

**INFLUENCE OF STRATEGIC MANAGEMENT PRACTICES ON THE ALLOCATION  
OF FUNDS IN ENVIRONMENTAL NON-GOVERNMENTAL ORGANIZATIONS IN  
NAIROBI CITY COUNTY**

**BY**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS  
ADMINISTRATION, FACULTY OF BUSINESS AND MANAGEMENT SCIENCES,  
UNIVERSITY OF NAIROBI**

**2022**

**DECLARATION**

This research project is my original work and has not been presented to any other university or institution

Signature .....  .....

Date .....31<sup>st</sup> October 2022.....

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This research project has been submitted for examination with my approval as university supervisor.

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## **DEDICATION**

With all my heart, I dedicate this research project to God and to my supportive family.

## **ACKNOWLEDGEMENTS**

First, I give all my foremost gratitude to God for the generous gift of life, knowledge, wisdom and grace as I progressed with my studies.

I sincerely express my heartfelt appreciation to my supervisor, Dr. Mercy Gacheri, whose thoroughness, genuine insights, patience, and promptness made it possible for me to finish this project. I've learned and progressed in the field of research thanks to her expertise and guidance. I was truly honored and blessed to have her as my supervisor, and I shall be eternally thankful. I'm also grateful for the support of the NGOs that took part in my research by consenting to my requests and completing my questionnaires. They made a significant input that made this project successful.

I am immensely thankful to my family Joseph Kimilu, Mary Mwikali, Juliana Kituma and Emmanuel Kimilu, for their encouragement, nurture and support both financially and non-financially. To my dearest friend Florence Muraya thank you for ensuring I didn't give up. I am forever grateful and may God protect, guide and bless each and every one of you immensely.

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## **ABBREVIATIONS**

<b>ANOVA</b>	Analysis of Variance
<b>NGO</b>	Non-Governmental Organizations
<b>UNEP</b>	United Nations Environmental Programme
<b>SDG</b>	Sustainable Development Goals
<b>SD</b>	Standard Deviation
<b>SPSS</b>	Statistical Packages on Social Sciences

## ABSTRACT

The necessity for advanced Strategic Management (SM) practices by Non-Governmental Organizations (NGOs) is inevitably linked to limited resources and due diligence by the host government and donors. The main goal of this research was to assess the influence of strategic management practices on the allocations of funds in environmental NGOs in Nairobi City County in Kenya. The study took a descriptive survey design approach which was more suitable for gathering information of the selected NGOs in Kenya due to its broad application in planning, monitoring and evaluation policies. From the target of 52 environmental NGOs, 45 responses were received (response rate of 87%). Data was collected via a semi structured online questionnaire, was analyzed using Microsoft Excel and Statistical Package for Social Science (SPSS) and presented in charts, graphs, tables and figures. The outcomes of this research led to the conclusion that over 71.1% (around 32 NGOs) of the environmental NGOs had an established strategic management department and 95% (43 NGOs) of the respondents in the NGOs were aware of the different strategic management practices adopted in their organization. This indicated the importance of strategic management practices for the survival of NGOs. The study also found that the four key aspects of strategic management practices (environmental scanning, strategy formulation, strategy implementation, monitoring and evaluation) were rated as important to a great extent by the environmental NGOs in Nairobi Kenya using a 5 point Likert scale. In terms of allocation of funds from the research it was agreed that feasibility of projects affected the amounts allocated for implementation of different projects for the NGOs, there was an increased demand for accountability of NGOs resources from the donors and the need for strategic management practices when allocating the scarce funds received and NGO program implementation strategies have been redesigned to include constituents of cost recovery, in which program beneficiaries make a contribution if not all, of the program costs. Lastly based on the regression analysis holding other variables at constant zero, a unit increase in strategic management practices lead to a 0.495 increase in the allocation of funds in environmental NGOs in Nairobi Kenya at a 5% level of significance and 95% level of confidence. It is thus deduced that strategic management practices influence allocation of funds in environmental NGOs. Further studies should be done by researchers to determine the effect of donor financing and sustainability of NGOs amidst a turbulent and ever-changing environment and another to evaluate the relationship of pre-funding and post-funding allocation of funds in NGOs.

## CHAPTER ONE: INTRODUCTION

### 1.1 Background of the study

Strategic management practices bring considerable benefits to different organizations. According to Schwenk (1993) it assists management to take a long-term view diverting them from only focusing on the short-term day to day operational problems and helps them improve decision making processes that eventually leads to positive effects on the financial standing of the company. The necessary benefits which a company that applies strategic management practices achieves according to Mintzberg (1998); Pucko (1999); Richardson (1995) include; distinguishing the company from the external environment, focusing on setting the direction for a company, ensuring that decisions are made consistently by management, bringing the outside world into sharper focus and how to deal with its turbulent nature, increasing the tools and instruments to guide and lead employees, making communication easier and more understandable, creating systems that make it possible to solve problems in a logical and systematic manner, enabling the control of the set objectives for an organization, creating a rationale for efficient and effective distribution of the scarce resources and finally lowering and effectively managing the cost incurred in the running of an organization. The main objective of using strategic management practices is to master the environments complexity by managing it in a systematic way which is a mixture of fixed and flexible planning (Pucko, 2001). The successful implementation of strategic management practices brings benefits to organizations that include but are not limited to greater employee productivity, better grasp of competitors' strategies, more appropriate and exceptional performance when compared to non-strategic management organizations and creation of a better reputation for the organization (Mayilvaganan & Raviselvam, 2016).

There are a few theories that relate strategic management and allocation of funds in environmental NGOs including the resource dependency theory and principal agent theory. The resource dependency theory involves the research into how the institution's behavior is affected by resources that are found outside of the institution. The theory originated with the publication of, "The External Control of Organizations: A Resource Dependence Perspective by Jeffrey Pfeffer and Gerald R Salancik in the 1970s" (Loasby 1979). The theory states that the ability to unlock and regulate resources is a source of power for organizations as resources can result in the success

or failure of an organization. Resources needed may also be limited and difficult to come by, available or uncontrollable by non-cooperative stakeholders thus organizations can develop strategies to enhance their bargaining power in the environment through political means, diversification of products and services offered or by forming inter-organizational relationships to control and absorb the uncertainty that is prevalent in the environment (Archibald, 2017). The principal agent theory hinges on the concept of delegated authority, wherein the principal transfers his/her duties and responsibilities to the agent and is thus not a part of day-to-day processes of the organization (Kasper and Streit, 1998). A balance of these two interests must be maintained to ensure the institution achieves its objectives by means of the agent who controls the institutions vast resources. This theory is absolutely vital since the actions of the agent affects several parties and thus their role in the strategic management process should not be ignored (Laffont et al., 2002).

According to the NGO industry report (2018/2019) by the NGO Coordination Board, Kenya's The non-governmental organization (NGO) sector contributes considerably to and continues to support the government's development efforts in accordance with the Sustainable Development Goals (SDGs), Kenya Vision 2030, and other development goals. The rapid expansion and growth of the non-governmental organization (NGO) sector attests to their growing role in the developmental process by offering a broad spectrum of critical services to the general population. Just like any organization they rely on resource allocation strategies when planning for their various activities and eventually in the implementation process. Allocations of funds is a key part of resource management which allows for strategy execution.

### **1.1.1 Strategic management practices**

Strategic management is concerned with the formulation and implementation of the goals and objectives of an organization by top level management to make it more competitive while taking into account both the external and internal environment which the business exists in (Pearce and Robinson, 2003). An organization that has effective and efficient strategic management should experience either financial or non-financial benefits depending on its main aims of operations. It is achieved by; formulation of the mission and vision of an organization, carrying out a situation analysis, determining strategic objectives, strategic choice and analysis, implementing the strategy and lastly carrying out evaluation and control (Pearce and Robinson, 2003). The study and practice of developing, putting cross-functional organizational decisions into practice and evaluating them

in order to achieve organizational goals are known as strategic management practices (Bakar, Tufail, Yusof, & Virgiyanti, 2010). According to Aboramadan and Borgonovi (2016) strategic management practices involve the following key aspects: environmental scanning, strategy formulation, strategy implementation, strategy monitoring and evaluation. Environmental scanning elaborates that the operational environment of an organization comprises political, economic, technological, social and legal factors (Thomson and Strickland 2003). With the turbulent environment, increased globalization, liberation and technological advancements, organizations have to adopt superior strategic management practices to remain superior and competitive (Moreno et al., 2005). Organizations have to depend on each other for resource exchanges including physical, cultural, human, financial and information resources thus environmental scanning help the organization to determine strategies that ensure its success in acquisition and sharing of the resources. It also shows clearly the strategic position of an organization relative to the turbulent environment (Wheelen and Hunger 2008). Strategic formulation involves the concept that defines the purpose for existence of an organization and the dynamics that are involved in strategy attainment. In summary it involves an organization defining and mapping its way into the future in line with a stated objective while taking into account its environment (Pearce and Robinson 1991). Organizations that can scan the environment and align their processes with the turbulent environment always maintain a competitive edge. This is done by following a process of creating a strategy which is in line with the previously identified objectives and purpose while taking into account the operating business environment (Pearce and Robinson 1991). Strategy implementation turns plans into actions with an aim of accomplishing the goals and intentions of an organization (Olsen 2020). According to Mitzberg (2004) strategy implementation is dependent on the capacity of the organizations and its various stakeholders. It is usually the hardest part to do in the strategic management practice due to either too many implementers or there being a different team of formulators and different team of implementers who haven't received adequate guidance thus they carry out their own idea of the strategy. Lastly strategic monitoring and evaluation involves determining the output of a given strategy based on the stated output factors (Coutler, 2005). One detects the various challenges that arise in the strategy implementation and solves them in order to ensure success of a strategy. This continuous observation and response to the internal and external environment gives business a competitive advantage in its operations (Pearce and Robinson 2005). It is critical to understand the strength

and weaknesses of a given strategy because it delves into assessing if deadlines were met, what were the implementation steps and were the desired results achieved? (Johnson and Scholes 2002).

According to Patricia (2014), a collection of processes that have already been drawn out and implemented by an organization to make certain important alterations are made in a systematic, ordered and in a well-managed manner is known as strategic management practices. She divided strategic management practices into three categories: looking in to assess organizational systems for managing finances, human capital, as well as other limited resources, looking out to look beyond the thresholds of an organization to meet its set objectives and finally forward-thinking to combine structures and resources to achieve the organization's goals (Patricia, 2014). Johnson et al (2002) suggests that the internal limits of any strategy depend on values and culture in an organization as well as the strength and weaknesses. The external environments, threats and opportunities that exist to the organization will dictate how successful a strategy will be. Thus, any organization that can align its strengths with the opportunities in the industry while minimizing the effect of threats and covering its weaknesses will have applied the strategic management process correctly. Ansoff and Sullivan (1993) argued that strategic management practices are composed of systems theory, industrial organizations economics theory and contingency theory. The open system theory posits that external and internal environmental factors contribute hugely to the factors that influence strategic implementation since organizations exist in an open set up (Pearce and Robinson, 2003). Institutional theory emphasizes the effects of the social environment of an organization. Institutions can be said to be viewed as being influenced by activities that might include politics, social and economic. According to Mayilvaganan & Raviselvam (2016), all organizations need to develop a clear approach that should be followed to generate sustainable growth that ensures long term success. The proper implementation of strategic management practices is the initial stage of this approach. This involves understanding the meaning of what strategy means for the organization, ensuring all departments are included in the process, both the external and internal environment is examined using different tools, budgets are prepared and target/ completion dates are fixed in the strategic plan.

### **1.1.2 Allocation of funds in NGOs**

As non - profit organizations, NGOs rely heavily on funding from third parties in the form of income generating activities (membership fees, publications, sale of products, training and

consultancy, in kind contributions) donor funding (private donations from wealthy individuals, grants from organizations, philanthropic foundations, crowd funding and sometimes government funding) and lastly investments (fixed deposits and trust funds) (Srinivas, 2015). NGOs receive funds through screening or selectivity criteria that are created by the donors that should ensure accountability, efficiency, timely reporting and transparency. Once received, NGOs are required to keep very efficient and transparent records which bring accountability which in turn increases donors' trust and increases the total funds that could be allocated to the specific NGOs (Gerald, 2003). NGOs have increased public fund-raising activities, recruited new corporate contributors for financial and in-kind donations and conducted one-time events, according to Viravaidya and Hayssen (2001). They've revamped program implementation tactics to include cost-recovery elements, in which program participants pay a portion, if not all, of the program's expenditures. Today, we find non-governmental organizations (NGOs) owning and operating restaurants, tour companies, banks, clinics, and other businesses in order to increase funding for their operations.

Every NGO is steered by particular policies and procedures that are intertwined to its overall objectives. All decisions that are made by the heads of NGOs are driven towards successful achievement of its stated goals and objectives. Projects and different expenditures are allocated funds based on how much they fulfill the set objective and those with high priority are given more resources in terms of funds and time (Lakshmi 2018). Thus, objectives of the organization determine how different funds are allocated in NGOs. According to Lakshmi (2008) external influences include third parties that interact directly with the NGOs such as the government, financial institutions and the general public. Government affects the allocation through legislature that is related to labor, pollution, and operational licenses which may require the NGOs to allocate more funds to meet this requirement. Financial institutions may charge higher interest rates when it comes to borrowing of funds forcing the NGOs to acquire less loans and to have a stricter budget (Lakshmi 2018).

NGOs rely on grants and donations to fund their activities, as Viravaidya and Hayssen (2001) point out, they may be pressured to design and offer services that have the best chance of being financially backed by donors. As a result, their capacity is indirectly controlled by funders, who may have their own objectives and operational methods and because they lack the authority to choose how the money is spent, NGOs simply implement what the donors want. Another issue is

that many grants and gifts have limitations on what expenses they can reimburse. The most typical limitation is that the grant must only pay direct program costs, not support services or other overhead costs incurred by the NGO. These expenditures must be covered entirely by NGOs, or at least a growing portion of these costs must be covered over time (Viravaidya and Hayssen, 2001). When NGOs allocate finances to execute their operations, this is a critical factor to consider. Each NGO and its managers must analyze all available financing possibilities and select the most acceptable funding mix, as well as they must establish which core activities and execution tactics are most suited to their mission and goals (Hayssen and Viravaidya, 2001). In Kenya, there has also been an expansion in the number of NGOs, which has boosted competition for donor funds. As a result, funders are increasingly demanding comprehensive accountability for their resources, as well as strategic management methods when allocating the limited monies available (Johnson & Scholes, 2002). Spiros Bougheas, Alessia Isopi, and Trudy Owens (2012) published a paper titled, “How do donors give cash to NGOs Evidence from Uganda?” Key findings were international donors rely on features that encourage the effectiveness of the NGO and its managers when allocating funds to NGOs, which include but is not limited to the managers education level, process of recruitment, the community feedback on their wants and needs and if the NGO follows the monitoring and transparency procedures as requested. On the contrary, local donors can lay a greater emphasis on data gained via local experience and knowledge: having an established relationship with the NGO’s originator and understanding their intention is more important than a formal appointment.

### **1.1.3 Environmental NGOs in Kenya**

Non-Governmental organization is defined as a voluntary and autonomous organization that exists with the main intention of promoting collective welfare or the public good (Leslie 1997). According to the World Bank, there are two broad categories for NGOs; advocacy and operational NGOs. Operational non-governmental organizations engage mostly in the process of resources mobilization from governments, foundations, and companies in the form of charitable contributions (financial, assets), grants, contracts, materials, and skilled pro bono volunteers who are tasked with financing and sustaining initiatives in ongoing projects and programs, which necessitates an in-depth knowledge of reporting, accounting, planning, budgeting, and implementation. Advocacy NGOs strike a distinct equilibrium between actions like conducting



rallies or lobbying for project implementation, however, their objectives and functions are the same. They mostly raise funds by locating and approaching a particular donor or convincing interested others to volunteer. NGOs. Some NGOs' operations, on the other hand, address the following topics: environment, energy, conservation, water and sanitation, education, informal sector, education, communication, shelter, relief services, population issues, health, food and nutrition.

The experts and world leaders in environment conservation, protection and management the United Nations Environment Programme (UNEP), also “sets the world environmental agenda and facilitates the UN system to implement the aspect of sustainable development in the environmental dimension in a consistent manner and continues to serve as an authoritative environmental advocate.” The major goal is to provide leadership and inspire collaboration in environmental protection. Environmental NGOs, according to the United Nations Environment Program, play a vital role in dealing with a variety of environmental challenges, including climate change, resource efficiency, catastrophes and conflicts, ecosystem management, chemical and waste management, and so on. There are 52 NGOs in Kenya that are accredited to the United Nation Environment Programme.

According to the annual NGO sector report (2018/2019), NGOs in the environmental sector utilized 3.418 billion on projects for that year which was 4% of the total 78.9 billion spent in direct project implementation. The NGOs in the environmental sector also recorded the highest increase posting 120% growth showing just how key environmental NGOs are. The report also highlighted that Nairobi County had the highest number of NGO projects (1252) compared to other counties and that newly registered NGOs preferred to operate in Nairobi County as well. 8% of the 98 newly registered NGOs counties also preferred to be involved in environmental sector activities. The NGO sector in Kenya is regulated by the NGO Coordination Board which was established in 1990 to register, facilitate, stream line and coordinate the activities of NGOs in Kenya under the Ministry of Interior and Coordination of National Government. Currently it has around 11,262 registered NGOs with 8893 NGOs that are active in its official 2019 registration records which is update annually (NGO Coordination).

## **1.2 Research problem**

According to Lakshmi (2018) allocations of funds is the division of financial resources that are used in the implementation of strategy in an organization. It may take place as part of resource allocation that is both a continuous and one time process. Strategy implementation which is part of strategic management practices relies heavily on resource allocation. The success of projects is based on the standard and quantity of the available resources and most importantly the resource allocation policy. Another part of strategy execution is resource allocation, which includes human resource allocation, financial resource allocation, and physical and technology resource allocation (Endrejat, Baumgarten & Kauffeld, 2017). The allocation of resources enables for strategic execution. When distributing resources, businesses that do not apply strategic management approaches are more likely to rely on political or personal considerations that are damaging to the organization's performance. Strategic management approaches allow resources to be distributed according to annual targets' priority. Allotting resources to certain divisions and departments does not guarantee that strategies will be implemented successfully. A variety of obstacles frequently obstruct successful resource allocation, including resource overprotection, an overemphasis on short-term financial criteria, politics of an organization, ambiguous strategy aims, being risk averse, and a lack of appropriate knowledge (Zainbooks 2014). NGOs use funds for a variety of activities both inside and beyond the country, according to the annual NGO sector report (2018/2019). These monies are used to meet the charitable goals of the organizations and in accordance with donor guidelines. Kenya is increasingly becoming a regional hub for charities operating in the region due to the large quantity of money collected in Kenya but used outside the country.

Several researchers have always aligned strategic management practices and performance of an organization. Aboramadan and Borgonovi (2016) researched on, "Strategic management practices as a key determinant of superior NGOs performance in the Palestine territories." The key findings of their research included suggesting a direct relation between strategic management practices and the NGOs performance both monetary and non- monetary, the research overcame the traditional metric of evaluating performance based on access to funds and included other element such as implementation and evaluation in a comprehensive strategic management approach. The study is conceptually different because it was inclined towards financial performance of NGOs while this study focused on the effect of strategic management practices on allocation of resources. The study

also targeted all NGOs while this study will only target environmental NGOs. Contextually the study was limited to Palestine territories while this study was based in Kenya. Al-Zuman and Samad (2018) examined, “The effects of strategic management and organizational culture on organizational performance in Saudi Arabia”. The key findings of the research were; organizational performance can be improved through strategic management in terms of formulation, implementation, and dimensions. In terms of culture, organizations that adopt a widely shared strong culture that encourages employee involvement, consistency and adaptability have more committed and motivated employees, which leads to superior organizational performance. The study also evidenced the validity of the contingency theory in explaining internal resource contribution as a method that fits and is appropriate for good organizational performance. The study relied upon the contingency theory in explaining internal resource contribution to organizational performance while this study relied on the resource dependency and agency theory to explore a relationship between strategic management and allocation of resources in NGOs making the two studies conceptually different. The study was also based in Saudi Arabia while the study was based in Nairobi, Kenya. Mohammed Ali and Wang Quan (2019) studied “Strategic management practices and the performance of SMEs in Bangladesh”. The study found that strategic management methods had an impact on an organization’s success. Superior strategy design, implementation, evaluation and overall strategic management techniques all have a significant positive impact on SMEs’ success. SMEs can gain new tools for survival and growth, as well as long-term competitive advantages, by implementing effective strategic management methods. Involvement of all levels of staff (top, medium, and lower) is also critical for a successful strategic management process. The study is conceptually different because it focused on SMEs in Bangladesh while this study focused on environmental NGOs in Kenya. It also was focusing on the impact of strategic management practices on the organization’s success while this study tested if there exists a relationship between strategic management practices and allocation of resources.

Locally Kihara (2017) researched “Strategic management practices and the performance of agricultural NGOs in Nairobi Kenya.” The key findings of the research were that using the Pearson correlation coefficient, there was a favorable relationship between strategic management techniques and the effectiveness of agricultural NGOs in building a competitive edge in a chaotic and changing environment. Both studies’ targets are NGOs, however the study targeted environmental NGOs while this study targeted agricultural NGOs. This study acknowledged that

strategic management practices may impact NGOs in other ways other than performance which this study hoped to explore and ascertain while carrying out the research. The study also recommended that other sectors of the NGOs needed to be researched other than the agricultural NGOs which presents a conceptual gap. Another local study concentrated on the fund allocation side. Mweta and Musa (2018) researched on, “Assessment of determinants of funds allocation and utilization by NGOs and donor agencies in Kenya”. The number of years of the company has been in operation, the impact of location on vulnerability, poverty orientation and reach, inequalities of income and wealth, languages and geographical locations, allocations of GDP by individuals and a country's social economic growth were determined to be major factors of money distributions in NGOs based on the analysis of their key findings. This study investigated factors that determine allocations of funds in NGOs but it doesn't explore if these factors have any relationship with strategic management practices that the study did. Contextually the study focused on all NGOs in Kenya while this study focused only on environmental NGOs in Nairobi County. As a result of the preceding studies, a conceptual gap has been identified and one may try to determine if there is a link between strategic management practices and resource distribution in NGOs. The level at which environmental NGOs are using strategic management practices in their operations more specifically in allocation of donor funds has not yet been studied. Thus, this study will aim to determine the influence of strategic management practices on the allocations of funds in environmental NGOs in Nairobi City County in Kenya

### **1.3 Research Objective**

The objective of the study is to determine the influence of strategic management practices on the allocations of funds in environmental NGOs in Nairobi City County in Kenya.

### **1.4 Value of the study**

This study will add value and great significance to theory as it will show how strategic management practices influence allocation of funds in NGOs and provide academia further research could be built on the influence of strategic management in different types of organization especially those in developing countries. It will also introduce new variables into strategic management practice as it concentrates on other aspects as opposed to performance. This will eventually bring in a greater comprehension of strategic management practices.

The study will recommend to policy makers and the government on strategic improvements that will be necessary in the environmental sector geared on improving the activities and competitiveness of the key players in the sector. It will offer a better understanding on the strategic management practices that should be applied by the NGOs and also give insights for better donor fund allocations for sustainable running of these NGOs in the midst of turbulent environments and the decreased donor funding. The study will give insights to procedures and policies that NGOs use in allocating donor funds the challenges they face and how best they can improve these practices. It will also bring to light any potential opportunities that may enhance the best practices that can be replicated on a larger scale ensure NGOs can deliver their missions effectively.

The study will also contribute to the sum of information presently existence on strategic management practices and its relationships to different variables including allocation of funds by filling in informational gaps that may exist. It will also highlight the importance of strategic management practices to nonprofit organizations and showcase how best they can be used to bring in benefits to the organizations other than making profits. It will also create room for further studies on the relationship between nonprofit organizations and strategic management.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter had a theoretical review, empirical review, and an in-depth evaluation of the academic research that has been conducted related to the current topic to identify research gaps that the current study will fill.

### **2.2 Theoretical review**

The study was centered on two key theories namely the Agency theory and the Resource Dependency Theory.

#### **2.2.1 Agency theory**

In 1973, Stephen Ross, who pioneered “the economic theory of agency”, and Barry Mitnick, who pioneered “the institutional theory of agency”, presented this theory for the first time (Mitnick 2006). This management approach occurs when one-person (agent) acts on another's behalf (principal) with the main aim of advancing and achieving the goals of the principal (Jean et al., 2002). The assumptions of the theory according to Ambrosini et al. (2015) include; the main aim of agency relationships is to create value for the parties involved while also taking into account the expenses of participating in the relationship, evaluating its progress, and enforcing it. The agent usually has access to confidential information that the principal does not have and cannot precisely observe, allowing the agent to strengthen their negotiating power in the partnership. According to Laffont and Martimort (2002) the actions of the agent not only affect him/her but also several other parties (principal and the organization). Lastly there is an assumption that managers can control the behavior of their employee (agents) within the firm to avoid misinformation and ensure operational effectiveness (Jenkins et al., 2016). In this study the agency theory is relevant because there exist two types of the agency and principal relationships (Jenkins et al., 2016). First the ‘principal’ would be donors who give different types of funding, whilst the ‘agent’ would be the NGO’s management who are tasked on utilization of the funds as requested by the donors and in a way to achieve the donors end goal. Lastly the agency relationships extend in a hierarchical structure of authority of the company in a way that managers are the principal while their

employees are the agents who are involved in reinterpreting orders flowing from downward and presenting positive information to flow back upwards.

According to Walker and Weber (1984) the theory has some predictions, first the agent and principal during their interactions protect their self-interest and thus have a divergence of goals. Second, a principal that is risk-neutral is largely unaffected by an unknown outcome; however, the opposite prediction is true, especially for a new start up . In a new venture the firm is usually small with limited resources that can reduce the uncertainty which causes its managers to be very risk averse plus sensitive to outcomes of uncertainty. Third, Manager-controlled businesses acquired more conglomerates and were more diversified to reduce the risk faced by managers. Fourth, managers with significant equity stakes in their companies were less inclined to fight against takeover offers. Finally, the performance contingent pay was negatively related to information systems that were influenced by whether the principal could keep an eye on the agent's behavior. The key criticism of this theory is the agency problem occurs when the principal's and agents' goals diverge, it's difficult for verification to be done by the principle on what the agent actions really are and the principal and agent may have different risk attitudes (Angwin 2007). Its central assumption, that human nature is solely self-interested, is just a partial picture of reality. It misses a significant portion of organizational complexity, is demeaning, and potentially harmful (Perrow 1986). Additionally it simplifies agent behavior too much and has only limited application to a specific context, notably US-style environments - and other contextual factors should be considered (Pepper 2012) (Wiseman, Cuevas-Rodriguez, Gomez-Mejia 2012).According to Jenkins et al. (2016) another criticism is the double agency problem where in an organization there exists two agency relationships which create distance between top managers and employees. As the two contracting parties' interests may differ considering these factors, a principal-agent relationship's value is not optimal. (Payne & Petrenko 2019)

### **2.2.2 Resource dependency theory**

In the 1970s the theory emerged from two people Jeffrey Pfeffer and Gerald R Salancik with the publication of, "The External Control of organizations: A Resource Dependence Perspective (Loasby 1979)." Thus, the theory involves the study of how the institution's behavior is affected

by the resources outside of the institution. According to Archibald (2017) the key assumptions include; one the organization must transact with other organizations in the surrounding environment in order to obtain resources which brings in an advantage through the transactions but a disadvantage through the creation of dependencies. Resources needed are scarce, not readily available or under the control of intransigent actors thus organizations can develop strategies to enhance their bargaining power in the environment through political means, diversification of products and services offered or by forming inter-organizational relationships to control and absorb the uncertainty that is prevalent in the environment (Archibald, 2017). Another essential premise is that organizations' behaviors are influenced by their reliance on essential and valuable resources and that their decisions may be explained by their dependency status (Werner 2008). Finally, the organizations are expected to achieve two basic goals: gaining control over resources that decrease their reliance on other organizations and maximizing the reliance of other organizations on themselves (Medcof 2001).

This theory is pertinent to this study because according to Pfeffer (2003), the organizations' motivation was to preserve their survival and autonomy while keeping the organization's exchange relations' stability. As a result, power always took precedence over profits when it came to explaining strategy. The theory has three main points: the social context is crucial; organizations have tactics to increase their independence and pursue authority and preferences not only rationality or efficiency is crucial for understanding an organization's internal and external actions (David & Adam 2010). Non-profit organizations are increasingly operating commercially due to their reliance on funding. They are receiving fewer and fewer government subsidies and resources, which are being diverted to social services, potentially leading to labor market contract competition. As a result, a growing number of non-profit organizations are employing market tactics that were previously reserved for the corporate sector. Resource theory predicts that a firm's behavior including how it treats its stakeholders is predicated on the environmental factors. There are also self-interest assumptions of the firm's behavior towards its stakeholders. The difficulties with resource dependency theory are that its prescriptions and theoretical predictions are inextricably linked. Because strategies like co-opting suppliers by putting them on the board or diversifying would do more harm than good, the prescriptions arising from external control require a lot of modification (David & Adam 2010).



### **2.3 Strategic management practices and funds allocation**

Internationally a study done by Owens, Trudy; Isopi, Alessia; Bougheas, Spiros (2012) on, “How do donors allocate funds to NGOs? Evidence from Uganda,” which employed the survey of 412 NGOs in two waves one in 2002 and 2008. A questionnaire was delivered through interview to the top-level management either a senior representative or a manager in the organization, as well as a structured focus group interview with delegates of the NGO’s beneficiary groups. The key findings were that when allocating funds to NGOs, international donors looked for characteristics that encourage the NGO and its managers to be more efficient, such as the education level of the manager, procedure of hiring, community needs, and whether the NGO follows the requested monitoring and transparency procedures. Local donors, can depend more intensely on information gleaned from local experience and knowledge understanding the motivations of an NGO's pioneer is more important to local contributors than a formal appointment. Contextually the study was based in Uganda while this study will be based in Kenya. Conceptually this study focused solely on what influences both international and local donors when they allocate funds in NGOs while this study focused on whether strategic management practices affect how the internal management of environmental NGOs allocate the funds they have received from donors.

For NGOs to be able to allocate funds efficiently in different projects they have to be sustainable in their operations. In a study done by Okorley and Nkurumah (2012) on “Organizational factors influencing sustainability of local NGOs lessons from a Ghanaian context”; the study used a case study approach and concentrated on the western region of Ghana. Purposive and simple random sampling was administered to select 2 districts from a total population of 17 districts. The key findings were; the availability of funding, material resources of high quality, supportive management, the establishment and roll out of and demand-driven and needs-based programs efficient management can all have a substantial impact on the enduring longevity of local NGOs. Leadership appeared as the most critical aspect in ensuring the sustained existence of local NGOs. Similarly, while all of these factors were important, the least crucial element was the quality and availability of work material resources for local NGO viability. There exists a methodology gap as this study used a case study approach as well as purposive and simple random sampling while this study will use descriptive survey and test the entire identified population of environmental NGOs.

NGOs allocate funds to different projects based on the amounts they receive from donors. In a research article written by Chi and Bump (2018) on “Resource allocation processes at multilateral organizations working in the sector of global health”, which used comparative analysis to identify alternatives and strategies that nine international institutions employed who made up the targeted population. The researchers discovered that resource distribution in all evaluated institutions followed a consistent pattern, which they organized into a five-step framework: definition of the strategy, mobilization of resources, country eligibility, support kind, and money allocation. All of the institutions examined used well-structured and fairly sophisticated methods to make resource allocation decisions. Differences in those procedures appear to reflect institutional values and ambitions. These procedures, however, have significant flaws. Rigidity to account for or meet country needs is one of the technical issues. Despite the fact that aid efficacy and value for money are frequently mentioned, neither performance nor impact was a primary consideration for resource allocation. Non-transparent influence by donors and bureaucrats on allocation processes, as well as the prevalent practice of allocating appropriate funds to avoid the entire predetermined allocation process, were among the political difficulties. Limited transparency and accountability at international institutions, as well as limited participation by impacted persons or their representatives, were all ethical flaws. This study gives some insights on the processes followed by internal management when it comes to resource allocation which is useful when reapplied to this study.

A key local study by Mweta and Musa (2018) researched on, “Assessment of determinants of funds allocation and utilization by NGOs and donor agencies in Kenya,” this study used a descriptive research design with all NGOs operating in Kenya as the target population. Random sampling method was employed by the researcher to select a sample size of 100 NGOs and donor agencies that were divided into different strata. From the analysis of their key findings; the number of years of operation, vulnerability of geographical choice, poverty orientation and reach, inequalities on income and wealth locations and languages, individual GDP allocations, and a country's social economic growth were determined to be major factors of money distributions in NGOs. Restricted development approach, interference from the governments, lack of strategic planning, substandard networking, inadequate funds, poor governance policies, and operational capacity that is wanting were highly rated as the main elements determining allocation to pro-poor development funds by NGOs, according to the results of the assessment of the above-mentioned

factors influencing utilization of development funds by NGOs. Geographic dispersion, bad communication methods, weak relationships with NGOs, the expense of strategic projects, managerial expertise, and a poor NGO council and oversight board were all given a mediocre rating. This study gives an insight on the supply side of donor funds as it delves deeply into understanding what factors are relied upon by donors when they distribute their funds to different NGOs.

In a study by Gongera and Okoth (2013) on, “Utilization of Non-Governmental organization funds in planning and development of primary schools in Mtito-Andei Division, Makueni County, Kenya,” The research was a descriptive survey, and the schools chosen to take part in the study were chosen using systematic sampling.. The study included all the head teachers of the schools that were sampled as respondents. To ensure that respondents of both genders were represented, stratified sampling with proportional allocation was used. After that, simple random sampling was utilized to pick 50 percent of the teachers from the selected schools to participate in the survey as responders. The sorts of primary school development projects determined the amounts the NGO provided for development projects, according to the research’s principal findings. According to the findings of the study, schools collaborated with NGOs throughout the project design stage to make use of NGO financing. The use of NGO money in the planning and development of primary schools was demonstrated by a variety of projects, including the erection of pit latrines, the provision of school uniforms, the construction of water tanks, capacity building and in-service training, to name a few. A few aspects of school expansion that did not seem to draw this kind of cooperation included the construction of classrooms, the provision of desks, and the provision of instructional materials. The context is different as this study focused on utilization of funds in planning and development of primary schools while this study looked at the process of internal allocation of funds and test to see if strategic management practices affect that process.

Research carried out by Katana et en al (2016) on, “Influence of organizational resources on strategy execution in shipping companies in Kenya”, The research design for the study was a cross-sectional survey and the population consisted of the 38 shipping businesses in Kenya as of 2015. On the target demographic of 190 officers from maritime businesses, purposive sampling was utilized. The researchers discovered that the resources of an organization were important in explaining execution of strategy in Kenyan shipping enterprises. Any type of resource is essential

to any company's activities. Human resources, appropriate finance, and technology had all been put in by the companies. Companies gained a competitive advantage by adopting various types of resources, particularly talented human resources. As a result, the average efficacy of execution of strategy in shipping firms varies from organization to organization and these companies should use the best and most efficient resource usage possible. This study emphasized the importance of different resources and its effects on strategic execution in shipping companies thus giving an in-depth insight to one key component of strategic management practices. The study hoped to test if there exists a correlation between all components of strategic management practices and allocation of funds bringing a conceptual difference.

Lastly research done by Kavindu & Kimencu (2020) on, "Resource allocation in strategy implementation and performance of Nairobi City County Government, Kenya"; The research used an explanatory methodology. The observation units consisted of 161 Nairobi City Government employees from ten departments. Using stratified random selection, 114 individuals were selected from the entire population in accordance with the Slovin's Formula sample size calculation. The study main conclusions being that county strategy ensures that resources are distributed to areas with greater strategic need. Furthermore, the county administration employed highly qualified personnel and failed to allocate resources to its departments on a timely basis. It was also discovered that the tasks delegated to county administrations are not backed by the resources required to facilitate their implementation. This study attempted to align resource allocation and strategy implementation but it limited it to the performance of the Nairobi City County however the study hoped to establish if there is a direct influence between strategic management practices and allocation of funds in environmental NGOs.

## **CHAPTER THREE - RESEARCH METHODOLOGY**

### **3.1 Research Design**

This study utilized a descriptive survey design. This approach was most suitable for gathering descriptive information of the selected NGOs in Nairobi, Kenya because of its broad application in planning, monitoring, and evaluating policies (Dawson & Catherine, 2002). Besides, Cooper & Schindler (2004) and Mugenda & Mugenda (2003) recommends use of descriptive study to be more appropriate in covering the questions that do not require control over events including questions that ask who, what, where, when and how a phenomenon is, which is the main concern of this study. Descriptive survey design was preferred in This study ensured accurate and high-quality data collection by allowing the researcher to gather information from the respondent's natural environment. It also allowed data analysis to; draw concrete conclusions about the respondents, understand how they respond to specific variables and validate existing conditions. Moreover, the approach compared to observation and experimental methods will be faster and of low cost (Kumar & Ranjit, 2005).

### **3.2 Target population**

According to Mugenda and Mugenda (2003), the entire group or set of people, events or objects that the researcher wishes to draw conclusions of the research is defined as a target population. Thus, the study's population was made up of of all 52 of the environmental NGOs which are accredited to the United Nations Environment Programme (UNEP) as at August 2021. The target population was the managers working in the environmental NGOs.

### **3.3 Data collection instruments and procedure**

Primary data was accumulated via a semi structured online questionnaire. The questionnaire had three sections; the first section had the organization's characteristics, the second part strategic management practices and the third section focused on allocation of funds in environmental NGOs. The researcher will receive a letter of introduction from the university to be shared with the environmental NGOs alongside the online questionnaire to be prepared by the researcher. The two will be shared via the email to the management of the environmental NGOs.

### 3.4 Data analysis and presentation

The quantitative data was analyzed using descriptive statistics such as frequencies, measures of central tendency, standard deviation, and percentages, as well as inferential statistics such as multiple linear regression to test if a relationship between dependent and independent variables existed. Statistical tools such as Microsoft Excel and the Statistical Package for Social Sciences (SPSS) computer software will be used to do this. Bar graphs, pie charts, figures and tables will be used to illustrate the analyzed data. The following regression model was applied to establish the relation between strategic management practices and the allocation of funds.

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Where;

$Y$  = allocation of funds in environmental NGOs in Nairobi (dependent variable).

$X_1$  = strategic management practices (independent variable).

$\beta_0$  = the y- intercept when all independent variables are equal to zero.

$\beta_1$  = regression coefficient.

$\varepsilon$  = error term.

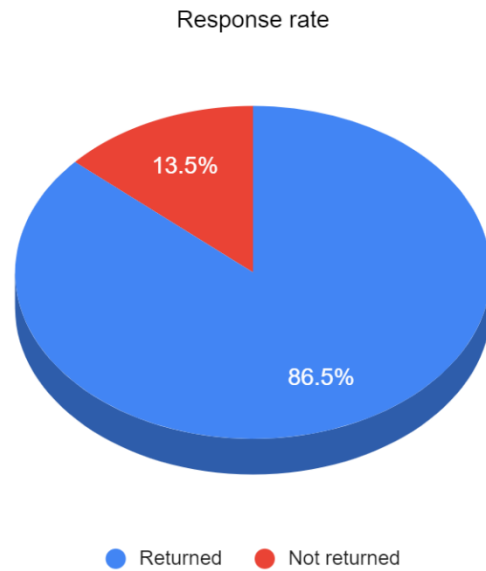
## CHAPTER FOUR - DATA ANALYSIS, FINDINGS AND DISCUSSIONS

### 4.1 Introduction

This section consists of data analysis, findings and discussion from the analysis of data obtained using structured questionnaires. Tables, charts and graphs have been used to represent the results from descriptive analysis using Microsoft Excel and Statistical Package for Social Sciences

### 4.2 Response rate

This study targeted all 52 environmental NGOs in Nairobi City County in Kenya which are accredited to the United Nations Environmental Programme (UNEP) for data collection with the main aim of determining the influence of strategic management practices on the allocation of funds in environmental NGOs. This research had 87% response rate as 45 out of 52 organizations gave a response as shown below



*Figure 4.1 Response rate*

The findings correspond with Mugenda and Mugenda (2013), who advised a response rate of more than 70% as excellent, so further data analysis was permitted.

### 4.3 General Information

This section provides general information about the NGO, such as the name of the organization, the number of employees, the location of operations, and the absence or presence of a strategic management department.

#### 4.3.1 Years in operation

This reflects the duration the NGOs have been in operation as shown in table 1 below. The assumption is the NGOs with long periods of operation are experienced and are able to respond to questions by providing requisite information based on their vast knowledge and are more conversant with the strategic choices used.

**Table 4.1: Years in operation for the NGO**

Years of operation	Frequency	Percentage
0-5	5	11.1
5-10	6	13.3
10-15	7	15.6
above 15 years	27	60.0
Total	45	100.0

**Source: Researcher, 2022**

The outcomes in table 4.1 showed that 60% of the NGOs had been in operation for more than 15 years 15.6 % have been in operation between 10-15 years, 13.3% having been in operation between 5- 10 years and only 11% having been in operation for less than 5 years. This reflects that over 60% of the respondents have been in the NGO environmental sector for over 15 years and assuming all other factors are held constant, they are considered very familiar with events in the environmental NGO sector concerning the research subject area.



### 4.3.2 Number of employees

The study participants were queried on how many employees they had in their organizations, and the outcomes are shown in figure 4.2 below. The study outcomes revealed that more than half of the NGOs had employees ranging from 0 to 50, implying a limited workforce contributed to NGOs running in a volatile environment; less than 12% of the NGOs had employees exceeding 150. Employees are a crucial element in the execution of a given strategy seeing as they act as carriers of routines, behavioral values, patterns and traditions, that are vital in supporting the NGOs strategic management practices.

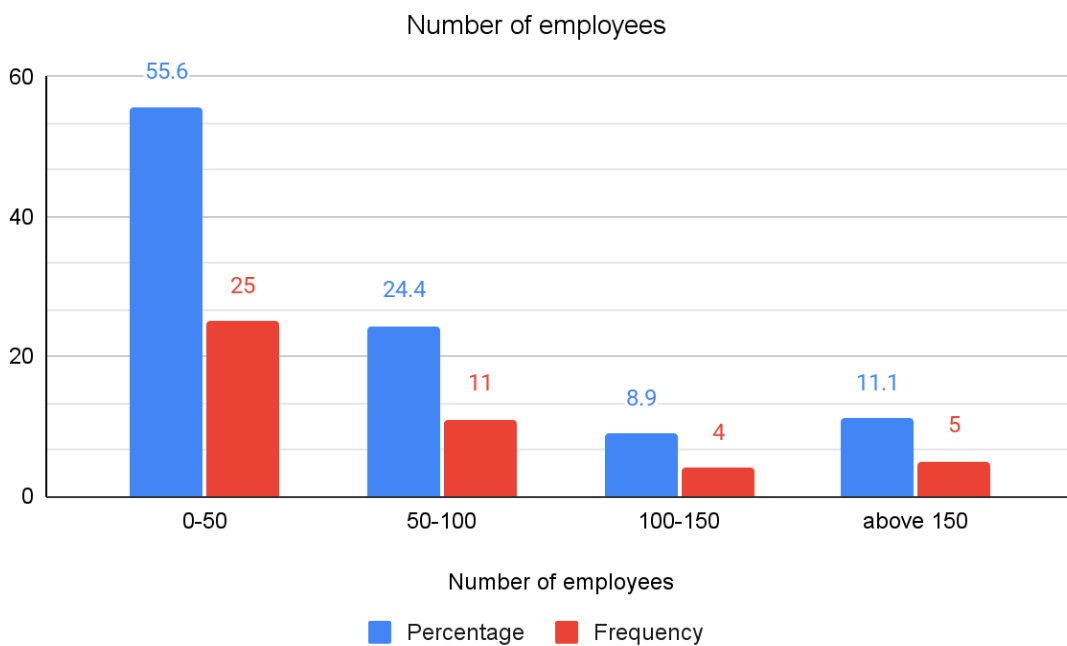
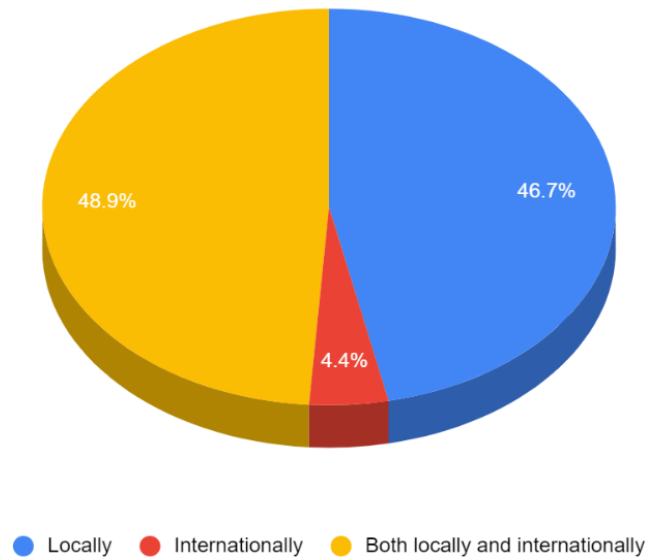


Figure 4.2 Number of employees

### 4.3.3 Location of operations

The findings for the location of operation of the NGOs are shown in figure 4.3 below. The finding indicated that 48.9% had a mix of both locally and internationally, 46.7% operated locally while only 4.4 % were exclusively in the international market.

Where do you carry out operations

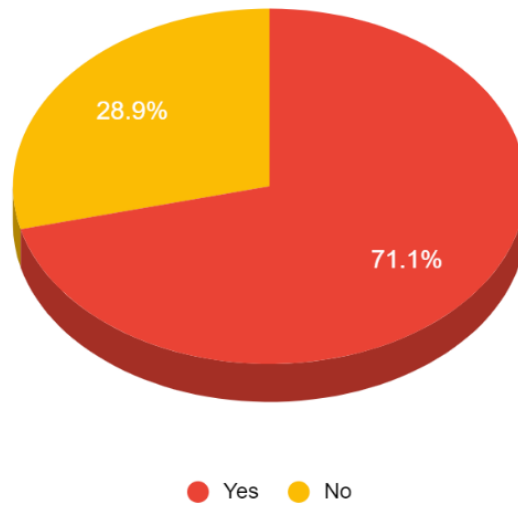


*Figure 4.3 Location of operations*

#### **4.3.4 Presence or absence of strategic management department**

The respondents were asked if their NGO had a strategic management department. The outcomes are shown in figure 4.3 below. They indicated that over 70% had an established strategic management department. This implied their ability to survive amidst the turbulent and ever-changing external environment in which NGOs operate. This relates to NGOs being faced with an increasingly competitive environment and donors' increased demand for accountability of the resources given.

Is there a strategic management department

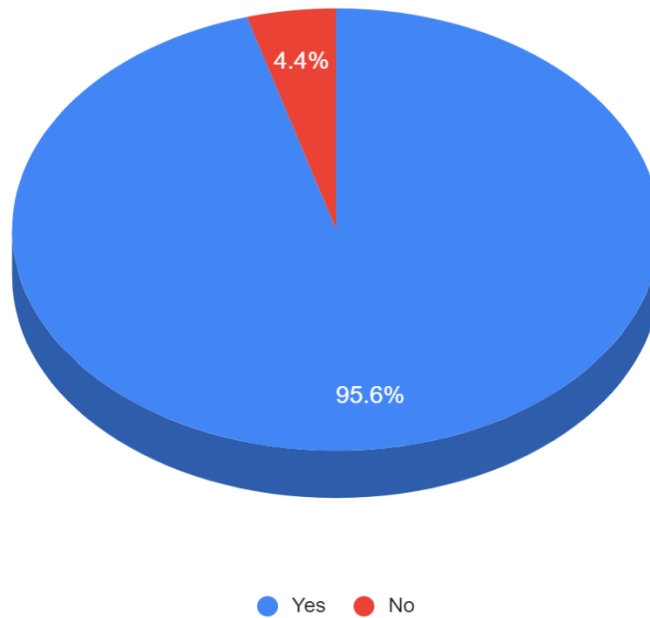


*Figure 4.4: Presence of strategic management department*

#### **4.3.5 Awareness of strategic management practices in your NGO**

The results for the awareness of strategic management practices amongst the NGOs are shown in figure 4.5 below. They indicated that more than 90% of the respondents in the NGOs were aware of the different strategic management practices adopted in their organization. This indicated the significance of strategic management practices for the survival of NGOs

Are you aware of the strategic management practices adopted in your NGO



*Figure 4.5: Awareness of strategic management practices adopted in the NGO*

#### **4.4 Strategic management practices**

This section intended to identify strategic management practices among environmental non-governmental organizations. The respondents attested to their familiarity with strategic management practices. The study's overarching intention was to test the influence of strategic management practices and the allocation of funds in environmental NGOs in Nairobi, Kenya, with the goal of establishing strategic management practices adopted by the NGOs. These are covered in detail in the various subsections.

##### **4.4.1 Strategic management practices importance**

The first goal sought to understand the perceived importance of strategic management practices adopted by environmental NGOs in Nairobi Kenya. This was achieved by asking the respondent the extent to which they would rate the importance of the four key aspects of strategic management practices (strategy implementation, environmental scanning, monitoring and evaluation, strategy

formulation,) using a Likert scale that ranged from not at all to very great extent. The outcomes are presented in table 4.2 below.

**Table 4.2: Importance of strategic management practices adopted by environmental NGOs in Nairobi County, Kenya.**

<b>Strategic management practices</b>	<b>N</b>	<b>Mean</b>	<b>SD</b>
Environmental scanning	45	3.533	0.968
Strategy formulation	45	3.756	0.857
Strategy implementation	45	3.956	0.824
Strategy monitoring and evaluation	45	4.178	0.777
<b>Overall</b>	<b>45</b>	<b>3.856</b>	<b>0.7566</b>

**Source: Researcher, 2022**

The results indicated that all environmental NGOs in this study had environmental scanning with a mean of 3.533 and SD of 0.968, strategy formulation with a mean of 3.756 and SD of 0.857, strategy implementation with a mean of 3.956 and SD of 0.824 and monitoring and evaluation with a mean of 4.178 and SD of 0.777. The overall mean was 3.856 implying that the listed tasks were important to the environmental NGOs to a great extent

#### **4.5 Strategy management adoption**

The second goal quested to test the adoption of strategic management practices by environmental NGOs in Nairobi County. This was achieved by questioning the respondents the extent to which they agreed with various statements concerning strategy formulation, implementation, monitoring and evaluation. These are discussed in the following subsections.

##### **4.5.1 Strategy formulation**

The respondents indicated their level of agreement with the statements identified about strategy formulation. A five-point Likert scale was used to measure where 1 represented 'never use' and 5 represented 'every time'. The study results are indicated in table 4.3 below.

**Table 4.3: Strategy formulation**

<b>Strategy formulation</b>	<b>Mean</b>	<b>SD</b>
The organization develops strategies through formal meetings	3.7778	0.886
The organization develops strategies through both formal and informal meetings	3.2000	0.883
The organization has set aside sufficient resources for strategy formulation	3.7333	0.720
The organization has partaken in capacity development for the employees and stakeholders involved in strategy formulation	3.4667	0.843
The organization has created a good fit between the external and internal environment during strategy formulation	3.6000	0.780
The organization has a dedicated strategy formulation committee	3.3333	0.936
The organization involves donors in strategy formulation	2.4667	0.927
The organization involves the government in strategy formulation	2.2444	0.889
<b>Overall</b>	<b>3.3683</b>	<b>0.8536</b>

**Source: Researcher, 2022**

Using the scoring range of the Likert scale statements with a mean between 3.40 and 4.20 fall in the almost every time category (4th point in the Likert scale). Thus, from the research findings the NGOs almost every time; develops strategies through formal meetings (Mean 3.7778, SD 0.886) set aside sufficient resources for strategy formulation (Mean 3.7333, SD 0.720), has created a good fit between the external and internal environment during strategy formulation (Mean 3.6000, SD 0.780) and partakes in capacity development for the employees and stakeholders involved in strategy formulation (Mean 3.4667, SD 0.843). Using the scoring range of the Likert scale statements with a mean between 2.60 and 3.40 fall in the occasionally category (3rd point in the Likert scale) Thus the NGOs occasionally; develop strategies through both formal and informal meetings (Mean 3.2000, SD 0.883) and have a dedicated strategy formulation committee (Mean 3.3333, SD 0.936). Lastly, using the scoring range of the Likert scale statements with a mean between 1.8 and 2.60 fall in the almost never category (2nd point in the Likert scale) thus the NGOs almost never involve donors in strategy formulation (Mean 2.4667, SD 0.927) and the government in strategy formulation (Mean 2.244, SD 0.889). The overall mean is 3.3683 which is between 2.60 and 3.40 thus falls in the

occasionally category (3rd point in the Likert scale). This means from the research findings; the NGOs occasionally carry out the highlighted activities during strategy formulation.

#### 4.5.2 Strategy implementation

The respondents specified to which level they agreed with the statements identified about strategy implementation. A five-point Likert scale was used to measure where 1 represented 'never use' and 5 represented 'every time'. The outcomes are displayed in table 4.4 below.

**Table 4.4: Strategy implementation**

<b>Strategy implementation</b>	<b>Mean</b>	<b>SD</b>
The organization has a strategic implementation plan	3.7778	0.823
The organization has clearly defined implementation deadlines	3.7556	0.712
The organization has set aside sufficient resources to meet strategy implementation	3.6444	0.769
The organization has partaken in capacity development for the employees and stakeholders involved in strategy implementation	3.4667	0.815
The organization has aligned its strategy implementation to its capabilities and available resources	3.6000	0.860
The organization involves donors in strategy implementation	3.3111	0.747
The organization involves the government in strategy implementation	3.6222	0.857
<b>Overall</b>	<b>3.5968</b>	<b>0.7976</b>

**Source: Researcher, 2022**

Using the scoring range of the Likert scale statements with a mean between 3.40 and 4.20 falls in the almost every time category (4th point in the Likert scale). Thus from the research findings the NGOs; almost every time had a strategic implementation plan (Mean 3.7778, SD 0.823), had clearly defined implementation deadlines (Mean 3.7556, SD 0.712), set aside sufficient resources to meet strategy implementation (Mean 3.6444, SD 0.769), involved the government in strategy implementation (Mean 3.6222, SD 0.857), aligned its strategy implementation to its capabilities and available resources (Mean 3.6000, SD 0.860) partook in capacity development for the

employees and stakeholders involved in strategy implementation (Mean 3.4667, SD 0.815). Using the scoring range of the Likert scale statements with a mean between 2.60 and 3.40 fall in the occasionally category (3rd point in the Likert scale) Thus the NGOs occasionally involved donors in strategy implementation (Mean 3.3111, SD 0.747). The overall mean is 3.5968 which is between 3.40 and 4:20 thus falls in the almost every time category (4th point in the Likert scale). This means from the research findings; the NGOs almost every time carry out the highlighted activities during strategy evaluation.

### 4.5.3 Strategy monitoring and evaluation

The respondents indicated to which level they agreed with the statements identified about strategy monitoring and evaluation. A five-point Likert scale was used where 1 represented 'never use' and 5 represented 'every time'. The outcomes are shown in table 4.5 below.

**Table 4.5: Strategy monitoring and evaluation**

<b>Strategy monitoring and evaluation</b>	<b>Mean</b>	<b>SD</b>
The organization has developed processes and systems for evaluation and control	3.6000	0.747
The organization gathers information from the environment to guide it strategy evaluation and control	3.5111	0.618
The organization has laid out policies that guide corrective measures during strategy formulation	3.5778	0.661
Evaluation and control are a continuous process for the organization	3.5111	0.723
The organization has partaken in capacity development for the employees and stakeholders involved in strategy evaluation and control	3.4444	0.659
The organization has laid down control measures to guide conformity with the strategy	3.4667	0.659
The organization is able to map out the key threats to the allocation of funds through the strategy evaluation process	3.3778	0.694
<b>Overall</b>	<b>3.4984</b>	<b>0.6801</b>

**Source: Researcher, 2022**



Using the scoring range of the Likert scale statements with a mean between 3.40 and 4:20 falls in the almost every time category (4th point in the Likert scale). Thus from the research findings the NGOs almost every time; developed processes and systems for evaluation and control (Mean 3.6000, SD 0.747), laid out policies that guide corrective measures during strategy formulation (Mean 3.5778, SD 0.661), gathered information from the environment to guide it strategy evaluation and control (Mean 3.5111, SD 0.618), carried out continuous evaluation and control (Mean 3.5111, SD 0.723), partook capacity development for the employees and stakeholders involved in strategy evaluation and control (Mean 3.4444, SD 0.659) and laid down control measures to guide conformity with the strategy (Mean 3.4667, SD 0.659). Using the scoring range of the Likert scale statements with a mean between 2.60 and 3.40 fall in the occasionally category (3rd point in the Likert scale) thus occasionally the NGOs; were able to map out the key threats to the allocation of funds through the strategy evaluation process (Mean 3.3778, SD 0.694). The overall mean is 3.4984 which is between 3.40 and 4:20 thus falls in the almost every time category (4th point in the Likert scale). This means from the research findings; the NGOs almost every time carry out the highlighted activities during strategy monitoring and evaluation.

#### 4.6 NGOs Allocation of Funds

The NGOs respondents were queried the extent they agreed with different statements that attempted to describe how the NGOs allocated funds. The answers were based on a 5-point Likert scale where 1 represented ‘agree’ and 5 represented ‘strongly disagree’. The outcomes are displayed in table 4.6 below.

**Table 4.6: Allocation of funds**

<b>Allocations of funds</b>	<b>Mean</b>	<b>SD</b>
The feasibility of a project affects the amount allocated for implementation	4.0889	0.793
The capacity and ability to implement the project affects the amount allocated to different projects	3.6889	1.041
Total funds received are allocated to direct costs of implementing projects and the NGO has to cover the peripheral costs. (Takes into account the cost of the NGO's support services and other overhead costs.)	3.3778	1.048
For NGOs to be able to allocate funds efficiently in different projects they have to be sustainable in their operations	3.8667	1.014

NGOs allocate funds to different projects based on the amounts they receive from donors	3.9111	1.019
NGO program implementation strategies have been redesigned to consist of cost-recovery elements wherein program participants contribute a portion, if not all, of the program costs.	3.7111	1.036
Because they lack the authority to decide how the money is spent, NGOs simply carry out the wishes of the donors.	2.6667	1.261
NGOs consider all available funding options and select the most appropriate funding mix that is consistent with their mission and goals	3.7111	0.944
There is increased demand for complete accountability of NGOs resources from donors and the need for strategic management practices when allocating the scarce funds received.	3.8667	0.757
A portion of your funds is allocated to purchase tangible assets.	3.2667	0.986
A portion of your funds is allocated to administration costs	3.4889	1.014
A portion of your funds is allocated to project costs	3.7111	0.787
A portion of your funds is allocated to local staff costs	3.8889	0.643
A portion of your funds is allocated to international staff costs	3.2889	1.160
A portion of your funds is allocated to running costs.	3.7556	0.743
<b>Overall</b>	<b>3.6193</b>	<b>0.9497</b>

**Source: Researcher, 2022**

Using the scoring range of the Likert scale statements with a mean between 3.40 and 4.20 fall in the agreed category (4th point in the Likert scale). Thus from the research outcomes the NGOs agreed with the following statements: that the feasibility of a project affects the amount allocated for implementation (Mean 4.0889, SD 0.793), NGOs allocate funds to different projects based on the amounts they receive from donors (Mean 3.9111, SD 1.019), a portion of their funds is allocated to local staff costs (Mean 3.8889, SD 0.643), for NGOs to be able to allocate funds efficiently in different projects they have to be sustainable in their operations (Mean 3.8667, SD 1.014), there is increased demand for complete accountability of NGOs resources from donors and the need for strategic management practices when allocating the scarce funds received. (Mean 3.8667, SD 0.757) portion of their funds is allocated to running costs (Mean 3.7556, SD 0.743) NGO program implementation strategies have been redesigned to consist of cost-recovery elements wherein program participants contribute a portion, if not all, of the program costs (Mean

3.7111, SD 1.036), NGOs consider all available funding options and select the most appropriate funding mix that is consistent with their mission and goals (Mean 3.7111, SD 0.944) a portion of their funds is allocated to project costs (Mean 3.7111, SD 0.787) the capacity and ability to implement the project affects the amount allocated to different projects (Mean 3.6889, SD 1.041) a portion of their funds is allocated to administration costs (Mean 3.4889, SD 0.787) and a portion of their funds is allocated to purchase tangible assets (Mean 3.4889, SD 1.014). Using the scoring range of the Likert scale statements with a mean between 2.60 and 3.40 fall in the neither agree or disagree category (4th point in the Likert scale) Thus the NGOs neither agree nor disagree with the following statements: total funds received are allocated to direct costs of implementing projects and the NGO has to cover the peripheral costs. (Includes the cost of support services and other overhead expenses incurred by the NGO.) (Mean 3.3778, SD 1.048), a portion of their funds is allocated to international staff costs (Mean 3.2889, SD 1.160), a portion of their funds is allocated to purchase tangible assets (Mean 3.2667, SD 0.986). Using the scoring range of the Likert scale statements with a mean between 1.80 and 2.60 falls in the disagree category (2nd point in the Likert scale) The NGOs disagreed with the statement that they lack the authority to decide how the money is spent and simply carry out the wishes of the donors which had a Mean of 2.6667, SD of 1.261. The overall mean was 3.6193 which is between 3.40 and 4:20 thus falls in the agree category (4th point in the Likert scale). This means from the research findings; the NGOs agree with the shared statements on the allocation of funds.

#### **4.7 Strategic Management Practices and Allocation of Funds**

This section sought to assess the influence of strategic management practices on the allocations of funds in environmental NGOs in Nairobi City County in Kenya. To achieve this, regression analysis was adopted by the researcher and the results are as shown below;

##### **4.7.1 Regression Analysis**

**Table 4.7: Regression Analysis**

<b>Regression Statistics</b>	
Multiple R	0.534
R-Squared	0.286

Adjusted R-Squared	0.269
Standard error	0.35606
Observations	45
The Durbin Watson Statistic	1.841

**Source: Researcher, 2022**

- . Predictors: (constant) Environmental NGOs strategic management practices
- a. Dependent variable: Allocation of funds in environmental NGOs in Nairobi

Table 4.6 shows the regression analysis summary. The R value of 0.534 shows that there is a strong and positive correlation between strategic management practices and allocation of funds in environmental NGOs in Nairobi Kenya. The R-Squared value of 0.286 which is about 28.6% of allocation of funds in environmental NGOs in Nairobi, Kenya is explained by the implemented strategic management practices. While 71.4 % is captured by the error term as a result of other factors that are not in the model. This demonstrates the model's has a poor fit. The Adjusted R-Squared of 0.269 which is about 26.9 % of allocation of funds in environmental NGOs in Nairobi, Kenya is explained by the implemented strategic management practices. While 73.1 % is captured by the error term as a result of other factors that are not in the model. This demonstrates the model's has a poor fit. The Durbin Watson Statistic 1.841 indicates a positive autocorrelation.

#### 4.7.2 ANOVA Results

**Table 4.8: ANOVA of the Regression**

Model		Sum of Squares	df	Mean Square	F	Sig,
1	Regression	2.180	1	2.180	17.195	<.001
	Residual	5.452	43	.127		
	<b>Total</b>	<b>7.632</b>	<b>44</b>			

**Source: Researcher, 2022**

- . Dependent Variable: Allocation of funds in environmental NGOs in Nairobi
- a. Predictors: (Constant), Environmental NGOs strategic management practices

Table 4.7 presents ANOVA of the regression where the significant value was 0.001 which is less than 0.005. As a result, the model was statistically significant. The model could be used to predict the correlation between strategic management practices and fund allocation in environmental NGOs in Nairobi, Kenya.. From the model it was further found that the F critical of 2.180 was less than the F calculated 17.195 and thus the model was statistically significant.

#### 4.6.3 Coefficient of determination

**Table 4.9: Coefficient of determination**

Model		Unstandardized coefficients		Standardized coefficients	t	Sig,
		B	Std error	Beta		
1	(Constant)	1.9070	0.421		4.536	<.001
	Strategic management practices	0.495	0.119	0.634	4.147	<.001

Dependent variable: Allocation of funds in environmental NGOs in Nairobi

**Source: Researcher 2022**

Table 4.8 provides the Coefficient of determination where simple linear regression analysis was undertaken to determine the influence of strategic management practices and allocation of funds in environmental NGOs in Nairobi Kenya. According to SPSS the following equation was generated.

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

Becomes

$$Y = 1.9070 + 0.495X_1 + \varepsilon$$

From the regression taking the independent variable at constant (strategic management practices) and allocation of funds in environmental NGOs in Nairobi Kenya was 1.970. The data finding indicated that holding other variables at constant zero, a unit increase in strategic management practices led to a 0.495 increase in the allocation of funds in environmental NGOs in Nairobi Kenya.

At a 5% level of significance and 95% level of confidence there was an influence of strategic management practices and allocation of funds in environmental NGOs in Nairobi Kenya.

#### 4.8 Inferential analysis of strategic management practices and NGOs allocation of funds

This study sought to establish the influence of strategic management practices on the allocation of funds. To achieve this Pearson correlation analysis at 99% and 95% confidence interval was used. The results are shown in table 4.9 below.

**Table 5.0: Pearson Correlation**

	Allocation of funds	
	Pearson correlation	Sig. (2 tailed)
Strategic management practices	1	<.001
Allocation of funds	0.534*	

\* Correlation is significant at the 0.01 level (2- tailed) Source: Researcher, 2022

The results indicated a significant positive good relationship between strategic management practices and allocation of funds in environmental NGOs with P values of less than 0.01 ( $P < 0.001$ )

#### 4.9 Discussions of findings

This chapter aimed at presenting the findings and analyzing such findings for the study which quested to determine the influence of strategic management practices on the allocations of funds in environmental NGOs in Nairobi City County in Kenya. From the findings it was established that the strategic management practices (strategy formulation, environmental scanning, monitoring and evaluation , strategy implementation) are important to the environmental NGOs. The above mentioned aspects had an overall mean of 3.856 on the Likert scale implying that the NGOs to a great extent recognized their importance

The regression analysis conducted revealed that strategic management practices had a positive influence on the allocations of funds in environmental NGOs in Nairobi City County in Kenya. This finding was in line with Johnson and Scholes (2002) who described strategic management

practices as a tool that enabled managers to have a blueprint of the organization achieving its advantages through reconfiguration of its resources amidst the turbulent and changing environment as well as Kemboi (2011) who established that strategic management was crucial to how the company allocated its resources especially at the strategy implementation stage where both financial and non-financial resources are allocated to the institution's activities and projects that are intended to be completed. This study also provides sufficient evidence against Temba (2019), who viewed strategic management practices as being mostly applicable to client or market focused organizations, as despite being resource focused, NGOs are being asked by donors to use strategic management practices to allocate the limited resources received and to provide comprehensive accountability for their use. Sameha (2019) discovered that strategic management practices had a direct impact on access to donor funding, which determined the amount of resources available to NGOs in their projects.

Finally, this research agreed with the above mentioned studies of Johnson and Scholes (2002), Kemboi (2011), Sameha (2019) and concluded that the adoption of strategic management practices increased the allocation of funds to environmental NGOs to a moderate extent. According to Johnson and Scholes (2002), the soaring in the number of NGOs, combined with the decrease in the number of resources, necessitates the adoption of better strategic management practices in order to survive in an ever-changing environment. Thus, NGOs should be cautious not to over allocate resources for fear of wasting scarce resources, while under allocating resources would stifle strategic implementation.

## **CHAPTER FIVE - SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This section presents the summary of findings, conclusions, recommendations, limitations and areas of further research as drawn from the objective of the study. The main objective of the study was to assess the influence of strategic management practices on the allocations of funds in environmental NGOs in Nairobi City County in Kenya.

### **5.2 Summary of findings**

Environmental NGOs in Nairobi County, Kenya found it beneficial to have strategic management practices in the allocation of funds due to a growing number of NGOs and competitiveness of the limited resources. NGOs are now employing market tactics that were previously reserved for the corporate sector. The study quested to assess the influence of strategic management practices on the allocation of funds in environmental NGOs in Nairobi City County in Kenya.

The research findings concluded that over 71.1% (around 32 NGOs) of the environmental NGOs had an established strategic management department. This implied their ability to survive amidst the turbulent and ever-changing external environment in which NGOs operate. This relates to NGOs being faced with an increasingly competitive environment and donors' increased demand for accountability of the resources given. It was also established that 95% (43 NGOs) of the respondents in the NGOs were aware of the different strategic management practices adopted in their organization. This indicated the importance of strategic management practices for the survival of NGOs.

The study additionally found that the four key aspects of strategic management practices (strategy formulation, environmental scanning, monitoring and evaluation , strategy implementation) were rated as important to a great extent by the environmental NGOs in Nairobi Kenya using a 5-point Likert scale. In terms of adoption of the abovementioned strategic management practices; almost every time the strategy formulation of the NGOs was done through formal meetings, NGOs handcrafted strategic implementation plans with clear deadline, sufficient resources had been set aside for the formulation and implementation process, a good fit was established between the external and internal environment for strategy formulation and capacity building was done for the



employees and other stakeholders involved in the formulation, implementation and monitoring and evaluation processes. The NGOs additionally developed processes and systems for evaluation and control, had laid out policies for corrective measures during formulation and carried out continuous evaluation and control. However, donors and the government were almost never not involved in strategy formulation but were occasionally involved in implementation and monitoring and evaluation

In terms of allocation of funds from the research it was agreed that feasibility of projects affected the amounts allocated for implementation of different projects for the NGOs, there was an increased demand for accountability of NGOs resources from the donors and the need for strategic management practices when allocating the scarce funds received and NGO program implementation strategies have been redesigned to consist of cost-recovery elements wherein program participants contribute a portion, if not all, of the program costs. The NGOs disagreed that they lack the authority to decide how the money is spent and simply carry out the wishes of the donors. Showing that NGOs still have some authority when it tends to come to making decisions of projects selection and implementation.

Lastly based on the result of the Pearson correlation which indicated a significant positive good correlation between strategic management practices and allocation of funds in environmental NGOs with P values of less than 0.01 ( $P < 0.001$ ) and the data finding of regression analysis indicated that holding other variables at constant zero, a unit increase in strategic management practices led to a 0.495 increase in the allocation of funds in environmental NGOs in Nairobi Kenya at a 5% level of significance and 95% level of confidence. It can thus be concluded that strategic management practices influence allocation of funds in environmental NGOs

### **5.3 Conclusions**

The findings of this research uncovered that the majority environmental NGOs had an established strategic management department and the four key aspects of strategic management practices ( strategy formulation environmental scanning, strategy implementation, monitoring and evaluation) were rated as important to a great extent by the environmental NGOs in Nairobi Kenya. Strategic management practices, according to Johnson and Scholes (2002), are a tool that enables managers to have a blueprint of the institution above the long-term objectives, thereby achieving its

advantages through realignment of its resources in the midst of a turbulent and changing environment. Other scholars including Gitutha (2014), Mugambi (2003) and Njenga (2006) have shown the presence and importance of strategic management practices in various NGOs of their study.

According to the resource dependency theory organizations' motivation was to preserve their survival and autonomy while keeping the organization's exchange relations' stability. (Pfeffer 2003) The institutions have tactics to increase their independence and pursue authority and preferences not only rationality or efficiency is crucial for understanding an organization's actions both internally and externally (David & Adam 2010). NGOs are receiving fewer and fewer government subsidies and resources, as a result, a growing number of non-profit organizations are employing market tactics that were previously reserved for the corporate sector hence the need for strategic management practices in the NGOs operations

Lastly it can be postulated that the adoption of strategic management practices enhanced environmental NGOs allocation of funds to a moderate extent. Resources needed are limited and difficult to come by or under the control of uncooperative actors thus organizations can develop strategies to enhance their bargaining power in the environment (Archibald, 2017) Organizations' behaviors are influenced by their reliance on essential and significant resources and that their decisions may be explained by their dependency status (Werner 2008) Johnson and Scholes (2002) state that the increase of NGOs coupled with the decrease in number of resources call for adoption of better strategic management practices for survival in an ever-changing environment.

#### **5.4 Recommendations**

In Kenya, there has also been an expansion in the number of NGOs, which has boosted competition for donor funds. As a result, funders are increasingly demanding comprehensive accountability for their resources, as well as strategic management methods when allocating the limited monies available (Johnson & Scholes, 2002). Thus, this research recommends that the NGOs should have a well-established strategic management department with adequate personnel for effective strategy formulation, implementation, monitoring and evaluation for the increase in donors' trust and increase the total funds that could be allocated to the specific NGOs by donors.

From the findings NGOs allocate funds to different projects based on the amounts they receive from donors; some funds go to local staff costs, running costs, project costs, administration costs and purchase of tangible assets. NGO program implementation strategies have been redesigned to consist of cost-recovery elements wherein program participants contribute a portion, if not all, of the program costs. Thus, the study also recommends that when NGOs allocate finances to execute their operations, its managers must analyze all available financing possibilities and select the most acceptable funding mix, just as they must establish which key activities and execution tactics are most suited to their mission and goals

From the study it was established that donors and the government were almost never not involved in strategy formulation but were occasionally involved in implementation and monitoring and evaluation. This research recommends the NGOs should involve the two stakeholders for the better formulation and implementation of the strategies. NGOs rely heavily on funding from donors in form of private donations from wealthy individuals, grants from organizations, philanthropic foundations and crowdfunding. Government affects the allocation through legislature that is related to labor, pollution, and operational licenses which may require the NGOs to allocate more funds to meet this requirement.

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

The researcher faced some challenges in securing appointments and receiving timely feedback attributes to the working from home due to Covid 19 protocols still in place. Some respondents were reluctant to complete the questionnaires citing NGOs and personal reasons despite assurances that it was for academic purposes only and confidentiality was maintained. Moreover, there could be limitations of measurement that are common in social sciences attributed to change of respondents' perceptions with time and with regard to different personalities. Some of the respondents could give biased and insincere responses.

The results of this study were limited to environmental NGOs situated in Nairobi County. Therefore, the outcomes could not be generalized to relate to other similar NGOs outside the region and outside the sector i.e., non-environmental NGOs

## **5.5 Area of further research**

Based on the above limitations, investigations of strategic management practices and allocation of funds of other NGOs had not been investigated thus further studies could be done to enable the generalization of such results to the NGOs. Given that the current environment in which NGOs operate are faced with great turbulence due to the expansion in the number of NGOs, which has boosted competition for donor funds. As a result, funders are increasingly demanding comprehensive accountability for their resources, as well as strategic management methods when allocating the limited monies available. Thus, a further study should be performed to determine the impact of donor financing and sustainability of NGOs amidst a turbulent and ever-changing environment. Moreover, further research should be done to investigate the reasons behind the strategic management practices and allocation of funds among other NGOs in different sectors and state corporations. The researchers should seek to focus on the criteria for sustainable donor funding to the NGOs and government ministries. Lastly research should be conducted to evaluate the relationship of pre-funding and post-funding allocation of funds in NGOs.

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## APPENDICES

### APPENDIX I : INTRODUCTION LETTER



**UNIVERSITY OF NAIROBI**  
**COLLEGE OF HUMANITIES & SOCIAL SCIENCES**  
**FACULTY OF BUSINESS AND MANAGEMENT SCIENCES**

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P.O. Box 30197  
Nairobi, KENYA

12 November 2021

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

**INTRODUCTORY LETTER FOR RESEARCH**  
**KITUMA MAGDALENE MWENDE – REGISTRATION NO.D61/12135/2018**

This is to confirm that the above named is a bona fide student in the Master of Business Administration degree program in this University. She is conducting research on "*Influence of Strategic Management Practices on The Allocations of Funds in Environmental NGOs in Nairobi City County in Kenya.*"

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the research project. The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your assistance will be highly appreciated.

Thank you

  
Jane Muturi  
For: MSc Human Resource Management Co-Ordinator,  
School of Business

WN/jkm

## APPENDIX II - QUESTIONNAIRE

I am working on an academic research project titled, Influence of strategic management practices on the allocation of funds in environmental Non-Governmental Organization in Nairobi City County, Kenya. If you could please answer the following questions, it would be greatly appreciated.

Your responses will remain anonymous and be used only for academic purposes.

### SECTION ONE

#### ORGANIZATIONAL CHARACTERISTICS

1. Name of the organization -----
2. How long has the organization been in operation?  
 0-5 years  
 5-10 years  
 10-15 years  
 Above 15 years
3. How many employees do you have?  
 0-50  
 50- 100  
 100- 150  
 Above 150
4. Where do you carry out your operations?  
 Locally  
 Internationally  
 Both
5. Does your NGO have a strategic management department?  
 Yes  
 No

**SECTION TWO**

**STRATEGIC MANAGEMENT PRACTICES**

6. Are you aware of the strategic management practices adopted in your NGO?

Yes

No

7. To what extent do you rate the importance of following the components of strategic management practices in your organization? (Please tick the most appropriate)

1=Not at all

2=Little extent

3= Moderate extent

4= Great extent

5 =Very great extent

<b>Strategic management practice components</b>	1	2	3	4	5
Environmental scanning					
Strategy formulation					
Strategy implementation					
Strategy monitoring and evaluation					

8. Please indicate the extent that you agree with the following statements on strategic management practices in your organization. (Please tick the most appropriate)

1= Never use

2= Almost never

3= Occasionally

4= Almost every time

5 = Every time

<b>Strategy formulation</b>	1	2	3	4	5
The organization develops strategies through formal meetings					
The organization develops strategies through both formal and informal meetings					

The organization has set aside sufficient resources for strategy formulation					
The organization has partaken in capacity development for the employees and stakeholders involved in strategy formulation					
The organization has created a good fit between the external and internal environment during strategy formulation					
The organization has a dedicated strategy formulation committee					
The organization involves donors in strategy formulation					
The organization involves the government in strategy formulation					
<b>Strategy Implementation</b>					
The organization has a strategic implementation plan					
The organization has clearly defined implementation deadlines					
The organization has set aside sufficient resources to meet strategy implementation					
The organization has partaken in capacity development for the employees and stakeholders involved in strategy implementation					
The organization has aligned its strategy implementation to its capabilities and available resources					
The organization involves donors in strategy implementation					
The organization involves the government in strategy implementation					
<b>Strategy evaluation and control</b>					
The organization has developed processes and systems for evaluation and control					
The organization gathers information from the environment to guide its strategy evaluation and control					
The organization has laid out policies that guide corrective measures during strategy formulation					
Evaluation and control are a continuous process for the organization					
The organization has partaken in capacity development for the employees and stakeholders involved in strategy evaluation and control					
The organization has laid down control measures to guide conformity with					



the strategy					
The organization is able to map out the key threats to the allocation of funds through the strategy evaluation process					
The findings of evaluation and control form the basis for bench marking for future strategies					

### SECTION THREE

#### ALLOCATION OF FUNDS

9. Please rate how much you agree with the following statements about fund allocation in your organization. (Please tick the most appropriate)

1=Strongly disagree

2=Disagree

3= Neither agree nor disagree

4= Agree

5 =Strongly agree

<b>Allocation of funds</b>	1	2	3	4	5
The feasibility of a project affects the amount allocated for implementation.					
The capacity and ability to implement the project affects the amount allocated to different projects.					
Total funds received are allocated to direct costs of implementing projects and the NGO has to cover the peripheral costs. (Takes into account the cost of the NGO's support services and other overhead costs.)					
For NGOs to be able to allocate funds efficiently in different projects they have to be sustainable in their operations.					
NGOs allocate funds to different projects based on the amounts they receive from donors.					
NGO program implementation strategies have been redesigned to consist of cost-recovery elements wherein					

program participants contribute a portion, if not all, of the program costs.					
Because they lack the authority to decide how the money is spent, NGOs simply carry out the wishes of the donors.					
NGO's consider all available funding options and select the most appropriate funding mix that is consistent with their mission and goals.					
There is increased demand for complete accountability of NGOs resources from donors and the need for strategic management practices when allocating the scarce funds received.					
A portion of your funds is allocated to purchase of tangible assets.					
A portion of your funds is allocated to administration costs.					
A portion of your funds is allocated to project costs					
A portion of your funds is allocated to local staff costs					
A portion of your funds is allocated to international staff costs.					
A portion of your funds is allocated to running cost.					

**I really appreciate your participation in completing the questionnaire.**

### **APPENDIX III : LIST OF THE STUDY RESPONDENTS**

1. United Nations Environment Programme-Science
2. Cohort for Research on Environment, Urban Management and Human Settlement (CREUMHS)
3. Uhai Initiative
4. African conservation center
5. Trees for the future
6. Nature Kenya
7. Conservation International Foundation
8. World Wide Fund for Nature-Kenya (WWF-Kenya)
9. Catholic Youth Network for Environmental Sustainability in Africa (CYNESSA)
10. Kenya Environmental Action Network
11. Kipepeo Green Heritage
12. Greenpeace Kenya
13. Environmental Interaction Organization (CEA)
14. The Kenya Organization For The Environmental Education (KOEE)
15. Environmental Liaison Centre International (ELCI)
16. CANCO (Community Action for Nature Conservation)
17. ILEG Kenya
18. The African Conservation Centre (ACC)
19. Ecological Society for Eastern Africa
20. Green Belt Movement (GBM)
21. Wildlife Foundation (TWF)
22. KFWG
23. Green Generation Kenya
24. Green Africa Foundation
25. World Agroforestry (ICRAF)
26. Act, Change, Transform! (ACT!)
27. Centre for Environment Justice and Development (CEJAD)
28. Green Environmental Foundation-GEF
29. African Forest Action Network

30. Centre for Justice Governance and Environmental Action
31. East African Network for Environmental Compliance and Enforcement (EANECE)
32. Interwaste R&D EA TRUST
33. Indigenous Information Network (IIN)
34. Heinrich Böll Foundation
35. EAGLES 2030
36. Back to Basics (BTB)
37. International Center for Environment, Social and Policy Studies ( ICESPS)
38. Environmental Compliance Institute (ECI)
39. Justice and Ecology Network Africa (JENA)
40. Energy, Environment and Development Network for Africa (AFREPEN/FWD)
41. Maendeleo Endelevu Action Program (MEAP)
42. Environmental Biodiversity in Relation to Agriculture
43. Community Rehabilitation &Environmental Protection (CREP) Programme
44. SUSWATCH Kenya
45. Mazingira Institute