii
Acknowledgements.....	iii
List of Tables.....	vi
List of Figures.....	vii
Abstract	viii

CHAPTER 1: INTRODUCTION

1.1 Background.....	1
1.2 Research Problem.....	6
1.3 Research Objectives.....	11
1.4 Importance of the Study.....	11

CHAPTER 2: LITERATURE REVIEW

2.1 Strategic Management.....	12
2.2 Strategic Management Process and Practices.....	15
2.2.1 Vision, Mission and Goals.....	17
2.2.2 Strategic Analysis.....	19
2.2.3 Strategy Formulation.....	20
2.2.4 Strategy Implementation.....	22
2.2.5 Strategic Control.....	26
2.2.6 Strategic Thinking.....	27
2.3 Strategy in the Context of Christian Organizations.....	30

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Design.....	33
3.2 Target Population.....	33

3.3	Sampling Design.....	34
3.4	Data Collection Method.....	34
3.5	Data Analysis.....	35

CHAPTER 4: DATA ANALYSIS AND FINDINGS

4.1	Church Profile.....	36
4.1.1	Church Structure.....	38
4.1.2	Church Growth Trends.....	39
4.2	Research Findings	
4.2.1	Strategic Planning.....	40
4.2.2	Internal Analysis.....	45
4.2.3	Strategy Implementation.....	47
4.2.4	Strategy Evaluation.....	49
4.2.5	Challenges Facing Churches in Kenya.....	52

CHAPTER 5: CONCLUSION

5.1	Summary, Discussions and Conclusions.....	57
5.2	Limitations of the Research.....	64
5.3	Recommendations for Further Research.....	64
5.4	Recommendations for Policy and Practice.....	64

REFERENCES.....	66
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APPENDICES	70
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APPENDIX 1: QUESTIONNAIRE.....	70
--------------------------------	----

APPENDIX 2: LIST OF CHURCHES	81
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LIST OF TABLES

Table 1: How churches in Kenya are varied in age and size	38
Table 2: Correlation between age of church and Strategic Planning	40
Table 3: Aspects of Strategic Planning in Kenyan churches	41
Table 4: Involvement of various stakeholders in Strategic Planning in churches	41
Table 5: Importance of environmental factors in Strategic Planning	43
Table 6: Importance of environmental influences on churches in Kenya	47
Table 7: Level of support provided to policy implementation by various stakeholders...	48

LIST OF FIGURES

Figure 1: The strategic management process	16
Figure 2: Structure of respondent churches	39
Figure 3: Approaches to strategy development	44
Figure 4: Prevalence of strategic development tools by church structure	45
Figure 5: Role of various stakeholders in strategy evaluation	51

ABSTRACT

The church in Kenya is currently experiencing fast growth in membership and finances. The challenges of growth require that this important societal institution adopts modern management practices. Accordingly, majority of churches studied have embraced some form of strategic management. This application is significant among older, established churches compared to younger, recently formed churches.

Most of the strategy formulation is undertaken by Pastors while implementation is mainly supported by the local church board, working hand in hand with the Pastors. The level of involvement of ordinary members, on the other hand, is very small. This raises two important issues: First, it is clear that pastors must acquire formal skills in the area of strategic management, given their role in driving the strategy process. Second, Leaders need to create systems within their churches that encourage members' participation in, and sharing of responsibilities of strategic management. This will enable members to support and implement organizational strategies.

Although churches in Kenya have attempted to incorporate strategic management practices, they must make a conscientious effort to involve their local members if they are to be successful. Only by recognizing the role of all stakeholders, can churches in Kenya succeed in deploying strategic management practices.

CHAPTER ONE

INTRODUCTION

1.1 Background

The key concern of organizations is their continued existence and survival over time. However, such continuous organizational life is not guaranteed. Every organization has to justify its continued existence in society (David, 1997; Pearce and Robinson, 1997). Organizations do not operate in a vacuum, but in an environment which is changing. In order for organizations to achieve their goals and objectives, they have to constantly adjust to this changing environment (Pearce and Robinson, 1997). Organizations that do not adequately adjust to meet environmental challenges experience a big problem – the strategic problem. This according to Ansoff (1990) is a problem which arises out of the maladjustment of any organization to its environment.

The success and indeed survival of every organization depends on how well it relates with its challenges and how it positions itself to the external environment. Informed estimates of the impact of the complex and dynamic environmental considerations, through proper analysis ensures an organizations success to the future (Pearson and Robinson, 1997; Hammond et al, 1998; Johnson and Scholes, 1993). An organization that does not take its environment seriously will eventually perish.

The major task of the managers is therefore to ensure the continued existence of their organizations. Organizations have developed and adopted different techniques over time to help them cope with the threat posed by the strategic problem. Strategic management

is the most comprehensive which involves strategy formulation, implementation, control and evaluation (Pearce and Robinson, 1997).

Strategy is the heart of strategic management. It helps organizations to formulate and implement various tasks to prosper (Hussey, 1991; Hill, 1992). It is the direction and scope of an organization over the long term which achieves advantage for the organization through its configuration of resources within a changing environment to meet the needs of markets and to fulfill the expectations of stakeholders (Johnson and Scholes, 1999). Strategy should help organizations develop and maintain a competitive edge on the market, focusing on the customer needs and competitors.

Strategic management is concerned with complexity arising out of ambiguous and non-routine situations with organization-wide rather than operation-specific implications (Johnson and Scholes, 1999). It is a major challenge for managers who are used to managing on a day-to-day basis. Because typical managers are used to managing operational issues in their organizations, they generally face great difficulties in considering strategic management issues because these require an organization-wide perspective. They also face challenges of addressing the complexity inherent in strategic management, requiring them, to develop powers of conceptualization over and above the usual operational skills they already possess.

Competitive, profit-oriented organizations are no strangers to the concept of strategy development and implementation. They must do this or perish. Unfortunately, non-

profit organizations, and especially some churches, may not appreciate the importance of strategic management practices. This is because they operate in a sector deemed to be non-competitive.

Churches, like other business and profit-oriented organizations, need to embrace modern management practices if they are to achieve their spiritual and organizational objectives. Although churches are unique in the sense that they pursue both spiritual and organizational goals, they are, nonetheless, subject to the economic, technological, social, cultural and environmental influences common to all social organizations.

The church is an important institution in society. As such, it is expected to be at the forefront in dealing with contemporary issues besides addressing its core spiritual issues. As a societal institution, the church nowadays faces economic, technological, social, cultural, political, and environmental challenges. To successfully thrive in this competitive environment, it is important that church organizations adopt and embrace proven business models, among them strategic management practices. Only by doing this can they succeed in meeting their twin roles of spiritual and organizational existence.

Previous research on church organizations shows that there has been reluctance on the part of some church leaders to adopt formal management practices. The reasons for this include a lack of training in the formal management and a belief that formal management systems are not biblical or that this indicates lack of faith. Aukerman (1991) found that

pastors, lay leaders, and seminary professors ranked management skills 43rd out of a list of 49 skills in terms of importance.

Refusal to utilize formal management practices has been linked to the frustration experienced by many church leaders. Lack of planning has been noted in the perceived inability of many churches to meet the needs of their congregations. Shah, et al (2000) have demonstrated that poor planning (or lack of planning) can be attributed to many churches' failing to achieve their ministerial and organizational goals. This has also affected church growth with many reporting declining membership and attendance levels.

Much has been written on strategic management practices in the business sector. A belated recognition that churches also need to embrace modern practices has led some writers to apply business sector concepts to churches and other not-for-profit institutions. Clinton, et al (1995), for example, have tried to show how churches can improve their ministries and provide direction by applying strategic planning techniques. In fact, a study by Stevens, et al (1996) has found that strategic planning is the highest rated topic in the area of leadership and management skills desired by church pastors. It is not known how far Kenyan churches have gone in embracing these practices and the extent to which they have been applied in church management.

The Church in Kenya comprises the main-stream churches – like the Anglican Church of Kenya, the Catholic Church, Seventh Day Adventist Church, the Presbyterian Church of

East Africa - and the Pentecostal Churches. The main-stream churches have their roots in the West while most Pentecostal churches indigenous.

The rate of total dependency on God through the Church in Kenya is on the increase as people discover that their hope in the face of insecurity of life and property, contention with scientifically unexplainable conditions and diseases, unemployment, and diverse social problems is in God. Kenyans are turning to God, and to the church in large numbers. This trend has placed greater demand on the churches than it was in the nineties.

The church over the years has played the weak one that waits for opportunities instead of creating opportunities for herself and its members through strategic management. It is however becoming clear that Christianity and God's business (the church) now also requires a business approach and not only the religious approach. The level of formal education of church members is getting higher and higher and they are more enlightened on quality services as they travel since Kenyans are very mobile people. This has put a demand on churches to provide quality services and for those that are resistant to change, members, and especially the younger generation, are moving to more appealing churches.

The Church in Kenya currently faces challenges brought about by technology, changes in demographic trends (for example, better educated members) and competitive pressures from modern culture. The emergence of Information and Communication Technologies such as the Internet and Cell phone communication, readiness of church members to hold

their leaders to account (on how they run churches and use resources) and the impact of modern, secular culture as a competitive force challenging Christianity are issues that all church leaders must come to terms with.

1.2 Research Problem

The church is unique in nature. It is characterized by both organizational and spiritual attributes. It is at once the body of Christ and a human institution (Auken and Johnson, 1985). Because of this unique dual nature, the local church requires both spiritual and organizational management. Management, for the church, becomes a challenge of blending the spiritual with the organizational.

The church is an important institution in society. As such, it is expected to be at the forefront in dealing with spiritual and contemporary issues of concern to society. Currently, churches the world over are faced with many challenges arising from the changing external and internal environments. In the local scene, the decline in national economic output has adversely affected many churches. The evidence is in a number of stalled development projects. Churches have also faced the prospect of not being able to meet basic financial obligations like payment of staff salaries.

There have also been major changes in the source of funding. Previously, most churches received a lot of financial, material and technological aid from their mother churches or donors from the West. At present, however, donor funding has declined or dried up

completely. Churches have, therefore, shifted their fund raising efforts to the members. Resource mobilization and control is therefore a major challenge for the church today.

Although technological advancement has enhanced better communication and provided equipment that makes worship better and more appealing, it has also posed new challenges to churches. The high cost of technology has put a serious strain on church resources and budgets. The Daily Nation (6 July 2006), reported on plans by the Anglican Church in Kenya to begin offering webcasts to their members via the Internet. This is just one example of how the church must respond to technological challenges, and which comes at a cost. Tele-evangelism is affecting commitment to church membership and attendance since people can watch their favourite preachers on television in the comfort of their houses.

The recent past (beginning in the 1980s) has seen dramatic growth of the church in Kenya in terms of denominations. This has caused a serious competition for members among the various denominations. There is high mobility of members from one church to the next as more appealing churches emerge. The more conservative churches have been on the losing end of this mobility wave, losing members to upcoming churches which are perceived to be more modern and liberal on doctrinal issues. There have been problems of leadership struggles in churches and formation of splinter groups, with dissatisfied members citing mismanagement of church resources, poor leadership, rigidity in management styles, and doctrinal issues among others reasons.

The church denominations are also growing very wide in terms of branch network, with some like the Anglican Church of Kenya having a branch network of more than 2,900 churches in the country according to Rev. Canon Wycliffe Balongo, the Administrative Secretary of the ACK. Some also run a number of projects. This puts some of the churches at the same level with some of the big companies in Kenya in terms of the size of their membership, the resources they control, and the competencies needed to effectively run their operations. Given these challenges, it is apparent that churches must take strategic management practices more seriously. A major question therefore arises as to the management practices adopted by the churches to run these complex networks effectively, and to attain and be effective in their mission.

Despite the impact of religion on economic life in contemporary society (Wuthnow, 1994), Christianity or its tangible manifestations have received very limited attention in strategy research. Although some researchers have contended that not for profit settings in general and churches in particular, could be interesting research contexts (Kohl, 1984; Odom & Boxx, 1988), strategy research in this area has been almost dormant since the late 1980's. One of the reasons for this limited attention could be the lack of a framework that adequately integrates strategy theory and Christian scripture. The work that is available tends to focus either on one side or the other.

In an examination of variables influencing organizational effectiveness, Webb (1974) studied a sample of primarily urban Presbyterian churches. He identified four characteristics that were significant influences on church effectiveness. These

characteristics were: (1) cohesiveness, indicated by the presence of positive working relationships and common interests; (2) efficiency, or producing desired results while minimizing the expenditure of time, effort, or expense; (3) adaptability or the organization's willingness to accept change and their ability to respond effectively to changes; and (4) support, the degree to which parishioners stand behind their minister and the minister's interest and concern for the congregation members' welfare.

In another study of churches, Odom and Boxx (1988) examined Southern Baptist churches in the state of Arkansas in the United States of America to study the relationship between these churches' size, location, and environmental perceptions and the relationship between size, location, those environmental perceptions and the sophistication of their planning process. Their primary findings were that church leaders who perceive their environment as relatively complex tended to use more formal planning processes and that large and/or growing churches tend to be more formal planners. The relationship between location and church size in the study was not significant, which suggests that organizational factors may have played a prominent role in determining the size of the churches.

Previous local researches on strategic management agree that the practice of strategic management helps organizations to adapt to situations of stress and crisis caused by the changing environment (Kangoro; 1998, Kiggundu; 1989). Njanja (2002) studied strategic management practices in the agricultural sector, while Bukusi (2003) studied the strategic management practices in health institutions.

Studies on strategic management practices in churches in Kenya are few and far between. Muturi (2003) studied strategic responses of Christian churches to changes in the external environment but not strategic management practices. Her study was limited to evangelical churches in Nairobi. She observed that a study to document the strategic management practices of churches in Kenya was necessary given the church's importance to society. A knowledge gap exists given that studies on strategic management practices done on other sectors may not apply to churches. The unspoken hypothesis behind the sectoral application of strategic management is that organizations are different (Bozeman, 1987). Every sector, like every industry has unique elements. Churches for instance, unlike most businesses, do not sell their services and so are not dependent on making profits. Until very recently, (1980's), competition among churches was not given much thought and so churches did very little to address themselves to it.

Owing to the above challenges, and the fact that it is not known how far Kenyan churches have gone in embracing strategic management practices, a study on strategic management practices in churches in Kenya is necessary. The study is aimed at finding out the extent to which church management teams in Kenya apply strategic management in running the churches. The researcher also hopes to establish what strategic management practices have been adopted by churches in Kenya and the constraints, if there are any, which hinder, or factors which enhance, the effectiveness of such practices.

1.3 Research Objective

The objective of this study is to determine the strategic management practices adopted by churches in Kenya.

1.4 Importance of the Study

- i. The study will help church leaders to identify the appropriate strategic management practices to adopt in order to be effective in the mission of their churches.
- ii. The stakeholders, mainly church members, will be enlightened by knowing the position and direction the church leadership is taking.
- iii. The study will contribute to the existing literature in the area of strategic management practices which academicians could use for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Strategic Management

Strategic Management is fundamentally about setting the underpinning aims of an organization, choosing the most appropriate goals towards those aims, and fulfilling both over time. Steiner (1979), writing some years ago, saw it as “designing a desired future and identifying ways to bring it about”. Strategic Management is dynamic. It involves a complex pattern of actions and reactions. It is partially planned and partially unplanned. Strategy is both, planned and emergent, dynamic, and interactive (Gary Hamel and C. K. Prahalad 1989).

Strategic management can be defined as a continuous iterative process aimed at keeping an organization as a whole appropriately matched to its environment (Certo & Peter, 1988). It is a process of making explicit the goals of the enterprise, the environment in which it operates, the strategies, and the feedback loops that tell the firm whether each of these steps has been identified and performed correctly (Gardner & Rachlin, 1986). It is a stream of decisions and actions that leads to the development of an effective strategy or strategies to help achieve corporate objectives (Juach & Gluck, 1988). Moreover, strategic management is the way in which strategists determine objectives and make decisions with regard to the organization’s mission, establishment of long and short range objectives to achieve the organization’s mission, strategy formulation and choice, and implementation (Byars, 1991).

Organizations can reap several benefits from appropriately practicing strategic management. At first, it provides better guidance to the entire organization on the crucial point of “what it is we are trying to do and achieve” (Thompson & Strickland III, 1992). Strategic management systems provide consistency of actions, and clear objectives and direction for all the players, therefore boosting their commitment to achievement of corporate strategy.

Strategic management’s emphasis on assessing the organization’s environment allows firms to anticipate changing conditions and therefore makes it less likely to be surprised by changes in the environment, or by actions of competitors that could put the organization at a sudden disadvantage. It gets the managers in into the habit of thinking in terms of the future as they launch strategic offensives to secure sustainable competitive advantage and use their market edge to achieve superior performance. It also helps in prioritization of business decisions, proper allocation of resources, coordination of short term plans and budgets, and improvement of corporate communication. Organizations which practice strategic management therefore have a higher probability of success than those that do not.

Strategic management as a term and concept is not new. It was first used in the 1970’s, and it meant that a staff of strategic planners more or less thought up strategic programs and then tried to sell them to decision makers. This view changed completely in the 1990’s, looking at strategic management as a process that requires senior leaders of an organization to set its strategic direction. Goodstein, Nolan, and Pfeiffer (1992) define

strategic management as the process by which the guiding members of an organization envision its future and develop the necessary procedures and operations to achieve that future. It is a systems approach to identifying and making the necessary changes and measuring the organization's performance as it moves toward its vision.

From strategic planning, it was a small step to today's area of strategic management (Ansoff et al., 1976). Managing strategy is not just a matter of plotting actions in advance, as strategic planners were soon to learn. Prepared by staff or consultants who lacked operating responsibility, strategic plans often were unrealistic and lacked support among line managers. To be more than just a paper exercise, it was realized that the long term course of an organization could not be left to a planning unit alone. The plan had to percolate through the whole organization. Plans had to be drawn so they could be enacted, which meant among other things getting most people's approval of the proposed method of proceeding.

Rather than being preoccupied with analysis of the firm and its environment and the formulation of strategies, this new subfield in management began to feature implementation and evaluation as critical action and assessment phases of the strategic management process. Strategic management is therefore a broad activity that encompasses mapping out strategy, putting strategy into action, and modifying strategy or its implementation to ensure that the desired results are reached. There is a bias for action and results, and a focus on what competitors are doing and on where social, economic, technological and political trends are heading.

The nature of strategic management is different from other aspects of management. It is concerned with complexity arising out of ambiguous and non-routine situations which have organization-wide implications. As such, it poses a major challenge to managers who are ordinarily concerned with operation-specific tasks. Managers who would have the ability to handle issues of strategic implications must develop a capability to take an overview, to conceive of the whole rather than just the parts of the situation facing the organization.

The main intended outcome of strategy is the successful positioning of an organization in the marketplace (including satisfactory market share, possible market leadership, adequate profitability and so forth). Its primary goal in a commercial enterprise is growth in assets, turnover (total sales) and profits. Its major concerns include market position, competitive strategy, values (policies) and financial controls. The actual outcomes, which may or may not be the same as the intended outcomes, are likely to be success in the long-term, survival for the present, or at the worst, failure of the business.

2.2 Strategic Management Process and Practices

Organizations are under continuous pressure exerted by the forces of the external environment. However, internal process can be used help the organization understand, interpret, and cope with its external environment. These processes are situational analysis, strategy formulation, strategy implementation, and strategic control. These processes aid the organization in understanding competitive behaviour and the impact of a strategy. The firm can then decide to commit resources to a new strategy, predict risk

and return, and encourage willingness to act in the light of the strategy. The aim after all is to conduct a reconciliation exercise designed to best position the organization within the external environment and to implement strategy that will help assure success (Duncan, 1995).

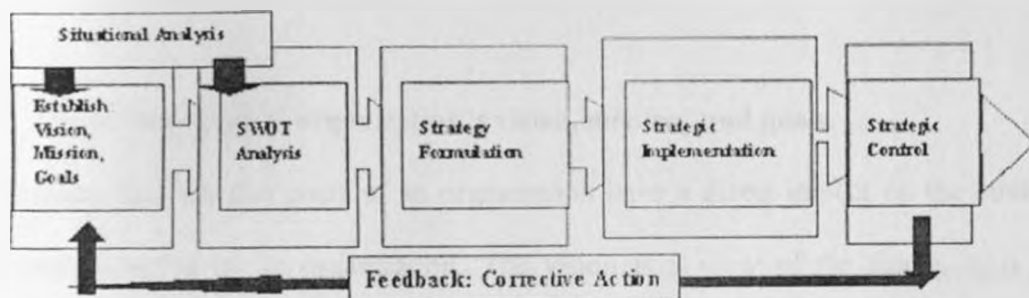


Figure 1: The Strategic Management Process

Source: Adapted from Hejase, et al; 'Assessment of Strategic Management Practices in Non-profit hospitals in greater Beirut', *The first Arab conference on Healthcare Management*, Beirut, 2000.

Strategic management is a process for developing and enacting plans to reach a long term goal that takes into account internal variables and external factors. Strategic management encompasses an integrated future-oriented managerial perspective that is outwardly focused, forward thinking, and performance based (Kiggundu 1996). Brinkerhoff (1991 and 1994) characterizes strategic management as looking out, looking in, and looking ahead. Looking out means exploring beyond the boundaries of your organization to set feasible objectives, identify key stakeholders, and build constituencies for change. Looking in implies critically assessing and strengthening your systems and structures for managing personnel, finances, and other essential resources. Finally, looking ahead

entails melding your strategy with structures and resources to reach your policy goals, while monitoring your progress and adjusting your approach as needed.

Balancing strategic management's outward, inward, and forward looking functions helps an organization develop a vision and a strategy for where and how to move itself forward.

Balancing these different perspectives is the essence of managing strategically (Brinkerhoff 1991).

2.2.1 The development of organization's vision, mission, and goals.

The vision, mission, and goals of an organization have a direct impact on the strategy ultimately adopted by an organization. The vision is a view of the future. It is the blueprint of a desired state, a mental image, a picture of a preferred condition that organizations work to achieve in the future (Johnston, 1994). To define the vision of a church is rather a challenge especially if its leaders are unable to see beyond today's mission to a vision for tomorrow. According to Rathwell (1987), the strategic vision is commonly regarded to be the corporate philosophy or statement of basic principles that govern the direction in which an organization seeks to develop.

The development of one commonly shared vision necessitates collaboration board members who should agree on a set of values, view, and ethics. An organization's pro activity may necessitate the articulation and revision of the vision statement from time to time in consideration of the environment and identified trends.

The mission on the other hand represents the consensus and articulation of the organizations understanding of the external opportunities and threats, and the internal strengths and weaknesses. It is a general statement of what distinguishes the organization from all others of its type and answers questions “Who are we?” and “What do we do?”(Duncan et. al, 1995). Mission statements describe perceived obligations to stakeholders, define the scope of business, identify the most important forms of competitive advantage, and state assumptions about the future (Miller, 1998). It helps managers to set priorities, make strategic decisions, and gauge performance.

According to Arthur Goldsmith (1995), there are lots of ways to put together mission statements. Usually top executives take the lead, at the least in the early drafts. Some organizations hire outside facilitators to direct the process and help write the language. Often mission statements from other organizations are read and evaluated as background information. Through open, extended debate the mission statement is evolved and then “sold” to the rest of the organization.

Goals describe in fairly general terms what the organization hopes to accomplish. Strategic goals translate the mission statement more tangibly, while objectives represent the operational definitions of goals. Objectives are explanations of abstract concepts that are concrete enough to suggest specific actions. They detail in more precise terms what needs to be accomplished in order to reach the goals. The most helpful objectives are those that can be measured, those which incorporate time dimension, and those that reduce conflict.

2.2.2 Strategic Analysis

Strategic analysis according to Johnson and Scholes (1993) includes the environment, the resources, the culture and the stakeholders' expectations. The examination of the environment is the first step in strategic analysis and involves the identification of the organization's current position. This procedure may also be called environmental scanning, which Pashiardis (1996) believes is essential for effective planning. One needs to know the environment in which one operates before making any decisions about the organization, so as to be able to match the firm's capabilities with the environment.

A very useful framework that allows gathering and analyzing complicated information in an organized way is what is known as Political, Economic, Sociological, and Technological (PEST) influences, after Boyett (1996). The political influences cover both political and legal environment, while the economic influences involve the economic climate in which the organization operates. Sociological influences involve demographic issues, income distribution, lifestyle changes or even attitudes towards work or leisure. The technological influences bear in mind the technological changes. Organizations perform better if they have the ability to sense changes in their environment since they have the opportunity to modify their strategy in time.

Successful organizations should constantly review and analyse the quantity and quality of their resources which include human, financial, physical, and intangible resources. Resource analysis will provide a way for assessing the organization's strategic capability (Johnson and Scholes, 1993). This is necessary if sensible choices about future strategy

are to be made. Dobson and Starkey (1994) suggest that a resource audit can be undertaken through a SWOT analysis. SWOT stands for strengths and weaknesses, which involve internal environment, whereas opportunities and threats involve the external environment of the organization. Holmes and Davis (1994) claim that if planning is successful, then it will help organizations to build on their strengths, overcome their weaknesses, take advantage of their opportunities, and minimize the effects of their threats.

The culture of the organization and stakeholder expectations should also be analysed. An organizational culture according to Byars (1991) is how things are done in an organization. This investigation could be done by a cultural web as explained by Johnson and Scholes (1993) which examines the organizational structures, power structures, symbols, routines and rituals, stories, and control systems. This investigative process will help an organization decide in what ways it might need to change its culture meet its set objectives (Boyett, 1996). It is important to have stakeholders' expectations in mind since as Fidler (1996) argues, they are those who have a special interest in the performance of the organization, and their views and ideas should be borne in mind when thinking about a possible future strategy.

2.2.3 Strategy Formulation

Planning shows the way the organization intends to travel. Zietlow (2001) has stated that the planning processes are what drive the focus and implementation of the ministry in Christian churches. Strategic planning is needed at the point when priorities begin to

compete with one another. It is necessary to have specific goals for any activity to measure ministry effectiveness in addition to thinking strategically for long-term success. He believes that with broad plans on the upper levels of the ministry and specific plans at program levels quality control will improve the focus and process. He maintains that, "Strategy is the glue that holds it all together, strategy gives clarity in direction and is helpful for organizations to operate effectively".

Strategy formulation involves making decisions on the information generated in the first two steps of the strategic management process. The results from such decisions are strategies for the organization. The vision, mission, and organizational goals are the first set of decisions and they form directional strategies. Strategies which indicate the method of carrying out the directional strategies are called adaptive strategies. These are more specific than the directional strategies. Others are market entry strategies and positioning strategies. It is important to note that decisions concerning these strategies are sequential. Directional strategies are developed first, followed by adaptive strategies. After this the market entry strategies are selected, and finally, the positioning strategies are formulated (Duncan, 1995)

Strategic choice involves generating options, evaluating the options, and making a choice (Fidler, 1996). Generating options means the courses of action that are available to the organization and which derive from strategic analysis. The strategic options that management faces are numerous. They should find a way to evaluate such options. Dobson and Starkey (1994) recommend three broad criteria for evaluation including

suitability (the ability of the strategic option to overcome the difficulties identified in the strategic analysis), feasibility (an assessment of how this option might work in practice), and, acceptability (consequences of the risk to interested parties by selecting this option).

Finally, strategies that prove to be most viable are selected. Dobson and Starkey (1994), point out that three different ways can be used: competitive strategies (try to achieve a superior profit compared to rivals), development strategies (decide the most appropriate direction or method in which the organization must move), and, portfolio strategies (maintain a portfolio of activities). Bearing all these things in mind, management has to generate some choices, evaluate them and select those strategies that the organization will pursue.

2.2.4 Strategy Implementation

There is no point in discussing strategic analysis and choice if the organization is not capable of implementing the strategies. Strategy implementation is concerned with moving strategy from the realm of ideas and plans into actions. Aosa (1992) has observed that once strategies have been developed, they need to be implemented. They are of no value unless translated into action. Kiruthi (2001) has also indicated that poor implementation of an appropriate strategy may cause the strategy to fail. David (2003) pointed out that it is always more difficult to do something (strategy implementation) than to say you are going to do it (strategy formulation).

Implementation is therefore concerned with the physical activation of the strategies that have been formulated. Migliore (1994) points out that the strategies that have been formulated and developed now require that operational plans are set in action to meet the goals and objectives through specified strategies. This is when the organizational structure of hierarchy reports in through leadership, power, and organizational culture (Wright, 1998).

Implementation of strategy faces various challenges of which management needs to be aware and to plan how to handle them. Johnson and Scholes (1993) believe that the main ones are planning and allocating resources, organizational structure and design and managing strategic change. Aosa (1992) observed that strategy implementation is likely to be successful when congruence is achieved between several elements, particularly organization structure, culture, resource allocation, systems and leadership. Without this congruence, major challenges are bound to arise in the process of strategy implementation.

Knight (1993) states that to achieve a strategy, resources are required and need to be allocated. Therefore organizations need to consider ways of acquiring resources and deploying them in the best possible way to support the strategies. Furthermore they need to consider the issue of how resources should be allocated between the different departments of the organization. In cases where the organization cannot muster enough resources, difficulties are bound to arise and the whole strategy process fall into pieces. David (2003) has argued that allocating resources to particular divisions and departments

does not mean that strategies will be successfully implemented. The resources must be adequate and be in line with the expected performance targets.

Muthuiya (2004) found that not-for-profit organizations experienced problems in their provision of technical skills, employee training and in the provision of resources for strategy implementation. However, no success can be achieved if resources are completely insufficient. Johnson and Scholes (1999) found that changes in the business environment can affect resource availability.

Strategic management is concerned with the management of strategic change. Fullan (1992) considers change as a process of learning new ideas. Management should have the ability to realize when the present strategy is no longer adequate and be aware of when change is necessary. Kotter and Schlesinger (1991) claim that change usually brings some form of human resistance. They suggest that one way to overcome resistance is to educate people beforehand and try to avoid the two most common mistakes managers make: use of only one approach or a limited set of them, regardless of the situation, and to approach change in an incoherent way that is not a part of a clearly planned strategy.

Lynch (2000) found that in situations where personnel in organizations resist the introduction of certain changes, then it becomes difficult for proposed strategies to be implemented. This resistance may be due to resulting anxiety from fear of economic loss, inconvenience, uncertainty, and a break in normal social patterns (David, 2003). The role of organizational politics was found to be significant in stifling strategy

implementation. Hill and Jones (1999) found that politics in organizational has the effect of creating obstacles to implementation of strategies that have been formulated and in the end stifle all efforts to institute a strategic turnaround of the organization. Wang (2000), states that it is important to overcome resistance from powerful groups within organizations who may regard the change caused by new strategy as a threat to their own power.

Aaltonen and Ikavalko (2001) noted that the amount of strategic communication in most of the organizations is in the form of top-down nature, a fact which inhibits successful implementation. According to Wang (2000), communication should be a two-way process so that it can provide information to improve understanding and responsibility, and to motivate staff. It should be an on-going activity throughout the implementation process.

Implementation should follow a certain process that consists of the managerial functions of planning, organizing, and leading. In this case, decisions are made and implementation done in a cascade fashion through the basic structural hierarchy of the organization. This ensures that staff at each level and in each function understand the direction and timetable of the organization. Therefore functional strategies and supporting programs and budgets must be developed for the key functions in the organization such as the marketing, human resource, information systems, and finance functions. Implementation plans formulated at the lower levels should be reviewed by leaders to ensure that they are consistent with the

organization's overall strategy as well as allocated resources, and to resolve any overlaps or conflicts between levels and functions.

Functional strategies must be integrated to move the organization towards realizing its mission. These functional strategies include initiatives such as changing the organization's culture, reorganization, upgrade of facilities and equipment, and social and ethical strategies (Duncan, 1995). As far as organizational structure is concerned, it could be said that it is a very significant aspect, since the way people are organized is crucial to the effectiveness of strategy. Johnson and Scholes (1993) describe organizational design as the development of flesh on the structure, which becomes a means of top down control.

2.2.5 Strategic Control

According to Boovec et al. (1993), strategic control is a regulatory process that ensures successful implementation of long term strategic plans, specifically emphasizing the impact of broad environmental effects and internal strategic directions. Strategic control is a delicate balancing act that has a proper process of juggling between methods, and timing of feedback, evaluation and corrective action. To do so, a control process should be established, some critical areas have to be monitored, and some methods for measuring results identified. For strategic control to be effective, it has to be timely enough to reflect the real changes happening in the environment, and, flexible enough to cope with the dynamic environment.

It involves the setting of standard or critical success factors by the Chief Executive Officer (CEO) and his staff. The system is therefore tailored to the organization's specific needs. Performance measurement is done to ensure the strategic plan is being well implemented. A close and continuous monitoring of the process is maintained to determine how well the action plan is progressing towards its objectives. Performance measures should be developed for every critical success factor in each goal, and quantified as much as possible. Judgments must always be applied in interpreting them.

Leaders must understand the causes of failing to attain these standards, or of exceeding them, and take corrective action as necessary. Sometimes it may be necessary to change standards and measures if standards are not constantly met, or if they are always exceeded. Sometimes even the best prepared plan has to be revised if according to future developments or if information base changes. Revision then is as much an important part of the process as is the development of the plan (Bovee et al., 1993).

2.2.6 Strategic Thinking as the Foundation of Strategy Development and Implementation

Strategic thinking has been defined differently by different scholars, among them Stumpf (1989) who defined it as identifying different ways for people to attain their chosen objectives and determining what actions are needed to get them to the position they want to be in. Zabriskie and Haellmantel (1991) explained strategic thinking as the prelude to designing an organization's future. In general, it can be argued that strategic thinking involves thinking and acting within a certain set of assumptions and potential action

alternatives, as well as challenging existing assumptions and action alternatives, potentially leading to new and more appropriate ones.

Before strategies can be developed and implemented, it is very important that organization think carefully about what they need to achieve, that is, the direction must be right before considering the mechanics of the journey itself. This calls for strategic thinking. Robert (1988) emphasizes the importance of strategic thinking before an organization embarks on strategy development. He agrees with Porter's observation that the need for strategic thinking has never been greater. His own view is that strategic thinking is the glue that holds together the many systems and initiatives within a company.

Indeed, strategic thinking is more important than strategy development (Saffold 2005). He believes that brief handwritten notes of true strategic importance on the back of an envelope may have more value than a detailed and beautifully prepared document that lacks strategic insight. Ohmae (1983) has observed that successful business strategies result not from rigorous analysis but from a particular state of mind in which insight and a consequent drive for achievement fuel a thought process which is basically creative and intuitive rather than rational. He explains that, though analytical processes are essential for testing ideas more carefully and for ensuring that they are implemented properly, the starting point of the process, however, must be a particular mindset, a mental outlook that guides and conditions the planning process.

Liedtka (1998) observes that the strategic thinker remains ever open to emerging opportunities, both in service to the defined intent and also in question as to the continuing appropriateness of that intent. In the face of highly volatile and competitive marketplace, a capacity for innovative, divergent strategic thinking at multiple organizational levels is seen as central to creating and sustaining competitive advantage. She states that such organizations' whole (holistic) system perspective should allow them to redesign their processes for greater efficiency and effectiveness.

Strategic thinkers are intent focused, which makes them more determined and less distracted than their rivals. Their ability to think in time improves their decision making and speed of implementation while a capacity for hypothesis generation incorporates both creative and critical thinking into their processes. Intelligent opportunism makes them more responsive to local opportunities (Leidtka 1998). The outcome of this is to create superior value for customers, create strategies that cannot easily be copied by competitors, and make the organization more adaptable to change (Day 1994). These three elements, when taken together can lead to significant positive outcomes in organizations, provided there is accompanying supportive strategic planning context to encourage and enable the implementation of the fruits of this type of thinking.

Saffold (2005) observes that for Christian organizations the goal is to produce a result of value to God, a contribution to His plan. It is by taking advantage of God-given opportunities that Christian organizations can fulfill the purpose for which God created human beings. He notes that Christian organizations are surrounded by many strategic

opportunities. Globalization is one such opportunity, which perfectly fits with the original mandate of the Gospel Commission to “preach the Gospel to the whole world”.

Economic systems are rapidly converging into a single market place, a single capital market, and a single labour exchange. Political developments across the world have created a situation where it is becoming increasingly impossible for nations to act alone. Changes in the socio-technological world are making the world a global village, linking the world together and hereby assisting religious movements to spread more widely and quickly than at any time in history. Christian organizations, working from the strategic thinking mindset, can take advantage of these opportunities to meet their goals.

Bennis (1989) in illustrating strategic thinking observes that one has to know where he is going. He observes that mountain climbers don't start climbing from the bottom of the mount, and that they look at where they want to go and work backward to where they are starting from. Strategic thinking in Christian organizations should follow a similar pattern. The ultimate destination is to produce results that will bring glory to God.

2.3 Strategy in the Context of Christian Organizations

Every formal organization is a goal-seeking unit, set up with particular objectives and adhering to certain procedures (Goldsmith, 1994). Most of them have clients to serve, resources to mobilize and costs to keep under control. To the extent that strategy is ever present in organizations, strategic management can be relevant anywhere. Churches are no exception to this and they need well formulated strategies to succeed in their mission.

A well formulated strategy to quote James Brian Quinn (1980) is one that “helps to marshal an organization’s resources into a unique and viable posture based on its relative internal competencies and shortcomings, anticipated changes in the environment, and contingent moves by intelligent opponents.”

Strategies in the context of Christian organizations can prove valuable only when a conscious effort is made to ensure that they are begun with the best quality strategic thinking possible. It is the foundation of all strategy development and implementation. Where this has been undertaken, there is a high chance of the right thing (effectiveness) being done in the best way possible (efficiency). Indeed, according to Migliore (1994), church ministries must have good administration and management skills, tools, and prayer in order to reach its greatest level of ministry effectiveness. He states that planning, as part of the management process, is crucial to the success of any organization, and is especially true for the church.

Because of the importance of strategic planning, it is now becoming more common to find writers that are applying business sector strategy processes to nonprofit organizations, especially churches. Strategic planning is becoming more popular in churches as they seek ways to improve their ministries and to provide direction (Clinton, et al, 1995). However, church leaders are not in the same position of skill possession as their counterparts in the business sector. Church leaders find that they lack the skills and knowledge to implement the planning process. For example, a survey conducted by Stevens, et al (1996) revealed that church pastors considered strategic planning as the

most important topic in the area of leadership and management skills. Gangel (1989) has indicated that the only way a church can effectively achieve its goals is if church leaders actively engage in the tasks or process of planning. He has also stated that the development of goals in a church or any Christian organization must be accompanied by the development of a plan whereby those goals can be achieved.

The pastor, as the leader of a church, is the most logical choice to perform the strategic planning process. He must incorporate the creation of a focused vision, clearly communicate that vision and its implicit and explicit meaning, and trust in the vision as well as the people who can accomplish it (Bennis, 1985). George (1992) has likened the pastor of a church to the CEO in a business organization. The CEO's major role comes in vision casting. A study conducted by Kegin (1991) revealed that there is a significant correlation between effective ministries and pastors who have been trained in and have applied management and leadership skills.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

The study used the cross sectional survey design. This involves collecting data at a particular time period. This design enabled the researcher to explore the broad range of strategic management practices that churches in Kenya currently apply. The survey design is also useful where the variables cannot be observed or measured. Coopers and Emory (1995) have recommended this method because it is suitable in finding answers from respondents at one point in time.

3.2 Target Population

The population of interest was all churches registered with the Registrar of Societies, which are 5,200 in number. However, for the purpose of this study, only churches from those denominations which were members of either the National Council of Churches of Kenya (NCCK), or those which were members of the Evangelical Alliance of Kenya (EAK), as at June 30, 2006 were sampled. Because of dual memberships, the two lists were consolidated into a master sampling frame, adding up to 58 denominations (Appendix 2). The Catholic and the Seventh Day Adventist Churches, which are not members of the two alliances, were considered as individual denominations, bringing the total of denominations from which the sample was drawn to 60.

3.3 Sampling Design

Using judgmental sampling design, a sample of 28 Christian churches was drawn from the denominations registered with the National Council of Churches of Kenya (NCCCK) and the Evangelical Alliance in Kenya. The Catholic and the Seventh Day Adventist churches were also sampled, bringing the sample size to 30 churches.

This sample was comprehensive and representative of all the churches in Kenya on the varied characteristics of structure (whether centralized or decentralized), size (whether large or small), and age (well-established or recently established).

3.4 Data Collection Method

The study used primary data collected through a semi-structured questionnaire (see Appendix 1). Structured questions were mostly used. These are easy for the respondents to answer. Some open ended questions were also used which give respondents room to give more information and express themselves properly.

The questionnaire was in six major sections covering the respondent's and church profile and the five steps of the strategic management process. The target respondents were senior church administrators, or their equivalents. The drop and pick later method was adopted for this study. This method has been used in similar studies in Kenya (Ngunjiri, 1982; Aosa, 1992; Njuguna, 1996; Mitra, 2001)

3.5 Data Analysis

The data was tabulated and classified into sub samples according to their common characteristics like size, age and structure. Responses were coded to facilitate data entry. Thereafter, statistical analysis was undertaken where descriptive (frequencies, means, percentages, simple and cross tabulations) and inferential statistics (correlation) were used to describe and explain relationships.

Quantitative data required establishment of means and percentages to facilitate comparison of responses for those questions which had only two answers, 'yes' and 'no'. Some of the other questions required computation of mean responses. Quantitative information was analyzed by establishing the frequency of a given response to the question. These frequencies were tabulated and conclusions made about the strategic management practices being undertaken by churches in Kenya. The summarized information represents the overall situation of churches with respect to how they have undertaken strategic management practices. Data was represented using suitable presentation tools such as pie-charts, bar charts, tables, and ordinal rankings.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

The objective of this study was to determine the strategic management practices adopted by churches in Kenya. The study used cross sectional primary data collected from churches who were members of the National Council of Churches of Kenya (NCCCK), the Evangelical Alliance of Kenya (EAK) and the Seventh Day Adventist Church as at June 30, 2006 (See Appendix 2). Data was collected by means of a semi-structured questionnaire from respondents who were either spiritual leaders (Pastors, Bishops, or their respective assistants), administrators (treasurers and directors) and ordinary lay members.

4.1 Church Profile

Churches included in the survey were drawn from a sampling frame provided by the National Council of Churches of Kenya (NCCCK) and the Evangelical Alliance of Kenya (EAK). The Seventh Day Adventist Church which is not a member of either of these two organizations was sampled separately. Out of the 56 churches on the lists, a sample of 31 churches (representing a 55.35% success rate) was obtained. The respondents by denomination had the following make-up: Anglican (9.7%), Baptist, Gospel Tabernacle, Seventh Day Adventist (SDA), Prayer Palace, and Nondenominational (3.2% each), Evangelical (6.5%), Pentecostal (58.1%) and Protestant (9.7%).

Respondents were categorized into three groups, namely: spiritual leaders (pastors and their assistants), administrators (including elders and treasurers), and lay members. Of

these respondents, spiritual leaders comprised slightly over half (54.8%), administrators (32.3%), and ordinary church members (12.9%). The mean period that respondents have been members of their respective churches was 13.48 years. Therefore, respondents are familiar with the way their respective churches operate. Half of all respondents had been members of their respective churches for ten (10) years or more while the other half had been members for ten (10) years or less. There was, however, a wide variation in the period of membership (standard deviation of 15.5 years). This variation reflects the differential in age of churches represented in the sample, with some of them being very young (under 5 years) while others have been in existence for hundreds of years.

The mean age of the churches in the sample was 31.97 years with a standard deviation of 42.0 years. The deviation is large because whereas some churches are very young, others are very old, having been established more than one hundred years ago. The sizes of local congregations also vary greatly with the smallest being a mere 45 members and the largest, a mega church of 18,000 members. Similarly, the number of church members countrywide ranges from under fifty (50) for the smallest church to over three million (3,000,000) for the largest church. Also, the number of congregations in the country ranges from just one (1) to over five thousand (5,000).

This profile of churches sampled in this study shows a wide variation in age, size, composition, and structure of the Church in Kenya. It reflects the dynamism of the church sector in this country, and the tremendous growth witnessed in the past twenty or so years. Perhaps the greatest feature of church growth in Kenya has been the creation of

hundreds of independent ministries, which serve local congregations. Majority of them are not affiliated to the mainstream churches whose origin can be traced to the West (i.e. Europe and America).

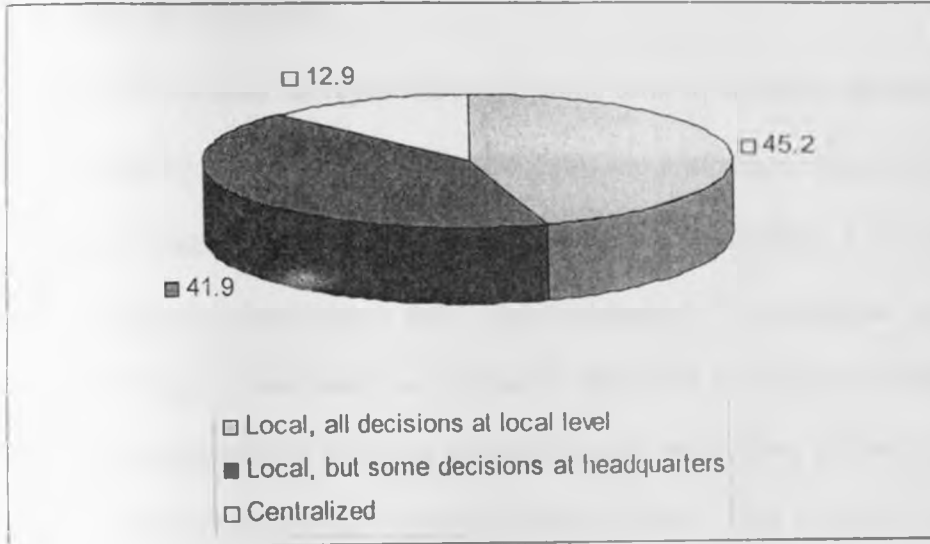
Table 1: How churches in Kenya are varied by age and size

Description of variable	Mean	Minimum	Maximum	Standard Deviation
Age of church (years)	31.97	1	150	42.0
Number of Congregations countrywide	759.2	1	5,000	1175.3

4.1.1 Church Structure

Individual churches had different structures ranging from a much decentralized form to highly centralized. Under decentralized structure, the church is local-based, with all decisions made at the local church level while under centralized systems, all decisions are made at the headquarters. The organizational structure can also be horizontal or vertical. Majority of respondent churches (87.1%) were local with either all decisions made at the local church level or mainly local but some decisions made at the headquarters. Only 12.9% of respondents had a centralized structure where all decisions are made at the headquarters. This information is shown in Figure 1 below:

Figure 2: Structure of respondent churches



4.1.2 Church Growth Trends

Respondent churches report fast growth in terms of membership. Well over one third of the respondents (35.5%) indicate that membership in their churches has increasing greatly in the last two (2) years while slightly over half of all churches (51.6%) report that membership is increasing somewhat. Altogether, 87.1% of churches surveyed therefore indicate they are experiencing growth in terms of members. The same type of growth is reported with respect to finances. Majority of churches (87.1%) report that their finances have improved (greatly or somewhat) over the last two years while about 10.0% report that there has been no change.

4.2 Research Findings

4.2.1 Strategic Planning

Majority of churches surveyed undertake some form of strategic planning. They have a vision (96.8%), a mission statement (93.5%), and a strategic written plan (74.2%). In majority of cases, these aspects of strategic planning are written. For example, 76.7% of churches have written down their vision statement. A significant correlation exists between the age of the church and setting of objectives as an aspect of strategic planning. Older, more established churches are significantly more likely to have a formal strategy making process than younger, less established churches. This is shown in the next table:

Table 2: Correlation between age (maturity) of church and strategic planning

Variable	Setting of Objectives	Vision	Mission
Pearson Correlation coefficient	0.440	0.306	0.165
P-value (at 0.05 sig. level)	0.015	0.100	0.383
Significant relationship?	Yes	No	No

The vision and mission statements are communicated to stakeholders through writing, and through meetings or through a combination of these two. However, in some cases, symbols are used. In majority of cases, the mission statement is static with over three-quarters of churches never having reviewed the statement. Where the mission statement changed in the course of time, the most important reasons included: desire to reflect the changing community in which the church operates; desire to incorporate changes in line with the strategic plan; desire to make mission statement more applicable to the changed environment; changes arising from decentralization of the church structure; and also as an

effort to reach more people. The need to respond to emerging trends and challenges was also considered responsible for the change in mission statement.

Table 3: Aspects of strategic planning in Kenyan churches

Aspects of Strategic Planning	Vision	Strategic Plan	Mission	Objectives
Mean Score	1.03	1.26	1.06	1.06
Remarks	In place	In place	In place	In place

The process of setting objectives is to convert the strategic vision into specific performance targets. These are results and outcomes that the church wants to achieve and which can be used as measures to track progress and performance. It has been stated that good objectives must be quantifiable, and contain a deadline for achievement.

Most of the strategic planning takes place at the local church board level and is generally driven by Pastors or Bishops and their assistants. The ordinary members are ranked at the bottom of the strategy planning process of their churches. The following table shows the level of importance for the respective stakeholders in development of strategic plans:

Table 4: Involvement of various stakeholders in strategic planning in churches

Stakeholder	Mean Score
Pastor/Bishop	1.10
Assistant Pastor/Bishop	1.47
Church Board	1.70
Branch Pastors	2.16
Elders	2.23
Deacons	2.54
Church members	2.60

(1= Very Involved; 5= Not at all involved)

The table reveals that most of the strategic planning is concentrated in the hands of the Pastors and their assistants and also within the church board. It can be seen that strategy making involvement in churches declines to the extent that a member does not hold any position of responsibility. Thus, responsibility for strategic planning is removed from church members yet these are the people who are expected to implement the same strategies.

In general, strategic planning takes a structured approach where formal meetings are set up to develop strategies for the church (77.4%). A few churches (16.1%) have created special departments to be responsible for the strategic function within the organization. The research has also found that majority of churches (66.7%) have strategic plans covering a period of one to two years, although about one-quarter (26.7%) have plans covering three to five years. Only very few (6.7%) have truly long-range plans covering six to ten years.

In the strategic planning process, churches take into account various factors ranging from political and legal to availability of internal resources. This study found that churches consider availability of internal resources as the most important factor (because very little can be accomplished without them) while political and legal factors are relatively less important, an indication of the free political and constitutional regime under which churches operate in Kenya. Indeed, availability of internal resources as well as general economic trends impact greatly on churches strategic planning process. This is why these

two factors are ranked first and second respectively. The relative importance of these factors is shown in the next table:

Table 5: Importance of environmental factors in strategic planning

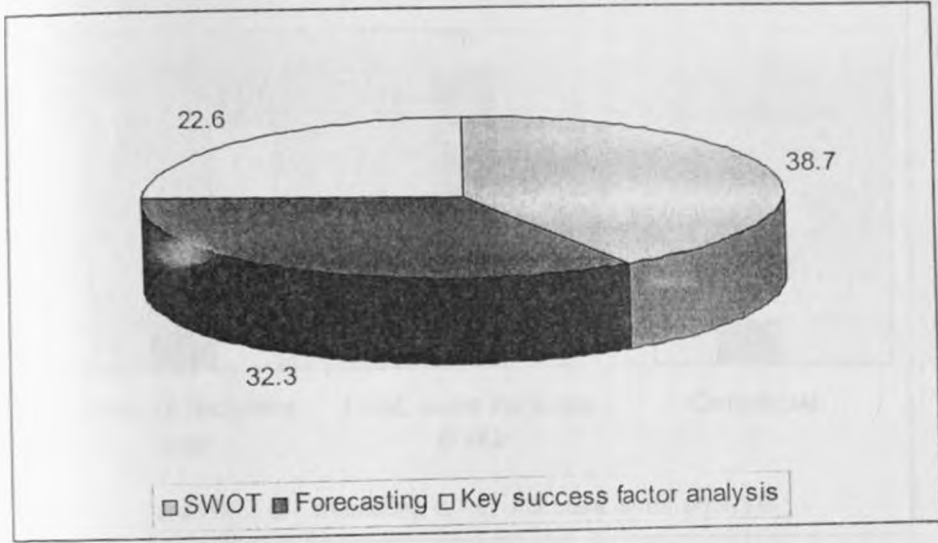
Environmental Factor	Mean Score
Internal resources	1.32
Economic trends	2.03
Social and demographic trends	2.06
Technological trends	2.40
Activities of other churches	2.48
Political and Legal developments	2.73

(1= Very Important; 5= Not at all important)

Social and demographic trends together with the impact of technology are also important environmental considerations in the strategy planning process of churches.

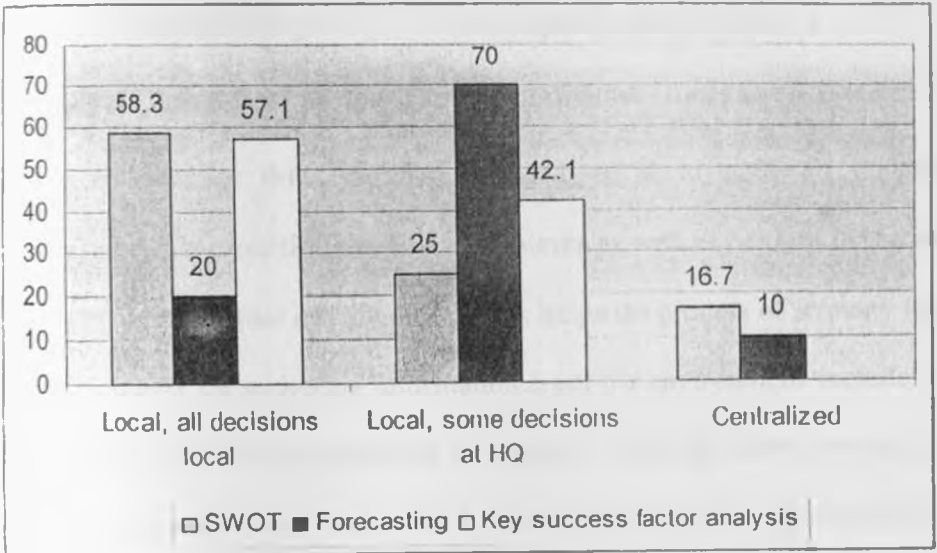
Several approaches to strategy development exist, including key success factor analysis, forecasting, portfolio models and SWOT analysis. Of these, the most popular is SWOT (38.7%), Forecasting (32.3%), and Key success factor analysis (22.6%). This information is represented in figure 2 below:

Figure 3: Approaches to strategy development



Churches which are local by structure are more than three times as likely to use SWOT tools (58.3% for churches whose decisions are made at the local level) as are centralized churches (16.7%). Local churches, part of whose decisions are made at the headquarters prefer to use forecasting tools. This comparison is shown in figure 3 below:

Figure 4: Prevalence of strategic development tools by church structure



SWOT analysis is a tool used to pinpoint the most significant opportunities and threats facing the organization and to assess the organizational weaknesses and strengths that must be evaluated in an attempt to take action. SWOT requires that the external environment is first studied for opportunities and threats, and then an inward perspective on what strengths and weaknesses the organization possesses in taking advantage of opportunities while limiting the negative impact of threats. After the leaders make strategic plans, they collect feedback from their members through regular general meetings (83.9%) to see how well they are progressing.

4.2.2 Internal Analysis

A significant proportion of churches consider themselves leaders in the church sector (45.2%) or that they are adaptable to the current church needs (41.9%). A higher percentage also consider themselves distinctive and far-sighted (60.0%) rather than

conventional and reactive (40.0%). The chief source of their strength, in their view, is ability to innovate and grow (67.7%) and operational efficiency (32.3%).

Majority of churches (87.1%) gather information from the external environment. The main reasons for this information gathering is to gain an understanding of the environment, the existing needs and problems as well as helping in the analysis of social, physical, and spiritual environment. This helps the process of strategy formulation.

Other reasons for gathering information from the environment include: acting as an aid to making positive responses and to change to meet the world trends, to evaluate on the effectiveness of church programs, to obtain an insight into the needs of the society so as to better serve it, to help the church identify the threats and try to counter them, and finally to understand if the technology has significant effect on the church organization and to prepare all stakeholders within the church system to become flexible to changes in the environment.

The table shows that the rise of cultic movements is the most important environmental influence on churches in Kenya. The approaches of other churches in spreading the gospel, and the formation of new churches are also very important. Of less importance is the goal of other churches.

The following table shows the importance churches attach to various factors, through their analysis of the external environment:

Table 6: Importance of environmental influences on churches in Kenya

Variable	Mean Score
Rise of cultic movements	1.67
Approaches of other churches in Evangelism	1.93
Formation of new churches	2.17
Threat of other religions	2.31
Activities of other churches	2.50
Technology levels	2.57
Financial strength of other churches	2.79
Goals of other churches	2.80

(1= Very important; 5= Not at all important)

4.2.3 Strategy Implementation

Over two-thirds (67.7%) of churches have a vertical organization structure while 29.0% are horizontal. For majority of churches, the organizational structure has been rigid and inflexible over a long time (77.4%) while only one-fifth (19.4%) have changed their organizational structure to reflect changing times. The change in organization structure has been occasioned by the need to involve different church departments in decision-making rather than leaving everything in the hands of the pastor. It has also been caused by the need to accommodate growth.

Hand in hand with the organization structure, churches have developed their own leadership structures. About 74.0% have a participative leadership style while 9.7% have an autocratic style. Another small percentage (6.5%) has a laissez style of leadership. Also, two-thirds of churches have some form of succession planning in place.

Policies, where well documented and implemented do support strategy implementation.

The study found that 61.3% of churches have a policy manual with slightly over half

(51.6%) updating it regularly. The importance of policies and operating procedures can be seen in their ability to provide top-down guidance regarding how the church needs to conduct certain operations. Policies help limit independent behavior and channel individual and group efforts along a path in tune with the strategy that has been decided upon. They also help counteract tendencies for institutional resistance to change-requiring that church stakeholders refrain from violating policy and procedures. In a way, policies help in preventing willful violation of organizational laws in the name of individual creativity and liberty. Policies also help to enforce needed consistency in how certain strategy-critical activities are to be performed. They also help promote the creation of a work climate that facilitates good strategy implementation.

Various stakeholders within the church have a role to play in strategy implementation. In this study, the church board and the pastors provided the most support to policy implementation. The church members provided relatively less support to policy implementation. The level of support provided to policy implementation, by ranking is summarized below:

Table 7: Level of support provided to policy implementation by various stakeholders

Stakeholder	Mean Score
Church board	1.30
Pastor	1.31
Church members	2.03

(1 = Very supportive; 5 = Not at all supportive)

Policies must not, however, be rigidly observed. They can be revised when conditions show that it is desirable to do so. When policies cease to be strategy-supportive, they can become barriers to strategy implementation.

Respondents also reported that the organization structure has changed to embrace strategic issues, that there are systems and procedures to support implementation of strategies, that reference is always made to the Master Plan when implementing strategies, and that there is continuous monitoring and evaluation to identify shortcomings in strategy implementation.

One of the challenges of implementation is that of communicating strategy to various stakeholders. The study found that church members were more or less kept out of touch with the unfolding strategy. Necessarily therefore, their support for implementation was quite limited. Churches must find ways of involving ordinary members both in the strategy planning as well as strategy implementation processes. This can be greatly helped by communicating what is going on to the members who would be expected to play an important role in translating principles into practice. If church members do not buy into the thinking about the direction their pastors want to take their organizations, they are unlikely to wholeheartedly commit themselves to making the vision a reality.

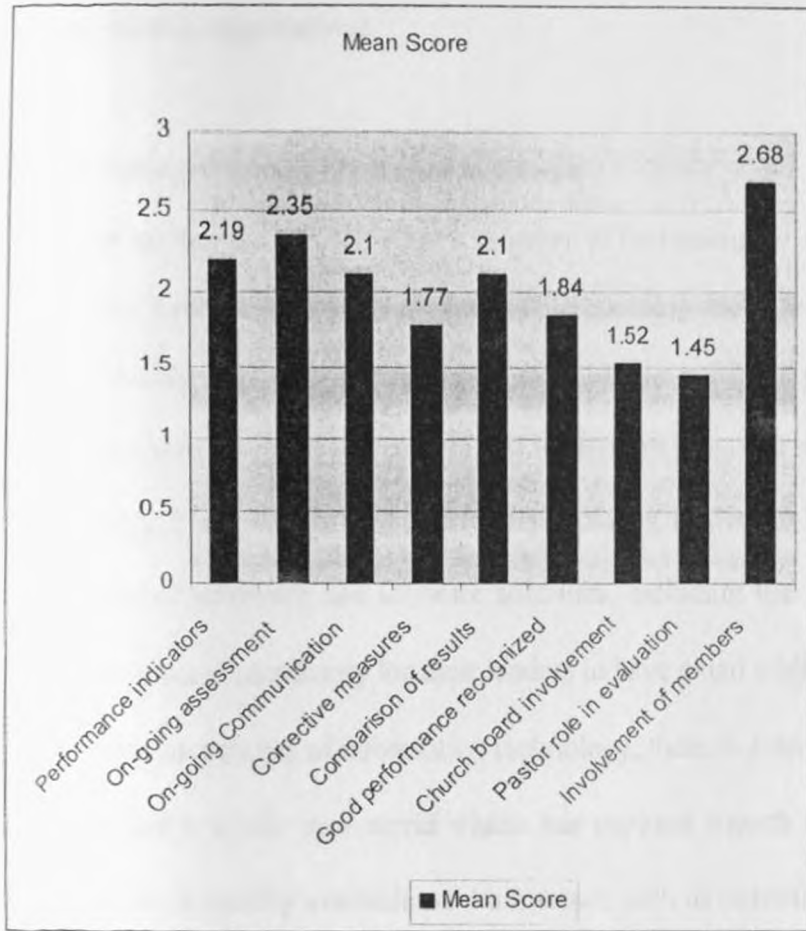
4.2.4 Strategy Evaluation

Strategy evaluation is the process of considering how the organization's vision, objectives, and on-going strategy are interfacing with the environment. The study found

that the churches have not made very good progress in evaluation of on-going strategy. Church members were ranked last in terms of their role in evaluation while pastors were ranked first. This may follow from the fact that while pastors play a leading role in strategy planning and implementation, church members have the last responsibility. Accordingly, they would naturally not be at the forefront of evaluating strategy as they may not fully know what it entails.

There was also relatively less on-going assessment of the strategy, as was communication and comparison of results with targeted performance. The churches did not have a very strong regime of recognizing good performance. The overall extent of strategy evaluation is shown in the next figure:

Figure 5: Role of various stakeholders in strategy evaluation



The most important indicators of strategy evaluation were the pastors' role in monitoring performance, the role of the church board, and taking of corrective measures when results differed with targeted performance.

Church leaders have to be at the forefront in mobilizing organizational energy towards ensuring that results are consistent with targeted performance. Part of their leadership mandate would entail nurturing a results-oriented culture in their churches. A culture where there is pressure to achieve good results is a valuable contributor to good strategy

implementation. Churches must critically think on how to transform themselves into results-oriented organizations.

4.2.5 Challenges Facing Churches in Kenya

Churches in Kenya currently face a number of technological challenges. To best meet these, they have undertaken a process of determining the relevance, cost effectiveness, and affordability of this technology. One of the ways of harnessing the power of technology is to ensure that members and leaders are progressively current in Information Technology. Steps in this direction involve training leaders in use of computers and the acquisition of hardware and software solutions, including the Internet. Some churches now have made it mandatory for their leaders to have email addresses and cell phones.

Despite the advantages of information technology, there is a downside to it. The Internet has spawned a whole new world which has exposed church members to new pitfalls. Pornography is readily available on the Internet, with its potential to corrupt morals. The church has, consequently taken a stand against misuse of technology. Even cell phones can be misused and abused as seen in warnings in conspicuous places in most churches for members to switch off phones when church service is in session.

The church has been called upon to address social conditions affecting the world. This requires that the church be at the forefront to tackle issues of crime, delinquency, and secularism. To address these issues, various churches have developed seminars and training programs for their own members as well as for the community. These programs include exhortations to members to embrace Christian values, to shun secularism,

partnering with other organizations in creating awareness about the challenges of these conditions, and similar endeavours.

The church also makes donations to institutions catering to the disadvantaged in society, such as street children, and orphans. The underpinning of all social interventions is the need to assess social conditions so that the church can respond better in its design of mechanisms to alleviate the negatives of deteriorating social conditions. All members within the church community are asked to get involved in creating opportunities for the less fortunate in society through moral, spiritual, and material contributions.

The biblical injunction for Christian churches is to pray for political leaders so that the church can enjoy peace to proclaim the gospel of Jesus Christ. Churches in Kenya operate in a relatively free atmosphere, through the freedoms guaranteed by the Constitution and Laws of the country. However, the church has not taken these liberties for granted. It is at the forefront of defending and promoting these liberties through constructive engagement with the government. Some of the ways of doing this involve supporting good governance, remaining politically neutral, and not getting unduly involved in day-to-day political issues.

Some churches have moved a step higher to form pressure groups to press for certain changes within the political system. They have entered into certain arrangements with leaders from other churches to engage with political leaders in pressing for certain

desired changes. They have also urged their members to get involved in the democratic process through participating as voters or offering themselves for civic positions.

The churches in Kenya have experienced very fast growth in membership in tandem with the general population increase in the country. A large percentage of this membership is youthful, comprising over 60% in many churches. A youthful congregation has its unique challenges, such as unemployment, higher literacy, political awareness, and a sense of activism. The church, in recognition of the challenges of ministering to this type of congregation, has created special programs suitable to youths. There has been a gradual appreciation of the need to harness modern communication media such as the Internet in spreading the gospel.

A population explosion has a serious impact on existing infrastructural facilities in the church. Churches have had to come up with more preaching facilities, opening up new fellowships for effective outreach, and generally expanding existing facilities. All these initiatives require more resources which are often not available, especially where youths are the majority in the church.

Churches are now embarking on initiatives to train young people on self-employment and on acquiring of marketable skills as a means of securing gainful employment. Leadership programs have been developed to equip the youth with leadership skills to prepare them for the challenging world of tomorrow. Some churches have also created welfare societies and cooperatives to enable members pull their economic resources together.

To address the impact of a large population increase, many churches have taken it upon themselves to teach their members on modern family planning methods. This way, members are able to have only the size of family that they can clothe, feed, and provide shelter for.

Because of the rapidly changing economic landscape, the church has felt it is necessary to empower its members to take advantage of economic opportunities. Churches now urge their members to start small scale businesses rather than relying on employment which is getting scarce by the day. To aid members better manage whatever businesses they start, programs have been designed to train them in financial management and budgeting. Some churches have also established mechanisms to provide loans for small scale businesses through micro financing. And for those members who cannot find any job, the churches have set up resource centres to help them acquire new skills so as to acquire a new job. Churches have now begun emphasizing the need for their members to work hard, cutting down on expenses, and give more to charity. These three aspects touch on changing the mindset of the traditional members and create a new work ethic.

As an organization, the church needs to undertake an audit of its resources to better understand how it can address internal and external challenges in an effort to support its strategies. The audit will enable the church assess the quantity of resources available, the nature of those resources, and the extent to which those resources are unique. These resources fall under the following categories: Physical, human, financial, and intangibles. Physical resources include buildings and other infrastructure the church owns. Questions

on the nature of these resources, including age, condition, capability, and location of each of these physical items, will enable a determination of usefulness of these resources in taking advantage of opportunities.

An analysis of human resources should examine the different skills possessed by various stakeholders within the church, their adaptability and innovative capabilities. Financial resources include all the sources and uses of money, such as ability of the church to obtain funds, management of cash, the control of expenditures and so on. Intangibles relate to the church's intangible resources such as reputation, contacts, public image, the perceived quality of its programs and leaderships and so on. Carrying out a resource audit also involves a consideration of all resources which the church can access to support its strategies, and is not to be confined to only such resources as it owns legally. Some strategically important resources can be found outside the organization.

A grasp of what the church's overall resources are is a very important step in addressing economic and resource constraints. This analysis also helps the church position itself to take advantage of all opportunities while mitigating possible environmental threats and internal weaknesses.

CHAPTER FIVE

CONCLUSION

This chapter summarizes the major findings of this study and provides a direction for further research and recommendations for policy. It maps the state of strategic management practices of churches in Kenya and shows the challenges churches face in their efforts to practicalize strategic practices in church organizations.

5.1 Summary Discussions and Conclusions

Application of strategic management practices is an integral management process for any organization that desires to survive in the modern environment. Organizations that fail to adapt to the changing realities would become weaker with time and eventually cease to exist. Those organizations that resist change for long periods, either deliberately because they do not want to confront the brutal realities, or because they did not see the change in the environment, can only survive for a short time before eventually coming face to face with death and decay. The role of strategic management practices in organizations is to inculcate a culture of being responsive to changes taking place in the environment. Strategic planning, implementation and management is a tool to help an organization cope with changing environmental conditions without compromising the ideals for which it was created.

The churches in Kenya have generally made efforts to appreciate and embrace strategic management practices. The older, more established churches show more appreciation of strategic management practices, although the younger, more dynamic churches also have

not been left behind. The most important aspect of strategic management undertaken by churches is in strategic planning, namely: development of the vision, mission, and objectives statements.

The study also found that pastors and their assistants play a very important role in developing and implementing strategy. They are helped in this work by the respective church boards. Ordinary church members were the least involved in development, implementation, and evaluation of strategic management practices. Obviously, this kind of situation does not augur well for the implementation of the programs which have been developed since members are likely to feel a sense of alienation, having not participated in the process.

The challenge of remaining united as a church in the face of growing diversity is very real for Kenyan churches. It is also a consequence of growing too fast. Many congregations have split following inability to agree on the way forward.

This study found majority of churches do not proactively ensure that performance is in line with targets. There is need to develop churches as institutions where results are highly valued and expected from all stakeholders. This calls for the need of setting up expected performance results and taking steps to ensure that actual results are in line with targets, with a mechanism to take corrective action along the way when necessary. Pastors must take the lead in promoting a culture of results. The pastors must be people

oriented, involving all church stakeholders (particularly ordinary members) in the drive to achieve strategic goals and objectives.

Church leaders must take up the challenge of making corrective adjustments in the event that it appears that results would not be in tune with targeted performance. Success in taking corrective action usually depends on thorough analysis of the situation on the ground, exercising good judgment in deciding what actions to take, and good implementation of the corrective actions that have decided upon. If pastors and other church leaders have the skills to manage and lead strategic processes in their churches, coupled with an ability to interact with ordinary church members and other stakeholders, they would no doubt be in a position to ensure that their churches are results-based organizations.

Churches in Kenya can successfully implement strategy if the leaders are committed and disciplined enough to address the challenges highlighted by this study. Specifically, they need to work at communicating strategy to ordinary church members. Pastors must make sure that ordinary church members, not just members of the church board, have a full understanding of existing strategy, how it was arrived at, and what their role in its implementation must be.

Secondly, successful strategy implementation must begin with having a correct strategy. This presupposes that the church has set plans that are consistent with its vision and mission. A proper strategy is the foundation upon which planning and implementation are

built. Thirdly, leaders must ensure that their churches are aligned to the strategy. Church structures must be designed in such a way as to make the organization compatible with the environment, consistent with the processes that must be undertaken to realize strategy, and also compatible with leadership styles.

Churches must also develop a culture that ensures results are in tune with strategic objectives. The way to do this is by deploying systems that ensure a faster and higher quality of resolving of pitfalls involving human, operational, and strategic issues.

Last but not least, churches must strive to reduce complexity (in their structures, systems, and programs). A simple organization is best placed to craft, implement, and evaluate strategic processes. This is why churches that were local in structure experienced much faster growth than highly centralized ones. One mega church with a membership of 18,000 in a single congregation had a laissez faire leadership structure.

Strategic management is all about leadership. It is therefore necessary that the church organization provide an environment where high level leadership can be developed and exercised. Such leadership would help establish a proper vision, set standards for performance, and create a focus and direction for measuring and managing performance. The study found that leadership skills are greatly lacking in church leaders, particularly knowledge of the need to delegate responsibilities. Many pastors and their assistants took too much responsibility on their shoulders, when they could leave some of this with the other church officials or members.

Both church leaders and members are now required, by the exigencies of the changing times, to become better informed, embrace good management practices, and technological advancements. This will enable them enhance their contribution to their respective churches. An enlightened membership is a joy to lead, while a more informed leadership is a sure winner in the race to win people for God's Kingdom. Besides, enlightened members are best placed to cooperate in meeting the mission of the church. Good leadership in the churches would help the ordinary members and the entire church translate vision into reality, in the process meeting the reason for being of the church organization. Without it, nothing of consequence can be achieved.

The church faces great economic challenges in its efforts to instill a culture of strategic management. Majority of churches reported that they are greatly hampered by inadequate internal resources (in the form of adequately trained personnel and infrastructure) and economic resources (principally limited funds). Without adequate funding, many of the church's initiatives are bound to fail. As a Christian organization, the church should be fully alive to its role as a steward of God's resources. Strategic planning can, therefore, help the church determine the best allocation of the limited resources under its control.

Churches must realize that God indeed can supply the resources for its work, but it is the church's duty and responsibility to be wise in the use of what has been received. Good stewardship requires spending resources without waste and also establishing priorities for the greatest fulfillment of the church's mission. Resource requirements vis a vis the existing commitments needs to be constantly kept in view by all churches. They should

constantly keep in perspective their mission and other long-range objectives to ensure that resources are not shifted away from core goals. It is the challenge of the leaders to discover how to raise resources and channel them to the church's programs to meet the mission expected.

One way in which the church can better manage its economic challenges would be through use of budgeting. The process of developing budgets and living by them would ensure that various modules of the strategy get adequate resources to bring to fruit their implementation. Budgeting ensures that available resources are put aside to support goal achievement. However, budgets must retain some flexibility. A budget is simply a tool for promoting accomplishment of organizational goals and objectives and is not an end in itself. Accordingly, churches can adjust their budgets to accommodate changing needs.

Churches in Kenya have continued to witness very fast growth. This situation comes with its own challenges. The changing populations dynamics mean that in many churches today, majority of members are young people whose interests and expectations are much different from the older members. This places a burden on church leaders to find ways of adapting programs to make them relevant to the changed regime. The use of new media, such as the Internet now becomes a matter of necessity rather than of choice.

As a consequence of the youthful composition of members, the church's income and economic base has shrunk since majority of young people are unemployed. This has put a burden on the church to create programs that emphasize self-employment and wealth creation on the part of members. Training in financial management and budgeting,

marketing, and leadership is becoming an important addition to the church's spiritual calling and mission.

The younger members, who are generally better educated than the older members, demand that the church be better managed and be more transparent. For the first time, church leaders are finding themselves being held to account for their performance in the discharge of their duties. The old way where leaders lorded it over members is fast giving way to a more democratic culture where leaders must justify their actions to members. If they do not want to be held to account, churches could find themselves bereft of youthful members.

The culture of secularism has threatened the church with one of its most important issues for today. Materialism has become a religion of and in itself. There is little interest in some church leaders and members in the initial calling and mission of the church as recorded in Matthew 28:19, "Therefore go and make disciples of all nations, baptizing them in the name of the Father, and of the Son and of the Holy Spirit". They instead prefer to preach the message of material and physical prosperity, which is more appealing to members faced with economic and health challenges. Secularism threatens to lead to socio-economic and religious melt-downs which will eventually lead to a loss of godliness. The church must therefore find ways of erecting a bulwark against this challenge. The rise of cultic movements is also a major challenge. Churches must encourage their members to study the Bible so as to be on guard against false teachings.

5.2 Limitations of the Research

The time period covered by the study did not allow the researcher to collect enough data for comprehensive analysis. The study focused mainly on churches in the main town centres in the country. Churches in the rural areas were not studied. In addition, some of the churches sampled for study did not respond. Some respondents became suspicious regarding the purpose of the study (despite the fact that the questionnaires were accompanied by an introduction letter from the university) while others had low confidence on their ability to answer questions. The self administered questionnaire leaves no room for clarification of issues as in the case of face to face interviews.

5.3 Recommendations for Further Research

It may be necessary to establish whether education levels of church leaders affect the strategic management practices in the church. A study could also be done to establish the extent to which the size of or level of operations of the individual churches affect strategic management practices in the churches. It may also be of importance to the churches to establish the factors which enhance the adoption of strategic management practices by churches.

5.4 Recommendations for Policy and Practice

The study has shown that most of the responsibility for strategy formulation lies on the shoulders of church pastors and their assistants while members' role is very limited. This situation is not optimal. If members are not involved in the church's organizational life, they are not likely to participate in strategy implementation. Indeed, the study found

that member participation in strategy implementation was low-only the church board, working with the pastors, is at the forefront of this activity. It is recommended that pastors share the vision for their churches with members. By so doing, members will actively participate in crafting strategies for their churches and in the process they will be more committed to implementation.

Pastors, together with their boards, must be trained in formal strategic management. This is necessary given their very important role in developing strategy for their churches. The training will equip them with skills to craft, develop, and implement strategies for their organizations while successfully negotiating the pitfalls that confront leaders in their quest to create great institutions.

The challenge of limited resources is a major one for most organizations. Churches are not exempted. Church Leaders must conduct an audit of their physical, financial, human, and intangible resources to get a better perspective of the total available resources. The audit will reveal any underutilized resources and might suggest the best way of optimizing available resources. It will also highlight how the organization can upscale available resource bases.

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APPENDICES

APPENDIX 1: QUESTIONNAIRE

This questionnaire seeks to find information on the strategic management practices carried out by churches in Kenya. The information required is for academic purposes and would not be used for any other reason.

You are kindly requested to complete all sections of this questionnaire, as all the questions are very important to the research being undertaken.

If you should require a report of these findings, the researcher would be happy to oblige you.

SECTION A: CHURCH AND RESPONDENT'S PROFILE

1. Name of church _____
2. Title of respondent _____
3. What denomination is your church? _____
4. Years of membership in this denomination _____
5. When was your church established?
6. How would you describe the structure of your church?
 - a) Local with all decisions made at the local church level
 - b) Local but some decisions made at headquarters
 - c) Centralized with all decisions made at the headquarters
 - d) Other (please specify) _____
7. How many members does your church in this local congregation?

8. How many members belong to your church in the entire country? _____
9. What is the approximate number of congregations of your church in the country? _____
10. How would you describe the overall change in the numbers of people attending your local church congregation in the last 2 years? (Please tick the one which fits your description).
 - a) Increasing greatly
 - b) Increasing somewhat

- c) About the same
- d) Decreasing somewhat
- e) Decreasing greatly

11. How would you describe the overall change in your church's financial position over the last 2 years?

- a) Improving greatly
- b) Improving somewhat
- c) About the same
- d) Decreasing somewhat
- e) Decreasing greatly

SECTION B1: STRATEGIC MANAGEMENT PRACTICES (PLANNING)

Please select the option that best describes the management practices as undertaken by your church organization.

1. Does your church have a vision?

- a) Yes
- b) No

2. If yes, the vision is

- a) Written
- b) Implied

3. Does your church have a written strategic plan?

- a) Yes
- b) No

3. Does the church have a mission statement?

- a) Yes
- b) No

4. How is the mission statement communicated to all stakeholders in the church?

- a) Written
- b) Symbols
- c) Implied
- d) Others (please specify) _____

6. Has the mission statement ever been reviewed or changed at any time?

a) Yes

b) No

7. If yes, why was it changed? _____

8. How would you rate participation in developing the mission statement by following stakeholders? (Please use the following key: 1= Very involved; 2= Involved; 3= Can't Tell; 4= Less involved; 5= Not at all involved)

	1	2	3	4	5
i. Church membership	[]	[]	[]	[]	[]
ii. Pastor/Bishop	[]	[]	[]	[]	[]
iii. Assistant Pastor/Bishop	[]	[]	[]	[]	[]
iv. Branch Pastors	[]	[]	[]	[]	[]
v. Elders	[]	[]	[]	[]	[]
vi. Deacons	[]	[]	[]	[]	[]
vii. Church Board	[]	[]	[]	[]	[]
viii. Department Heads	[]	[]	[]	[]	[]

9. Does your church set objectives?

a) Yes

b) No

10. If no, do you think it is necessary to have objectives?

a) Yes

b) No

11. At what level are the objectives set?

a) Church Headquarters

b) Local Church Board

c) Department Level

d) Others (please specify) _____

13. How are the objectives communicated within the church?

a) Written

- b) Symbols _____
- c) Meetings _____
- d) A combination of the above
- e) Others (Specify) _____

14. How often are the objectives revised?

- a) Monthly
- b) Semi annually
- c) Annually
- d) Others (specify) _____

15. If your church undertakes formal planning, what period do the plans cover? (Please tick all those that apply).

- a) 1 – 2 years
- b) 3 – 5 years
- c) 5 – 10 years
- e) More than 10 years

16. Indicate which of the following features characterize the planning process in your church.

- a) Formal planning meetings
- b) Informal planning meetings
- c) A strategic planning department
- e) Timetables for plan preparations
- f) Clearly assigned responsibilities for planning.

17. Indicate the extent to which the following factors are considered important in the strategic planning process of your church. (Use the following key: 1= Very important; 2= Important; 3= Can't tell; 4= Less important; 5= Not important at all)

	1	2	3	4	5
i. Political and legal developments	[]	[]	[]	[]	[]
ii. General economic trends	[]	[]	[]	[]	[]
iii. Activities of other churches	[]	[]	[]	[]	[]
iv. Social and Demographic trends	[]	[]	[]	[]	[]
v. Technological trends	[]	[]	[]	[]	[]

vi. Internal resources [] [] [] [] []

18. How are these plans communicated?

- a) Written
- b) Implied
- c) Meetings
- d) Models
- e) Others (Please specify) _____

19. How do you collect feedback from the church members and other stakeholders?

- a) Customer desk.
- b) Suggestion box.
- c) Regular general meetings
- d) All the above
- e) Others (Please specify) _____

20. What tools do you use in developing strategies?

- a) Key success factor analysis.
- b) Forecasting
- c) Portfolio models
- d) Computer planning models
- e) SWOT analysis
- f) Others (Please specify) _____

INTERNAL ANALYSIS

1. Do you consider your church:

- a) To be a Leader in the church sector? (Setting standards) []
- b) To be adapting to the current church needs? (seizing opportunities) []
- c) To be avoiding pre mature commitments? []
- d) To be doing all? []

For each of the questions below, mark them out of 100%. E.g. a) 60% b) 40%

1. How does the senior management's point of view about the future compare with other churches?

- a) Conventional and reactive
- b) Distinctive and far sighted

2. How do other churches view your church?

- a) Mostly as a rule follower
- b) Mostly as a rule maker

3. What do you consider to be the strength of your church?

- a) Operational efficiency
- b) Innovation and growth

4. What has set your transformation agenda?

- a) Other churches
- b) Our foresight

5. Does your church gather information from external environment?

- a) Yes
- b) No

6. How does the information obtained from scanning the environment affect planning and strategy formulation in your church?

7. Indicate the importance your church attaches to the following aspects of the church in Kenya. (Key: 1=Very important; 2=Important; 3=Can't tell; 4=Less important; 5=Not important at all)

	1	2	3	4	5
a) Goals of other churches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Approaches of other churches in spreading the gospel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Activities of other churches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Financial strength of other churches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Technology levels of other churches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Formation of new churches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) The issue of cults	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Threat of other religions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. How has government regulation influenced and affected your church?

SECTION B2: STRATEGIC MANAGEMENT PRACTICES

(IMPLEMENTATION)

Please select the response that best fits **your** situation from the questions below:

1. Describe the organization structure of your church.

- a) Horizontal (flat) [] b) Vertical []

2. Has the structure changed at any time?

- a) Yes [] b) No []

3. If yes, explain the changes

4. What kind of leadership does your church have?

- a) Autocratic (dictatorial) []
b) Participative (democratic) []
c) Laissez faire (free) []
d) Others _____

5. How has this kind of leadership influenced the implementation of strategy in your church?

6. Does your church practice succession planning for leadership?

- a) Yes [] b) No []

6. Policy Support

- i. Does your organization maintain a policy manual?

a) Yes []

b) No []

ii. Are manuals updated on a regular basis?

a) Yes []

b) No []

Rate the support to formal policy implementation given by the following. (Use the key: 1= Very supportive; 2= Supportive; 3= Can't tell; 4= Less supportive; 5= Not at all supportive)

	1	2	3	4	5
iii. Church board	[]	[]	[]	[]	[]
iv. Pastor	[]	[]	[]	[]	[]
v. Church members	[]	[]	[]	[]	[]

Please indicate the extent to which you agree with the following statements as relates to strategy implementation within your church. Use the following key: (1= Strongly agree; 2= Agree; 3= Can't tell, 4= Disagree, 5= Strongly disagree)

	1	2	3	4	5
i. The church's organization structure has changed to embrace strategic issues	[]	[]	[]	[]	[]
ii. There are systems and procedures to support implementation of strategies	[]	[]	[]	[]	[]
iii. Reference is always made to the Master Plan when implementing strategies	[]	[]	[]	[]	[]
iv. Continuous monitoring and evaluation to identify shortcomings in strategy implementation is always undertaken	[]	[]	[]	[]	[]

SECTION B1: STRATEGIC MANAGEMENT PRACTICES (EVALUATION)

Please indicate the extent to which you agree with the following statements as relates to strategy evaluation within your church. Use the following key: (1= Strongly agree; 2= Agree; 3= Can't tell, 4= Disagree, 5= Strongly disagree)

1 2 3 4 5

i.	The church has developed a set of key performance indicators to track the success of strategic initiatives	[]	[]	[]	[]
ii.	There is an on-going assessment of strategy development and formulation process	[]	[]	[]	[]
iii.	Communication of results is continually being undertaken	[]	[]	[]	[]
iv.	Corrective measures are undertaken as and when needed	[]	[]	[]	[]
v.	Results are compared with initial targets	[]	[]	[]	[]
vi.	Good performance is recognized	[]	[]	[]	[]

Role of Stakeholders in Evaluation Process

	1	2	3	4	5	
i.	Church board are involved in strategy evaluation	[]	[]	[]	[]	[]
ii.	Pastor involved in strategy evaluation	[]	[]	[]	[]	[]
iii.	Church members take active role in evaluating strategic practices	[]	[]	[]	[]	[]

SECTION C: CHALLENGES FACING YOUR CHURCH

How serious would you say the following challenges are to your church at this point in time? (Use the following key: 1= Very serious; 2= Serious; 3= Can't tell; 4= Not Serious; 5= Not at all Serious)

	1	2	3	4	5	
a)	Technological changes (including cell phone and Internet)	[]	[]	[]	[]	[]
b)	Social conditions (including issues of crime, delinquency, secularism)	[]	[]	[]	[]	[]
c)	Political dynamics	[]	[]	[]	[]	[]
d)	Population increases	[]	[]	[]	[]	[]
e)	HIV/AIDS	[]	[]	[]	[]	[]

SECTION D: ADDRESSING STRATEGIC CHALLENGES

Please explain the efforts your church is making, if any, to address the challenges listed below:

i. Technological changes _____

ii. Social changes _____

iii. Political dynamics _____

iv. Population increases _____

v. Economic changes _____

7. Below are some possible responses that churches could adopt in a changing environment. Please tick the ones your church has been implementing.

- a) Diversification of church activities []
- b) Increasing church activities []
- c) Creation of responsive departments []
- d) Training and development of church leaders []
- e) Training and development of church members []
- f) Employee retrenchment (right sizing) []
- g) Outsourcing (Hiring services) []
- h) Improving management information systems []
- i) Upgrading technological equipment []
- j) Improving stakeholder relations []
- k) Cutting costs through tight budgets and financial controls []
- l) Expansion by opening church branches []
- m) Forming alliances with other churches []
- n) Initiating income generating projects []
- o) Restructuring/Reorganization []
- p) Others (Please specify) _____

Thank you for your help in answering this questionnaire.

APPENDIX 2

LIST OF MEMBER CHURCHES OF THE NATIONAL COUNCIL OF CHURCHES OF KENYA AND THE EVANGELICAL ALLIANCE OF KENYA

1. AFRICAN BROTHERHOOD CHURCH
2. AFRICAN CHRISTIAN CHURCHES
3. AFRICAN CHURCH OF THE HOLY SPIRIT
4. AFRICAN INTERIOR CHURCH
5. AFRICAN ISRAEL NINEVEH CHURCH
6. ANGLICAN CHURCH OF KENYA
7. CHURCH OF SINAI MISSION
8. EAST AFRICAN YEARLY MEETING OF FRIENDS (QUAKERS)
9. EPISCOPAL CHURCH OF AFRICA
10. EVANGELICAL LUTHERAN CHURCH OF KENYA
11. KENYA ASSEMBLIES OF GOD
12. KENYA EVANGELICAL LUTHERAN CHURCH
13. KENYA MENNONITE CHURCH
14. MARANATHA MISSION OF KENYA
15. METHODIST CHURCH OF KENYA
16. NATIONAL INDEPENDENT CHURCH OF AFRICA
17. OVERCOMING FAITH CENTRE CHURCH OF AFRICA
18. PENTECOSTAL EVANGELISTIC FELLOWSHIP OF AFRICA
19. PRESBYTERIAN CHURCH OF EAST AFRICA
20. REFORMED CHURCH OF EAST AFRICA
21. SALVATION ARMY
22. ZION HARVEST MISSION
23. AFRICA INLAND CHURCHES
24. DELIVERANCE CHURCHES
25. CHRISTIAN CHURCH INTERNATIONAL
26. PENTECOSTAL ASSEMBLIES OF GOD
27. HAPPY CHURCH MINISTRIES
28. BAPTIST CHURCHES

29. FULL GOSPEL CHURCHES OF KENYA
30. CHRIST IS THE ANSWER MINISTRIES
31. AGAPE CHURCHES
32. DOVE CHRISTIAN FELLOWSHIP CHURCHES
33. REDEEMED GOSPEL CHURCHES
34. VOICE OF SALVATION AND HEALING
35. AFRICA GOSPEL CHURCHES
36. BIBLE WAY RESTORATION CHURCHES
37. NAIROBI LIGHTHOUSE CHURCHES
38. CHRISCO CHURCHES
39. INTERNATIONAL PENTECOSTAL HOLINESS CHURCHES
40. SHELTER WORSHIP CENTRES
41. REDIMA CHURCH MINISTRIES
42. EVANGELICAL SERVICE CHURCHES
43. GOSPEL TABERNACLE CHURCHES
44. FOURSQUARE CHURCHES
45. GOSPEL REVIVAL CHURCHES
46. PENTECOSTAL REVIVAL CHURCHES
47. GOSPEL EVANGELISTIC CHURCHES IN KENYA
48. CALVARY COVENANT CENTRE
49. ETERNAL LIFE PENTECOSTAL CHURCHES
50. JESUS IS ALIVE MINISTRIES
51. JESUS CELEBRATION CENTRE
52. GOSPEL ASSEMBLIES OF KENYA
53. GLORIOUS CHURCHES OF KENYA
54. LIVING WATER CHRISTIAN CHURCH
55. GREEN PASTURES TABERNACLE
56. LIVING WORD
57. NAIROBI CHAPEL CHURCHES
58. MOMBASA PENTECOSTAL CHURCH

OTHERS

- 1. CATHOLIC CHURCH**
- 2. SEVENTH DAY CHURCH**