

## DECLARATION

This Research Project is my original work and has not been submitted for degree in any other University

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

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## **DEDICATION**

This project is dedicated to my entire family, for offering unwavering support throughout my time in college. To my dear mum, Francesca, for her love and encouragement in everything she did; my brothers Tom and Andrew, sister Sandra, for their support. My precious Francis whose love and patience was ever present, and my friend, Ruth, who got me started.

And, finally to the memory of a great man, my father Dr. John Otete. Man of Peace; I know wherever you are, you are proud of me

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It has been a long road to completion on this challenging course. I must thank the Almighty God for having giving me this opportunity to further broaden my knowledge and seeing me thus far.

There are many who have helped me achieve this goal, and this work has been possible through their contribution .To them all I say thank-you.

Special mention goes to my Supervisor Dr Ogutu who was always available with his time and guidance. May the Lord bless you.

Secondly, to my family and especially my mum Francesca, who kept praying and encouraging me to completion. My dear Francis, whose love, I will always treasure.

## **ABSTRACT**

This research project sought to compare Strategic Planning in the Public and Private Sectors in Kenya. The objectives included the determination of the types of strategic planning that exists in the two sectors and whether they were similar, the factors that influenced strategic planning in the sectors, and whether they were similar, and finally, the extent to which the strategic planning tools were utilized in the two sectors. Simple statistics were used to analyse the data.

The study confirmed the existence of strategic planning and preference of formal planning in both the public and private sectors. However, the public sector only practices formal planning. The factors that influenced strategic planning in the public sector were government, economic trends and political/legal factors whereas, the private sector showed a bias towards competitors and customers. The prevalent tool used in the public sector was on-going evaluation whereas, the private sector exhibited different combinations of tools. Linkages to performances of the organization and the individual in the public sector were low, when compared to linkages seen in the private sector.

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Background

The 1970's and 1980's saw both the public and private sector expand under the Government of independent Kenya. The way in which these sectors expanded can be partly attributed to the way these sectors embraced and adopted strategic management and strategic planning, and this has impacted on the direction these two sectors have evolved, and the achievements of their respective objectives and goals in line with their vision and, or mission statements.

The public and private sectors are organizations that practice forms of strategic planning albeit with similarities and differences in the types of strategic planning. The success stories in the Kenya situation has remained varied and yet it is evident that the private sector has been more successful when compared to the public sector. It is important to understand why the success stories in the public sector are negligible in numbers whereas those in the private sector are used as examples of how organizations should be run, as a large majority of them, exhibit positive trends. We read of success stories in the private sector which include Kenya Airways, previously, a run down parastatal in the 1970's, and having developed into an international airline of international reputation when privatized; East African Breweries Ltd unrivalled in the East African region; British American Tobacco Ltd, Barclays Bank of Kenya Ltd, Industrial Promotion Services Ltd, among others, all this information available in their annual published reports and accounts.

Turning to the public sector, such cases as listed below have not lived up to the desired expectations. These include the defunct Kenya Cooperative Creameries, defunct Kenya Meat Commission, the collapse of services by the Local Authorities under the relevant Ministry, the poor state of health institutions under the Ministry of Health, and the infrastructure departments under the now Ministry of Public Works and Housing. Indeed most facets of institutions and organizations under the public sector have had extremely limited success in achieving the positive desired results, in the public eye. Evidently there is a mismatch

between the two sectors and clearly the general state of public sector organizations and institutions, leaves a great deal to be desired. This situation has been noticed by the Government and was mentioned in the President of Kenya speech of Kenyatta Day October 2003, as areas that the Government will focus their attention onto, to combat poverty within the country. This observation is not unique to Kenya. There is a pervasive sense within public services that the worth of these services is in doubt and has to be proved. Somewhere along the line the British public stopped being grateful for the public services and started regarding the services as being paid for by their money (Joyce, 1998). Furthermore with liberalization in the 1980's the new challenges have completely altered the environment and survival of organizations in Kenya, and greatly influenced their impact on the economy.

The public and private sectors are inherently different in terms of shareholding. Typically the public sector faces unique operational, cultural and strategic concerns and realities, and yet in today's environment, both public and private sectors, are facing significant challenges due to external forces, which center around globalization of operations, increasing environmental regulations and above all changing customer demands and expectations (Yasin and Wafa, 2002). Other challenges have to do with the waves of modern information based operational technologies, the new operational procedures and philosophies, and the need to integrate operational and marketing functions and activities to better serve customers. Nonetheless although strategic planning is common in both sectors, it does appear that the private sector is perceived to be more serious in embedding the practice of strategic planning hence contributing to the positive results seen in the sector, when compared to the public sector. The public sector is constantly viewed as inefficient and ineffective, and a drain on the public resources in the country (Price, 1975).

It is stated that the public sector could learn and adopt a great deal of best practices in the private sector in order to improve its performance, perception and reputation as it forms a crucial function in any nation; undeniably the public sector is crucial to the economic growth of the country. Benchmarking manufacturing organizations' operational know-how may prove to be a worthy investment for public sector organizations (Yasin and Wafa, 2002).

Studies have been carried out in the public sector on strategic management practices in Kenya namely Kangoro (1998) who looked at practices in the public sector organizations. A number of studies have been carried out in the private sector in Kenya namely, Aspects of Strategy Formulation and Implementation within Large Manufacturing Companies in Kenya (Aosa, 1992), Evidence of Formal Strategic Planning in Kenya's Retailing sector (Karemu, 1993), Strategic Planning within NGO's in Kenya (Kiliko, 2000), Strategic Planning within Television Companies in Kenya (Mwaura, 2001), Strategic Planning practices within Hotels and Restaurants in Nairobi (Mittra, 2001), Investigation of the Strategic Planning practices of Local Pharmaceutical Manufacturing Firms in Kenya and Factors influencing the Practices, (Sagwa,2002) and An Investigation on Aspects of Strategic Planning by Insurance Companies in Kenya (Wanjohi,2002).These studies have analyzed strategic planning in individual organizations, industries, and sectors, and a comparative study of strategic planning that compares the two sectors, has not been carried out. This project sought to understand the areas of common practice and areas of departure between the two sectors.

## **1.2 The Public Sector in Kenya**

In the document titled, National Development Plan 2002-2008, the ability of the public sector to contribute positively and address the issues of economic growth and poverty reduction in Kenya is recognized as crucial. Indeed it is acknowledged that the welfare of majority of Kenyans has suffered and the Government is looking to reverse this trend of a poor performance record, bad governance and corruption.

The public sector in this proposal refers to all government related bodies, and can broadly be divided into Ministries and Parastatals. The main distinguishing factor is seen in the decision-making being described as a political process, as the ultimate center of power is the Government of the day (Rider, 1987).

The major development challenges seen in the strategic policy framework are many with the immediate ones as, persistent and increasing poverty, declining productivity in the real sectors, unemployment, deficient infrastructure, and unfavorable environment for improved additional quantity and quality of investment. Due to the current socio-economic challenges

facing the country it is critical that the public sector looks to further rationalize its core functions and mandates to ensure efficient and effective service delivery in Kenya. This spans across Civil Service Reforms, Parastatal reforms, Local Government Reforms, Financial Planning and Budgeting, and Legal Sector and Judicial reforms; all components in the public sector.

The Poverty Reduction Strategy Paper (PRSP) for the period 2001-2004 looks at "... public sector reforms which include ministerial rationalization, reduction of the size of the government, and restriction of the ministries to their core functions..." to be continued." The paper further adds that due to bad publicity on the misconception about the retrenchment programme, low levels of compensation benefits and slow disbursement of compensation benefits, continue to bog down the process. The second phase of the Privatization and Public Enterprise Reform Program is to focus mainly on the introduction of Private Sector Participation (PSP) in infrastructure related companies and utilities, which were formally monopolies in areas such as telecommunications, power, ports, railways and water sectors. This statement in the PRSP recognizes that the public sector role is pivotal in the economy of Kenya, and outsourcing or sharing in the delivery of services is recognized as a possible remedy to the situation. Strategic planning does not deal with future decisions. It deals with the futurity of present decisions. What we have today is to be ready for an uncertain tomorrow and likewise, the public sector needs to plan better and improve performance, to be ready for an uncertain tomorrow.

### **1.3 Statement of the Problem**

The public sector in Kenya is very visible and is the largest provider of essential services to the general public. For example, it controls the infrastructure, health services, water and lighting services, industries that are the mainstay of the economy namely; agriculture, and is the largest formal employer in Kenya. The private sector is an important component in the country and is often used as the benchmark in terms of successful organizations and consistently on the whole, performs better than the public run organizations. It is seen to have contributed in constructive ways and positively to the people and economy. The Poverty Reduction Strategy Paper (PRSP) was developed through partnership initiatives between

government, civil society, the private sector, religious organizations, women, youth, people with disabilities and the poor. Similarly it is through collaborative efforts of all stakeholders that the goals of poverty reduction and economic growth are achieved, as stated in the preface of the PRSP by the Minister of Finance.

The issue in Kenya, is therefore, why does it appear that the public sector is seen to be as consistently performing poorly, having the largest negative impact on the country in terms of what is perceived as poor policy decisions, lack of clear direction and focus, wastage of resources and poor planning. Opinion polls and election results are part of a number of tools that point to the perception of the public. The results in the elections in December 2002 indicated the desire for radical change by the public. The public does not want public services to be run as an inefficient philanthropy, or to be maintained in the interests of the majority of people, and run on the basis of a public notion of farmers (Joyce, 1998). The general public is disillusioned with the organizations, within the public sector, that are supposed to serve their needs. Strategic planning does exist in both the public and private sector however the extent to which it is embedded and practiced in the organization are areas that need to be studied critically to identify the gaps and areas of discontinuity.

Studies have identified the existence of strategic planning in various forms within specific organizations within the public and private sector. However there appears to be very little study that has been done on strategic planning in public sectors and no study done, which has attempted to compare strategic planning between the public and private sector using a common instrument. The thrust of this proposal is to compare strategic planning practices in the two sectors in order to understand the differences in performance records that exist between the two sectors. The proposal will attempt to bridge the knowledge gap by addressing the following questions;

1. Does the public sector use and employ the types of strategic planning that are found in the private sector
2. Do the factors that influence strategic planning in the private sector also influence those found in the public sector

3. To what extent are the strategic planning tools used within the public sector when compared to their use in the private sector

#### **1.4 Objectives of the Study:**

The overall objective of this study is to benchmark strategic planning in the public sector with that in the private sector. Specific objectives include:

1. Determine whether the types of strategic planning that exists in the public sector are similar to those in the private sector
2. Identify whether the factors influencing strategic planning in the private sector are similar to those factors that influence strategic planning in the public sector
3. Identify the extent to which the strategic planning tools are utilized in the public and private sectors

#### **1.5 Significance of the Study**

Studies have been carried out on strategic planning within the sectors, however a study on the differences and similarities between these two critical sectors within the economy is absent. The study will be of importance to policy makers and implementers within the sectors in understanding the analytical steps and stages where applicable in the planning processes. It will give information on areas that need to be refined and redefined in order to ensure that the strategic direction is attained.

The study will also provide useful information on which components are all-important and must be taken into consideration at the planning stage to ensure that implementation is efficient, effective and successful. It will provide information to both sectors that will result in sound and more informed decisions when implementing strategic direction and to understand the underlying factors that are pertinent in the process. These factors will give direction on the structure of the process and weighting across the components required in implementing and formulating the plan.

This study will serve as a useful tool for top managers in Government in adapting formulas and use of best practices to drive performance in governmental programs and operations. The knowledge gap identified may be used for further research to see how the two sectors can transfer knowledge and benefit from positive practices.

# CHAPTER TWO

## LITERATURE REVIEW

Strategic planning has been seen as a tool that assists management in making strategic decisions, about an organizations future (Lorange, 1980). It is the direction finding for the whole organization in relation to the environment and it produces a plan with goals and strategies. Goals can range from broad statements to specific statements of purpose. Strategic planning is defined as a continuous and systematic process where the guiding members of an organization make decisions about its future, develop the necessary procedures and operations to achieve that future, and determine how success is to be measured (Goodstein et al, 1997). It can be further defined, as not simply an aggregation of budgets or a collection of management techniques to address all the issues facing an organization but as strategic planning being an open systems approach to steering an organization over time through uncertain environmental waters. It is a proactive, problem-solving behaviour directed externally at conditions in the environmental. It is a means to find a favourable comparative position in an industry where there is a continual competition for resources. The primary purpose is to link the organization's future to anticipated changes in the environment in such a way that the depletion of resources (money, personnel, clients, goodwill...) is slower than the acquisition of new resources (Cope, 1989).

### **2.1 The Concept of Strategic Management and the Development of Strategic Planning**

Strategic management involves the planning, directing, organizing, and controlling of the strategy related decisions and actions of the business. Strategic management is also concerned with the putting of strategy into effect. It can be thought of as having three components; strategic analysis, strategic choice and strategic implementation (Johnson and Scholes, 1998), however it is important that these three phases should not be considered as an ordered sequence or process.



Before the 1950's, the business environment in the world was considered generally stable. Europe had seen the end of the Second World War and hence a period of consolidation and relative calm was prevalent. Reliance on planning was based on past actions and trends to decide the future strategic decisions of the business. No major upheavals were experienced in this period and hence extrapolation of past and present information was largely considered fairly accurate. Typically the tools used during this period-included Long Range Planning (LRP), Long Term Financial and Budgetary Planning, Capital Budgeting and Financial control. It was important to focus on the expansion. LRP typically embodied goals, which were elaborated into action programs, budgets and profit plans in the organization, and was typically reactive to the environment (Ansoff and McDonnell, 1990)

In the 1950's it became clear that organizations were experiencing problems as the environment changed from a reactive too more anticipatory in nature. Extrapolation of past and present information was not working and discontinuities in trends were more visible. The remedy to the problem was seen in Strategic Planning and Strategic Posture Management. This mode of planning developed, as new competitive strategies as practiced historically, and those in the new areas, needed to match historical strengths and weaknesses of the organization. The 1960's and early 1970's saw the practice of strategic planning firmly embedded in the West and the United States of America. This period exhibited a boom in organizations as relative peace had been in place for a great deal of time and organizations experienced growth. It resulted in a period of relative stability and organizations lapsed back into the old ways of making strategic plans that is using forecasting and financial budgeting. It proved useful and they worked, as the future was considered predictable under the circumstances.

The technological revolutions in the 1970's and early 1980's changed the face of the business environment. Increased competition in the global arena increased the turbulence in the business environment. Stunted economic growth also resulted in organizations fighting to survive. This changed the face of strategic planning. The dynamic and volatile situation in the environment resulted in strategic planning techniques being redundant. Strategic planning was seen to be inappropriate and ineffective as it failed to link other areas like planning and resource allocation (Steiner, 1983). Some experts on private sector management argued that

problem solving and innovation are more likely in informal conditions, and not in formal strategic planning (Peters and Waterman, 1982; Stacey, 1991).

Mintzberg (1987) looked at incrementalism, intuition and informality through the 5 P's concept of strategy as solutions. The 5 P's of strategy comprise of strategy being seen as a plan, ploy, pattern, position and perspective. Strategy as a plan is viewed as a conscious and deliberate designed course of action. A specific manoeuvre to outwit a rival or a competitor through for example, a threat or a hoax views strategy as a ploy. Thirdly as a pattern, strategy is described as a consistency in behavior whether intended or not. Strategy as a position is seen as a means of achieving a fit between an organization and the environment. Finally as a perspective, strategy gives an organization an identity and a framework and reveals how the organization perceives the outside world. Mintzberg's view therefore on strategic planning was that he objected to the over emphasis of the rational side of planning. He viewed strategic planning as a craft and more recognition needed to be given to intuition via a viz-logical sequence. He referred to the five P's, where planning was a stage. Mintzberg's contention is that if we want strategy to work, we need to own it; all of us who are affected (Mintzberg, 1998).

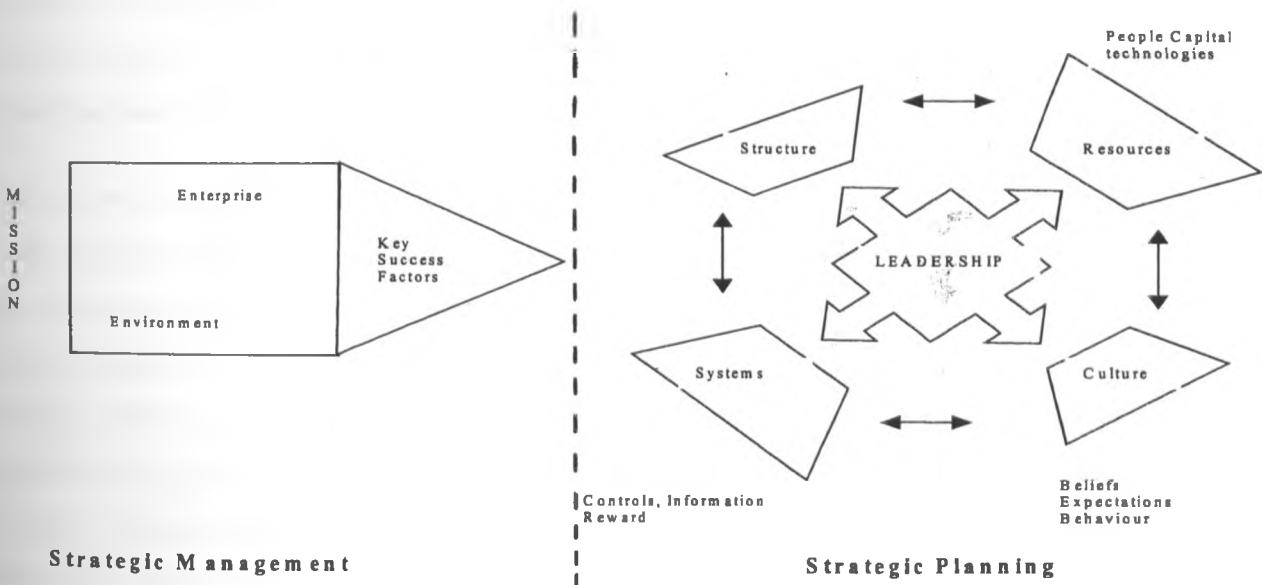
Taylor (1986) said that planning varies within organizations. It is the contingency nature of planning that we need to be remitted to, and continually attempts to mould and fit our planning requirements within the mosaic of organizational change and activity. We must develop planning systems that are relevant and effective for the organization and its work groups. The late eighties saw critics of strategic planning arguing that the concept needed to be repackaged and rediscovered (Porter 1987). It need not be done away with but rather, as the concept is correct; the implementation process is where the problem lay. In the nineties, strategic planning has now been viewed as a means of institutionalizing change (Caulfield and Schulz, 1993), as strategic planning is a means of facing up to change. It does this by turning external changes impacting on organizations into innovations by the organization (Bryson, 1988).

There are three perspectives of strategy. The corporate strategy deals with the decisions that, by their nature, should be addressed with the fullest scope encompassing the overall firm.

Business strategy aims at obtaining superior financial performance by seeking a competitive positioning that allows the business to have a sustainable advantage over the organization's competitors. The functional strategies not only consolidate the functional requirements demanded by the corporate and business strategies, but also constitute the depositories of the ultimate capabilities needed to develop the unique competencies of the organization (Cope, 1989).

Strategic design incorporates aspects of strategic planning and strategic management, which impacts on the implementation (Cope, 1989) as illustrated in Fig (1). The whole process encompasses issues that relates to structure, resources, culture and systems. The common theme being that the type of leadership has its effects on strategic planning. The success of the organization by integrating strategic management and strategic planning will to a certain extent determine the effectiveness of the organization in achieving its goals and objectives (Cope, 1989).

Figure 1: Relationship between Strategic Management and Strategic Planning



Adapted by Cope from Rodman L. Drake "Innovative Structures for Managing Change." Planning review November 1986, 18 -22.

## 2.2 Types of Strategic Planning

Proper understanding of division of roles and responsibilities in strategic planning within any organization is critical in understanding how strategic planning is practiced in the organization. It can take basically three forms: it may be formal, informal, or a combination of both types. Formal strategic planning cites a number of benefits. Firstly the process helps to unify corporate directions through proper articulation of vision and mission for each organization, recognition of functional competencies and mobilizes manager's into pursuit of agreed upon and shared objectives. Secondly, segmentation of the organization is improved by achieving a degree of balance between centralization and decentralization. Thirdly the process introduces a discipline for long-term thinking in the firm, which leads to a logical process of thinking, with defined sequence of tasks, planning raises the vision of key signs. Fourthly it can be viewed as an educational device and an opportunity for multiple personal interactions and negotiations at all levels by development of key competencies by enriching the understanding of the corporate objectives. Limitations against formal strategic planning included the imposition of bureaucratic burden, shifting creativity and losing sense of the primary objectives intended in the process. The process can also be seen to be too time consuming and repetitive (Hax and Majluf, 1996).

Alternatives to formal planning include the areas such as informal planning which in essence is the opposite practice seen in formal planning. It is perceived to be more laid back and ad hoc in nature with no set guidelines in place (Pearce and Johnson, 2002). Logical incrementalism is another alternative to formal planning that has developed from formal planning which is an important building block in a continuously evolving structure of analytical and political events that combine to determine overall strategy. The actual process is usually fragmented, evolutionary, and largely intuitive. Well run organizations, managers proactively guide the streams of actions and events incrementally toward a strategy embodying many of the principles of formal strategies. However top executives use a series of incremental processes that build strategies largely at more disaggregated levels and then integrates these subsystem strategies step by step for the total organization (Hax and Majluf, 1996).

Nonetheless, the widespread acceptance of strategic planning as a management tool is evidenced by the emergence of strategic planning departments, the growth in strategic planning staff, and the boom in strategic management consulting. These trends have roughly paralleled the rapid development of the strategic management literature since about 1980 (Baker and Leidecker, 2001). Most published research has found a positive link between formal planning and performance (Thune and House, 1970; Rhyne, 1987), however many studies report no discernable benefit (Kudla, 1980; Hogarth and Makridakis, 1981), and a few studies do report a negative benefit to formal strategic planning (Fulmer and Rue, 1974).

Approaches are also different and primarily may take three forms; Top-Down approach is a highly structured, prescribed, and detailed in documentation or in management culture. It is often referred to as the classic bureaucracy in large organizations. The Bottom-top approach is the complete reverse to the Top-Bottom approach. The role of the principal center, here is confined to bringing managerial core competencies and is a rare form found in organizations due to its highly devolved nature. The third approach can be loosely referred to as the negotiation approach, where the strategic planning is a combination of the first two approaches. The center here carries the minimum core role through agreeing plans by divisions and departments within central guidelines. Approaches in the planning, point to the source of power within the organizations. It has been argued that where formal planning is hierarchical, decision-making tends to be autocratic. Instances where informal planning is practiced, the leadership tends to be described as charismatic. Other possible sources of power include those who control the strategic products, possession of knowledge and skills, for example, computer specialist, consultants, control of the environment and ultimate involvement in the strategic planning process are seen to all greatly influence strategic planning (Johnson and Scholes, 1999).

The strategic planning process may involve only the line management, or all the staff may be included in the process. This is likely to be different in organizations as structure in the organizations may be such that there are functional areas involved in the planning, and functional areas not involved in the planning process. The frequency of the development and or amending of strategic plans is likely to cover a broad spectrum in terms of time horizon,

that ranges from being never reviewed, moving to periodic review and finally ongoing review process.

The users of the information in strategic planning, that is, be it top management, middle management or the entire organization is critical in the whole process and ultimate implementation (Baker et al, 2001). Strategic planning is a desirable factor in strategic management and it is important to link the planning to the actions to be taken. It needs to be flexible and easily adaptable in a turbulent and dynamic environment for it to be effective.

### **2.3 Factors and Tools in Strategic Planning**

Components key in carrying out strategic planning revolve around the following strategic management tools namely; Situation analysis, Mission Statements, External Analysis, Internal Analysis, Development of Objectives, Development of Strategies, Development of Appropriate Budgets, Reward Systems, Information Systems and Policies and Procedures. Corporate planning looks at strategic planning in terms of the corporate mission, strategic audit, corporate objectives and corporate strategies. Identification of these tools in the strategic management process leads to the typical strategic planning processes that an organization may adopt (Boyd and Reuning-Elliot, 1998).

There are two major cycles in the planning process; strategy formulation and strategic and operational budgeting. Strategy formulation, which is intended to frame all the key strategic issues of the organization through a sequential involvement of the corporate, business and functional perspectives. The tasks include environmental scan, internal scrutiny and competitive positioning. Strategic planning at the corporate level is expressed in terms of strategic thrusts and corporate performance objectives. At the business and functional levels, it is expressed in terms of proposal of action programs and budgets. The second part of the planning process is labeled strategic and operational budgeting which deals with the final definition and subsequent consolidation at the corporate level of the budgets.

Situation analysis looks at a combination of both the industry and competitive analysis of the environment. Tools used in the planning process are employed to determine how well the strategy is working on the development of alternative strategies. The analysis is used to

identify all issues and mission statements are critically analysed. Situation analysis also addresses where the organization believes it is at “today”, that is in terms of financial performance, organization culture and customer perception.

Mission statements are statements that state what an organization stands for; the purpose of the organization. From the mission statement, the strategies are derived and based. Corporate goals can be described as the result in strategy. Goals can be described as short, medium, or long term in terms of time horizon. The goals aptly describe the aspirations of the organization. Objectives are similar to goals and are usually shorter in terms of time horizon. Objectives can be described as highlighting the ways that the organizations intend to achieve their desired state as echoed in their mission statement. Developing the strategies further enhances how the organizations intend to achieve their objectives, for example, by deciding whether it be cost differentiation and or price leadership, or other forms of strategies.

External and Internal analysis can be studied in different forms where the organizations look at the strengths and weaknesses in terms of the internal environment, and also critically examines the potential that exists in opportunities and threats in the external environment. Appropriate allocation of resources or budgets is integral to strategic planning and can be a source of power within the process. Issues of human resource management under the reward systems are critical in the strategic planning process as the people tasked with wholesome strategic process, are key in ensuring that strategic decisions take off. In any organization, the management process around the information systems is likely to impact on the course strategic planning takes. The dissemination of information to who, how important it is, understanding the involvement of the stakeholders, which may include government, competitors, employees, parental companies etc. Likewise, policies tend to come first before strategies as they define under what conditions a certain way or means of doing things is acceptable to an organization. Policies can be referred to as broad goals. Procedures describe the *modus operandi* of actions that will guide the process as per the policies laid down. The action or inaction of the above tools has an immense impact on strategic planning in the organization.

Budgets are plans that specify the costs of outputs for given periods and schedules are plans that establish time frames for outputs. Objectives are plans that detail output quantities for given periods of time whereas the operating plans are those that establish a variety of standards, generally the quantities and costs of output (Hax and Majluf, 1996).

Strategic planning influences the long term, overall direction and structure of the organization and develops a better sense of direction to provide an early sensitivity to problem areas. Thompson and Stickland (1987) identified the following benefits from planning; that is planning enables the coordination of effort, it enables preparation of change, it helps to identify performance standards, and it focuses on organizational competences and in particular points to the developmental needs of managers in order to bring about change and incorporate new strategic direction in the organization.

## **2.4 Studies of Strategic Planning in Kenya**

Different authors have studied strategic management practices and strategic planning in various sectors in the business environment. Kangoro (1998) concluded that in the public sector there existed well established missions, objectives and strategies however the lack of commitment from top management and the employee was evident. In his paper on Strategic Planning of selected Kenyan Companies Shumbusho (1983) found that they had mission statements that were written and documented. Strategic Planning is carried out to some degree with reliance on short term planning and over reliance on financial data in the Insurance Industry (Wanjohi, 2002). In the Television industry, Strategy planning existed where top management developed the plans and the horizon was for short periods due to the turbulence in the environment .The firms had mission statements, set a percentage aside on budget for Strategic planning and all used a market –driven strategy approach.

The studies done are more commonly done on industries in the private sector with the common theme being; there is an existence of strategic planning in the organizations. The studies done on the public sector point to the existence of strategic planning in the strategic process (Kangoro, 1998).



# CHAPTER THREE

## METHODOLOGY OF THE STUDY

This study was a preliminary research undertaken to obtain information to make comparisons between the sectors. It consisted of primary data.

### 3.1 Population of Interest

This consisted of public sector organizations in Kenya, principally drawn from the Government Ministries and Parastatals, and Private organizations that were quoted on the Nairobi Stock Exchange (NSE).

The organizations were randomly selected from a list obtained from the Government Printer, and a list obtained from the daily newspaper for the companies quoted on the Nairobi Stock Exchange.

### 3.2 Sampling Design

From the list of the public organizations which contained 23 Ministries and Parastatal bodies within these Ministries, a pilot study will be carried out to find out which Ministries and Parastatals have practiced strategic planning, out of which a selection was randomly selected in the public sector. It was found that out of the Ministries and Parastatals only, 20 were able to confirm the existence of strategic planning. The questionnaires were then directed to these 20 offices, as the information required would meet the research objectives. Twenty organizations were then randomly selected from the list of 48 companies that are quoted in the Nairobi Stock Exchange in the private sector

### 3.3 Data Collection

Primary data was collected from Directors and or Senior Management persons up to the level of Administrative Secretary Job Group N, in the public sector. In the private sector, this included Directors and senior Management up to the level of Chief Accountant. The tool

used was a semi-structured questionnaire that consisted of closed and open –ended questions, and structured questions. It was administered by a combination of “drop and pick later” technique and face to face interviews where possible. The questionnaire was divided as follows: Part A requested for information on the Demographic data of the organization and information on the respondent, Part B addressed the types of strategic planning and how it was practiced in the organization, Part C addressed the questions that point to factors, tools and key stakeholders in strategic planning and areas that need addressing in the strategic planning process within the organization.

### **3.4 Data Analysis**

The data was analyzed using descriptive simple statistical forms consisting of percentages and frequencies and tabulated to compare trends, in strategic planning in order to determine the types of strategic planning, to determine whether the factors found in the public sector are similar or dissimilar, including areas of common ground. The data was analyzed to identify who were the key stakeholders and areas where strategic planning had contributed positively, and or areas where its impact had been poor, and the reasons why its contribution was not effective.

# CHAPTER FOUR

## DATA ANALYSIS AND FINDINGS

### 4.1 Introduction

This study sought to determine the types of strategic planning found in the public and private sector. Secondly it sought to understand the factors and tools that influence strategic planning in the sectors and finally, the extent of usage of these tools in the process. In this chapter similarities and differences found in the study are highlighted in order to understand strategic planning in the two sectors. The data collected was studied and the findings recorded and discussed.

### 4.2 Demographic Data

Out of the total 40 organizations that were sampled, 31 responses were received constituting 77.5% of the sample. Of the 31 responses received, more than half (55%) were limited companies while 45% were government affiliated as evidenced by the chart below.

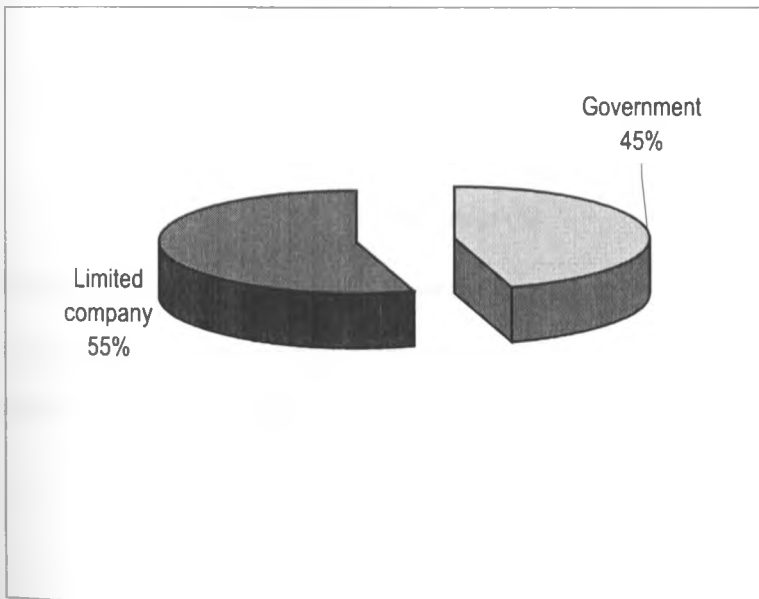
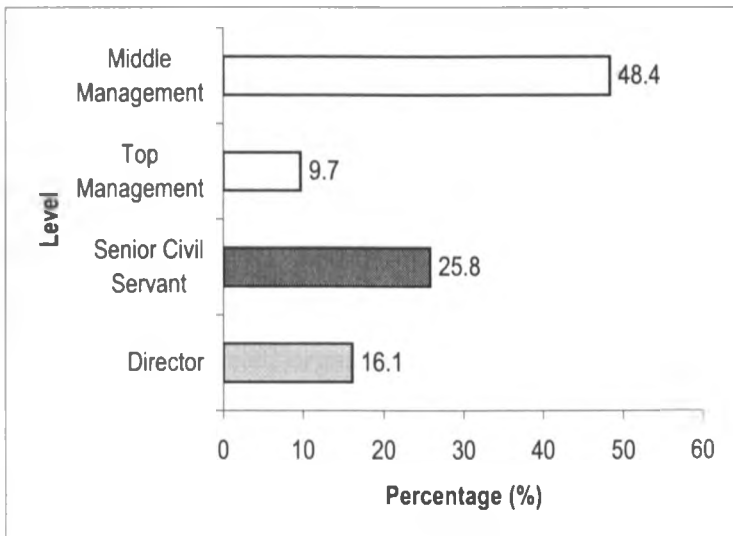


Figure 2: Proportion of respondents by type of organisation

Asked about the year of establishment, it became evident that majority (75%) of the organizations had been incorporated before 1964 with over a quarter (26%) of them being incorporated in 1963 alone. Further examination revealed that about half (48%) of the organization had been incorporated through the Company Act. Slightly more than a third (36%) of the respondents indicated that their companies had been incorporated through other procedure that is through Presidential decree for the Government affiliated organizations.

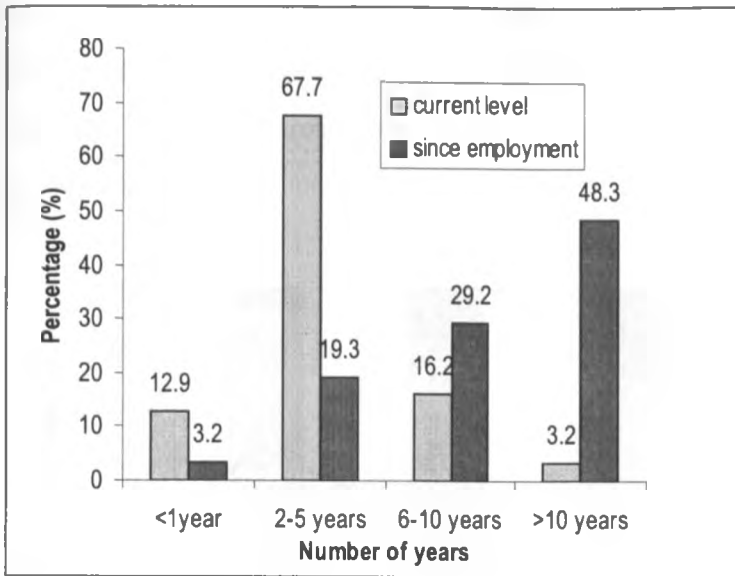
Overall, there was clear disparity between the numbers of employees per organization. Numbers ranged from less than 30 to more than 2000. About half (47%) reported having less than 500 employees while the rest (52%) had more than 1400 employees.

Most (48%) of the sampled respondents were in middle management level as evidenced by the chart below.



**Figure 3; Level of respondents in respective organisations**

Asked how long they had served in the organization, about 30% had served for at least 2 years at current level.



**Figure 4: Number of years served at current level and since employment**

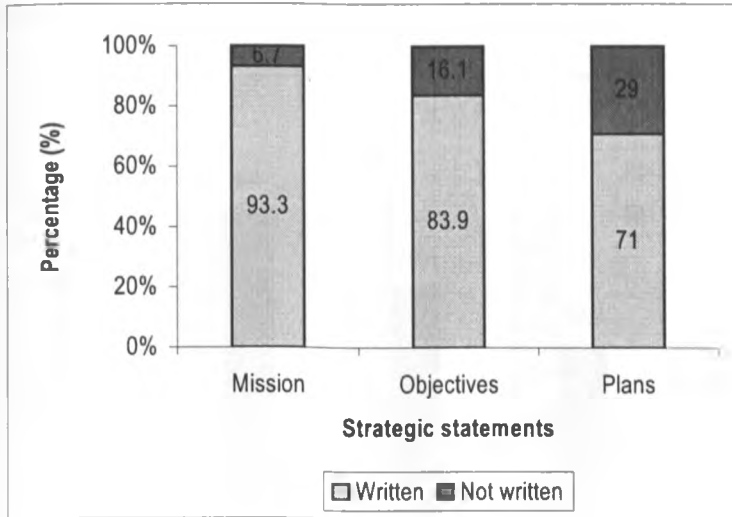
It is clear from figure 3 above that most (68%) respondents have served more between 2-5 years while since employment about half (48%) of the respondents have been with the organization for more than 10 years. With regards to the way the organization views itself, more than half (55%) of the respondents indicated that theirs was profit making. More than a quarter (26%) of the respondents reported theirs as non-profit while the rest (19%) classified theirs as service oriented. As would be expected, this group of respondents was from the Government affiliated organizations

### 4.3 Types of Strategic Planning

Virtually all (94%) of the respondents indicated that their organizations had a mission statement and a similar proportion (93%) of them indicated that indeed the mission statement was in written form. Further analysis by either type of organization did not yield any significant differences.

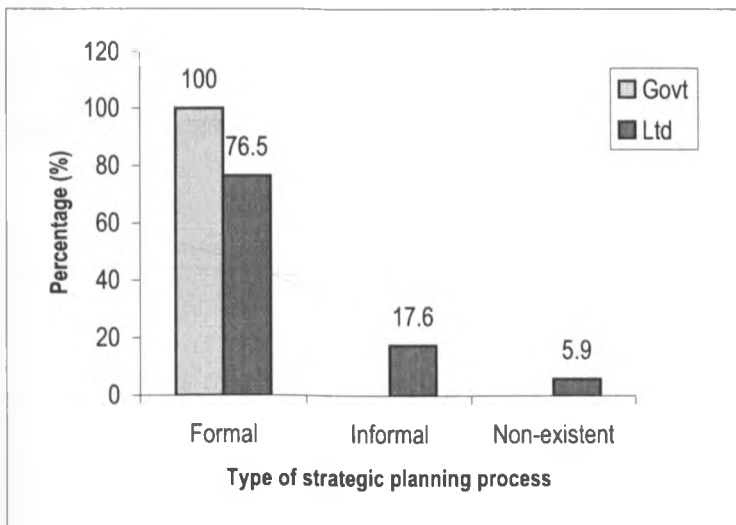
Asked whether their organizations have objectives, 97% of the respondents responded in the affirmative. However, 84% of these respondents reported that their organizational objectives were written. With regards to who draws up the objectives, respondents reported that top management (42%) in the limited companies and in the Government affiliated organizations

the government (39%) was responsible. The rest (19%) reported that the middle management drew their organizational objectives and this was within the limited companies. Majority (90%) of the respondents reported that the objectives were communicated using the top down approach.



**Figure 5: Whether key strategic statements are written or not**

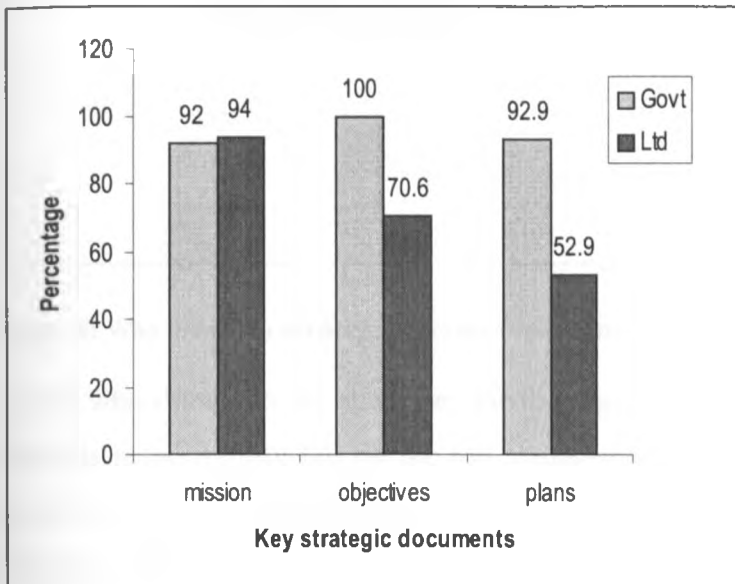
Regarding the strategic planning process, 87% of the respondents indicated that this was done through formal sessions like meetings. Ten percent reported that their strategic planning was more ad-hoc and not written while the rest (3%) said that it was non-existent.



**Figure 6: Strategic planning process between government and limited organisations**

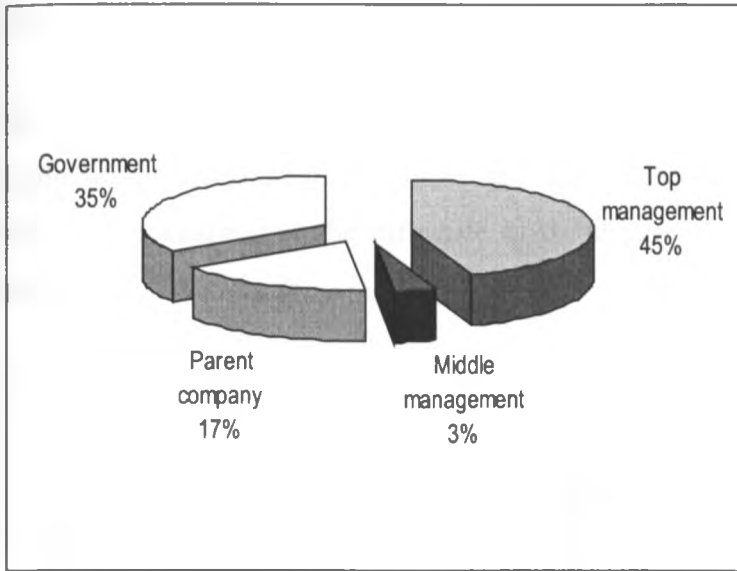
As evidenced by the above graph all strategic planning process in the government are all formal whereas the limited organizations you are likely to have about one in every five (18%) engaging in informal planning process.

On planning, 77% respondents indicated that their organization did have a planning department while the rest (23%) said they had none.



**Figure 7: Comparative analysis of key strategic documents**

It is clear from figure 6 above that out of all key strategic statements, plans were the least likely to be written. On close examination, it is evident that apart from the mission statement, the limited companies are less likely to have written objectives and plans as compared to government organizations.



**Figure 8: Who draws up strategies for the organisation?**

Asked who draws up the strategies for the organization, 45% of the respondents indicated that this responsibility fell on the top management. The government (35%) and the parent company (17%) were also mentioned as others who have the responsibility of coming up with the organizational strategies. See figure 5 for details.

As to what is used for the strategic planning process in the organization, 29% of the respondents indicated that this process was governed by an organizational evaluation. Twenty three percent of the respondents however felt that the mission was instrumental in this process. Another 13% of the respondents nonetheless felt that both the evaluation and the mission statement were used. Competitor analysis (7%) was also mentioned as being used in this process. A similar proportion (7%) of the respondents reported trend analysis and competitor analysis while another 7% of the respondents felt that competitor analysis and an evaluation were used together.

Close examination revealed that in government organization, three out of every five (57%) were likely to use on going evaluation in the strategic planning process. In the limited organizations, about a third (32%) were likely to use two or more processes while 18% were likely to use the mission statement.



#### 4.4 Factors and Tools influencing Strategic Planning

The key influences in strategic planning in the organizations were summarized as Competitor, Government, Customer and public, economic trends and legal and political factors. The analysis of the influence of the different factors and tools indicated different levels on the likert scale

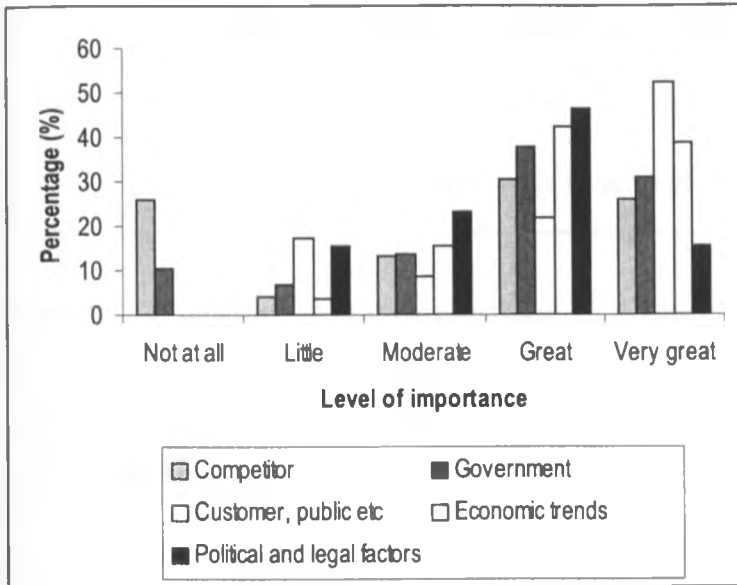
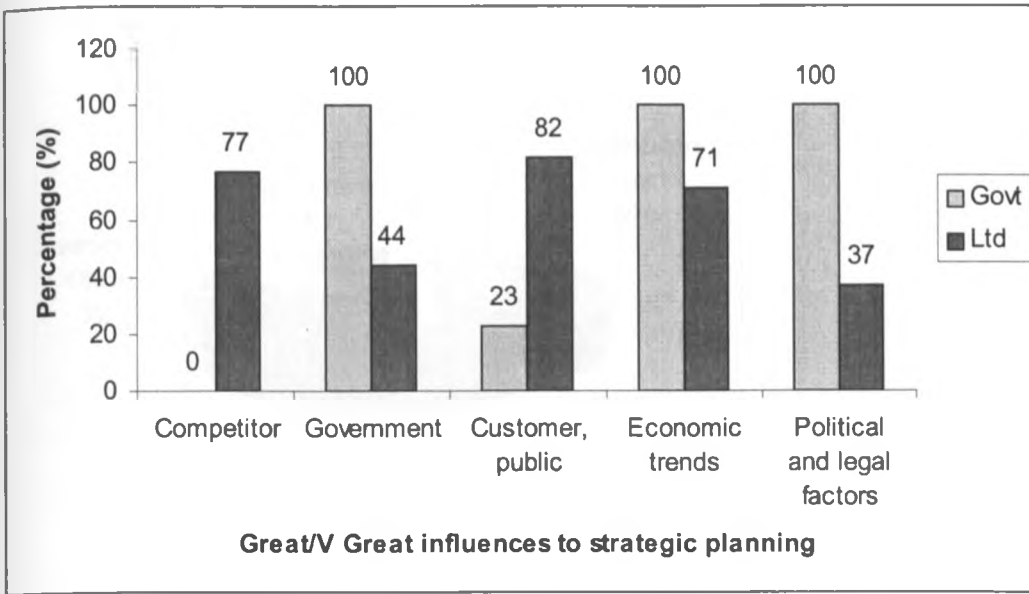


Figure 9: Key influences to strategic planning in the organisation

As evidenced by the above figure customer and public factors influence the greatest the direction with strategic planning is to take.

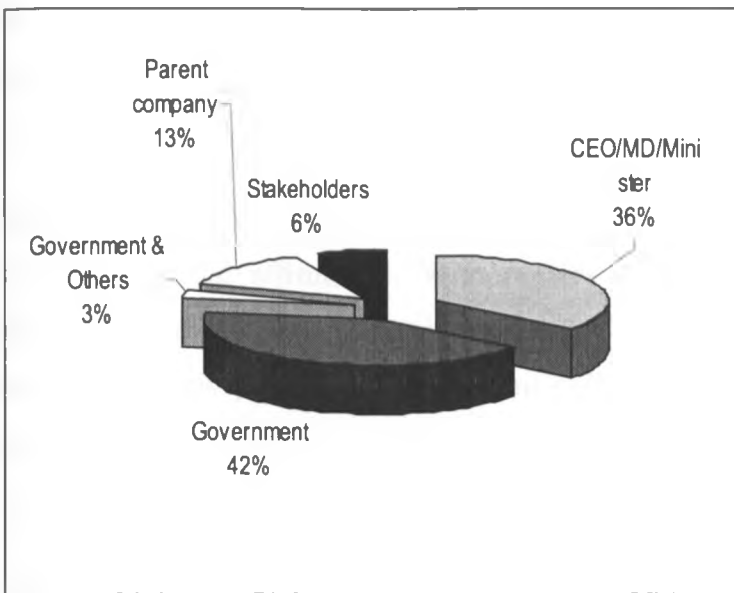


**Figure 10: Key influences to strategic planning.**

It is clear that customers/public and competitors are key influences for the limited organisations while the government; economic trends and political/legal factors are key to government organisations.

With regards to who owns the strategic planning process, 48% of the respondents identified the chief executive officers or the managing directors. Senior designated management (29%) and middle management (23%) were also mentioned.

Asked about who is the ultimate determinant of the direction which the strategic planning process will take, the government (42%), chief executive officers/managing directors (36%).



**Figure 11: Ultimate influence in strategic planning process**

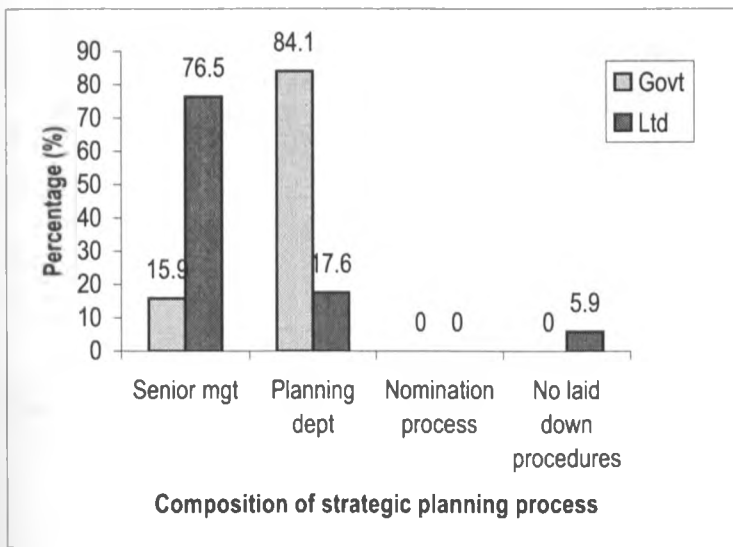
Ultimately the strategic planning process is influenced by the Government (42%) and Chief executive officer/managing director/minister (36%) as shown in the above chart. Strategic planning in most (26%) organizations is used for SWOT (strengths, weaknesses, opportunities and threats) analysis. Thirteen percent (13 %) of the respondents indicated that they used it for forecasting. The Government affiliated organizations (23 %) felt that none of the tools listed were applicable. Other combinations accounted for less than 4 %. Only 68% of the respondents reported the involvement of stakeholders in the planning process.

More than half (55%) of the respondents indicated that timetables for strategic planning are set at the beginning. Other respondents said that the timetables are set at the end (19%) while 12% reported timetables set in the middle. A similar proportion (12%) said that the timetables were not set at all. Further enquiry about the duration of the timetables yielded that more than half (55%) of the plans were medium term plans i.e. between one and three years. Twenty nine percent of the respondent however indicated that their plans were short term covering periods of less than one year while the rest (16%) indicated that they had long term plans covering period of more than three years.

Most (71%) of the government organizations are likely to use medium term plans while limited organization are split in equal proportions between short term (41%) and medium term (41%) plans.

Asked whether resource allocation is considered, virtually all (94%) of the respondents responded in the affirmative. With regards to coordination, 42% of the respondents mentioned senior management including in house employees as being responsible for coordinating this process. About a third (35%) of the respondents identified the parent company/government departments as being responsible for coordinating the strategic planning process.

The decision of who comprises the strategic planning team lies with senior management (48%) and planning departments (39%) in most organizations. The rest (19%) of the respondents reported having no laid down procedure to govern this process.



**Figure 12: Composition of strategic planning process**

An overwhelming majority (84%) of the respondents from the government organisations indicated that the planning department was involved in the strategic planning process. The limited organisations on the other hand showed that (77%) of the organisations were likely to involve the senior management in the strategic planning process.

The top management (52%) and the government (45%) take the bulk of overall responsibility for budget allocation for strategic planning.

#### 4.5 The extent of usage of Strategic Planning Tools

Responses as to whether strategic planning was linked to the performance of the organization were mixed. For limited companies, a large majority (94%) indicated that it was linked. The government-affiliated organizations overwhelming indicated that it was not linked. Reasons given were mainly, the targets were not measurable, it was not considered a monitoring tool and the plans drawn were not acted on or implemented

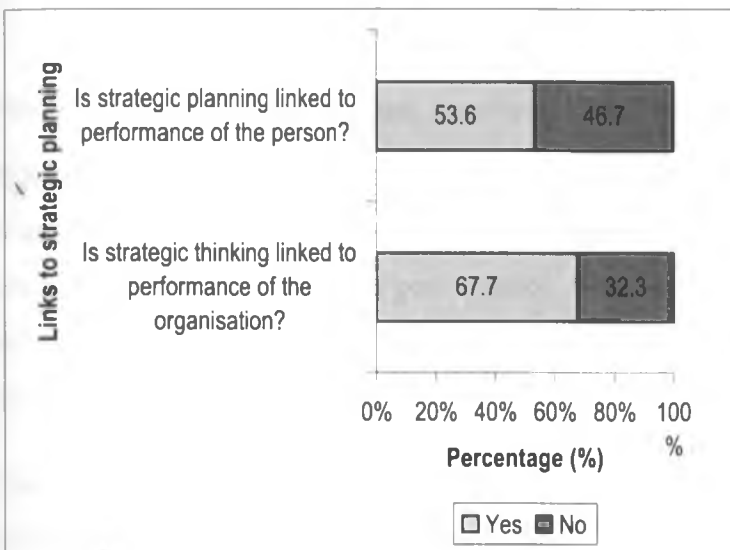
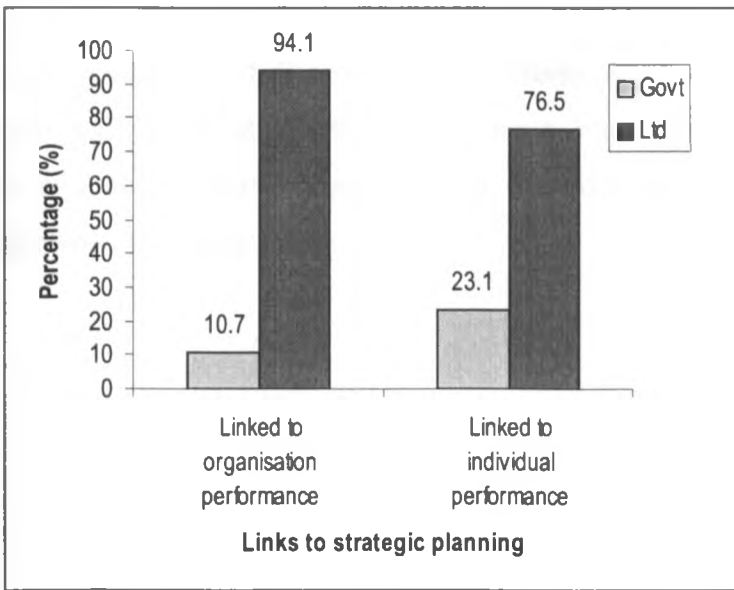


Figure 13: Links to strategic planning process in the organisation



**Figure 14: Links to strategic planning between government and limited organisations**

Responses as to whether strategic planning was linked to the performance of the individual were also mixed in the sectors. The government-affiliated organizations indicated that it was not linked (77%) to individual performance. Reasons included there was no follow up done, not measurable and the results seen as a collective responsibility by the civil servants in the government.

The most influencing factors where Strategic Planning has been successful in the Private sector were, commitment by the top management to achieve the goals, secondly, clear vision and objectives providing real guidance and thirdly influence of parent company or shareholders in order to deliver the desired results. The main factor influencing the strategic process in the public process was identified as the government.

Hindrances to Strategic planning in the limited companies were cited as firstly, content to maintain the status quo when the trends were positive, government legislature and lack of proper infrastructure and thirdly, embedding the culture within the organizations. In the government affiliated organizations reasons included, firstly bureaucracy within the channels, poor remuneration and thirdly, no process ownership of the strategic plans.

Finally, the single most important addition for the limited companies was increased communication and dissemination of information to the stakeholders. For the government affiliated organizations the single most important improvement was the removal of communication barriers and free flow of information from those who draft the plans to the implementers of the plan.

## CHAPTER FIVE

### SUMMARY OF FINDINGS AND CONCLUSION

The objectives of this study was to compare strategic planning in the public and private sectors, by focusing on the types, the factors and tools and the extent of utilization of these tools in the Strategic planning process. The data used for this research was primary data and the analysis of the information was done using the SPSS computer package. This study was a preliminary research in an attempt to explore the similarities and differences between the two sectors. In this final chapter, the summary of findings and conclusions are discussed.

#### 5.1 Discussions and Conclusions

The results of this study shows that they is am overwhelming percentage in both sectors, that formal strategic planning is practiced. Mission statements and objectives were a common factor. However, limited companies are less likely to have written objectives and plans when compared to the public sector. Having written plans within the organizations was lower when compared to the percentage of those with written mission statements and written objectives. Factors influencing strategic planning are varied with the Public Sector displaying that the Government is the ultimate influencer, together with economic factors. For the private sector, there was a strong bias to the competitor and customer as factors that influence the strategic direction of the organizations. In regard to the usage of the Strategic tools, it was not clear whether they were being utilized effectively. Most of the Government affiliate organizations could not conclusively say that these tools were linked to the performance of the organization and/or the individual. A large majority of the private firms did link strategic planning to the performance of the organization and the individual.

Strategic Planning does exist in both sectors however it is the degree of which the plans formulated are implemented and communicated to the implementers that determines the ultimate success. Respondents in the Government affiliated organizations admitted that although they were aware of the plans, the communication, which was the top-bottom approach, was not effective and therefore the implementers were not clear in the direction



required. Other issues like poor remuneration and bureaucracy in the Government channels affected the implementation of the plans. The constant overriding influence is the Government. In the private sector, the connection between the performance of the organization and the individual being linked to the direction of the organization appears to have an impact on the implementation of the strategic plans.

## **5.2 Limitations of the Study**

One of the limitations of the study was that it was difficult to ascertain in the public sector those that had strategic planning in places as the Government had recently undergone a major reshuffle. The new government that came into power ten (10) months ago was in the process of redefining and relooking at the profiles of the Ministries and Parastatals. It was difficult to get respondents who were clear of the strategies within the organizations.

The number of respondents from Parastatals was small compared to ministries and this may have skewed the data. Parastatals had in the previous government operated as separate business units. In the new administration the parastatals have been aligned to respective Ministries, and due to the new structure, respondents were not clear as to which strategic plan was in place, the Ministries or the Parastatals or both.

The random sample of the private sector within the Nairobi Stock Exchange had variances in terms of size and it may be that for future research, organizations with more similarities are selected. This will provide information that is more comparative whilst at the same time eliminating any variances that may have been attributed to size of the organization or industry.

## **5.3 Recommendations for Further Research and Policy Practice**

This study attempted to compare Strategic Planning between the two sectors. Further research will be required as to the extent of the influence of variables such as Government, Parent companies and the effect on the process within the organization. This will assist to understand the thinking and logic behind the strategic plans as drawn by the architects of the same in the formal planning scenario.

Another related area for research would be to seek to understand the organizational culture in the two sectors in an attempt to understand how political influence affects the strategic management practices in government affiliated organizations and how this impacts on their performance. It is clear that the government plays a significant role in the public sector and some influence in the private sector. These differences in the impact could be further studied to understand the extent of this influence and its effect on decisions by organizations.

A third area for research would be to understand and improve the process of communication in public sectors in a situation where the organization serves the public and is large in terms of size; and leadership is seen to be bureaucratic. Changing the face of the public organization in an attempt to get the civil servants to own the process. The absence of communication and dissemination of information in the public sector appears to have a significant impact on how bureaucracy can be looked into with a view of finding solutions that may then have a profound effect on the direction the organization is likely to take in the public sector.

The respondents from the government-affiliated institutions indicated a desire to have better communication to middle management for effective implementation of strategic plans. The Strategic plans are well documented and yet due to the bureaucratic process within the government system, the plans remain inactive and when implemented, it is poorly done. Policy practice in future needs to look into the whole organizational culture and look for avenues to effectively eradicate the bottlenecks in the process. In effect dialogue, exchange of ideas and involvement of middle management in implementation without the culture of fear of hierarchy is critical for future success and forums that bring in successful private organizations to exchange ideas would be a useful step in the right direction.

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## APPENDICES

### Appendix I- List of Ministries and Parastatals

1. Capital Markets Authority
2. Catering Levy Trustees
3. Coast Development Authority
4. Coffee Board of Kenya
5. Communications Commission of Kenya
6. Ewaso Nyiro North Development Authority
7. Ewaso Nyiro South Development Authority
8. Export Processing Zone Authority
9. Export Promotion Council
10. Horticultural Crops Development Authority
11. Investment Promotion Centre
12. Kengen
13. Kenya Agricultural Research Institute
14. Kenya Airports Authority
15. Kenya Broadcasting Corporation
16. Kenya Bureau of Standards
17. Kenya Forestry Research Institute
18. Kenya Industrial Estates
19. Kenya Institute of Education
20. Kenya Literature Bureau
21. Kenya Medical Research Institute
22. Kenya National Library Services
23. Kenya National Trading Corporation
24. Kenya Pipeline Corporation
25. Kenya Ports Authority
26. Kenya Ports Authority
27. Kenya Railways

28. Kenya Revenue Authority
29. Kenya Sugar Authority
30. Kenya Tea Development Authority
31. Kenya Tourist Board
32. Kenya Veterinary Vaccines Production Institute
33. Kenya Wildlife Services
34. Kenyatta National Hospital
35. Kerio Valley Development Authority
36. Lake Basin Development Authority
37. Ministry of Agriculture
38. Ministry of Cooperative Development
39. Ministry of Education Science and Technology
40. Ministry of Energy
41. Ministry of Environment, Natural Resources and Wildlife
42. Ministry of Finance
43. Ministry of Foreign Affairs
44. Ministry of Gender, Culture Sports and Social Services
45. Ministry of Health
46. Ministry of Home Affairs
47. Ministry of Justice and Constitutional Affairs
48. Ministry of Labour and Human Resource Development
49. Ministry of Lands and Settlement
50. Ministry of Livestock and Fisheries Development
51. Ministry of Local Government
52. Ministry of Planning and National Development
53. Ministry of Roads, Public Works and Housing
54. Ministry of Tourism and Information
55. Ministry of Trade and Industry
56. Ministry of Transport and Communications
57. Ministry of Water Resources Management and Development
58. National Cereals and Produce Board

59. National Hospital Insurance Fund
60. National Irrigation Board
61. National Security Fund
62. National Social Security Fund
63. National Water Conservation and Pipeline Corporation
64. Nyayo Tea Zones Development Corporation
65. Office of the President
66. Postal Corporation of Kenya
67. Retirements Benefits Authority
68. Tana and Athi Rivers Development Authority
69. Teachers Service Commission
70. Telkom Kenya
71. Vice President Ministry of Natural Reconstruction (All Regional Authorities)



## **Appendix II - List of Companies quoted on the Nairobi Stock Exchange**

### **Agricultural**

- Brooke Bond
- Kakuzi
- Rea Vipingo Plantations
- Sasini Tea & Coffee

### **Commercial and Services**

- Car & General (K)
- CMC Holdings Ltd
- Hutchings Biemer
- Kenya Airways
- Marshalls (E.A)
- Nation Media Group
- Tourism Promotion Services
- Uchumi Supermarket Ltd

### **Finance and Investment**

- Barclays Bank
- CFC Bank
- Diamond Trust of Kenya
- Housing Finance Co. Ltd
- I.C.D.C. Investment Co.Ltd
- Jubilee Insurance Co Ltd
- Kenya Commercial Bank
- National Bank of Kenya
- NIC Bank Ltd
- Pan Africa Insurance Co
- Standard Chartered

### **Industrial and Allied**

- Athi River Mining

- BOC Kenya
- Bamburi Cement Ltd
- British American Tobacco Kenya
- Carbacid Investments Ltd
- Crown Berger
- Dunlop Kenya
- E.A Cables
- E.A. Portland Cement
- Firestone E. Africa
- East African Breweries Ltd
- Kenya Oil Co
- Mumias Sugar Co
- Kenya Power & Lighting
- Total Kenya
- Unga Group

**Alternative Market Segment**

- A Baumann & Co.
- City Trust Ltd
- Eaagads
- Express Kenya
- Williamson Tea Kenya
- Kapchorua Tea Co
- Kenya Orchards Ltd
- Limuru Tea
- Standard Newspapers Group

## Appendix III - Questionnaire instrument

QUESTIONNAIRE NO. \_\_\_\_\_

### Part A

#### Demographic data

1. Please state whether the organization you work for is classified? *(Of the following organizations, which best describes the organization that you work for)*

Government i.e. Ministry

Parastatal

Limited company

2. Please state the year of establishment? \_\_\_\_\_

3. Please state how the organization is incorporated?

State Corporation Act

Company Act

Other (specify) \_\_\_\_\_

4. Please state the number of employees currently in the organization? \_\_\_\_\_

5. Please state your title in the organization? \_\_\_\_\_

6. How do you describe your level in the organization?

Director

Senior civil servant

Top management

Middle management

7. How long have you been in the organization?

a. At current level \_\_\_\_\_(years)

b. Since being employed \_\_\_\_\_(years)

8. Does the organization view itself as?

Profit organization

Non-profit organization

Other (specify)\_\_\_\_\_

**Part B Strategic planning**

9 (a) Does your organization have a mission statement?

Yes

No

If yes, is the statement written

Yes

No

Please state the mission statement below

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9 (b) Does your organization have objectives?

Yes

No

If yes , are the objectives written

Yes       No

Please state the objectives below

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9. (c) Who in the organization draws up the objectives?

- Top management
- Middle management
- Parent company
- Government
- Other (specify) \_\_\_\_\_

9. (d) How are the objectives communicated?

- Top- down
- Bottom -up
- Negotiated/Consulative
- Other (specify) \_\_\_\_\_

10      Is there a planning department in your organization?

Yes       No

11 Are the plans in the organization written?  
 Yes  No  Don't know

12 How would you describe the strategic planning process?  
 Formal i.e meetings, written down etc  
 Informal ie ad hoc, not written etc  
 Non existent

13. (c) Who in the organization draws up the Strategies for the organization?  
 Top management  
 Middle management  
 Parent company  
 Government  
 Other (specify) \_\_\_\_\_

14. Which of the following are used in Strategic Planning in the organization?  
 Mission Statement  
 Trend Analysis  
 Competitor Analysis  
 On going Evaluation  
 Other (specify) \_\_\_\_\_

**Part C :Factors and Tools**

15. Please rank in terms of importance the key influence on strategic planning?

Scale	1 not at all	2 little	3 moderate	4 great	5 very great
Competitor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Government	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Customer, public etc	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economic trends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Political and legal factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

16. Who is the Strategic planning process owner (s) in the organization?

- Chief Executive Officer/Managing Director
- Senior Designated Management
- Middle Management
- Other (Specify) \_\_\_\_\_

17. Which of the following has the ultimate influence in deciding the direction of the strategic planning process?

- Chief Executive Officer/Managing Director/Minister
- Government
- Competitors
- Employees
- Other (Specify) \_\_\_\_\_

18. Please tick(s) where applicable if used in your organization in strategic planning?

Analysis of strengths, weaknesses, opportunities and threats (SWOT)

Forecasting method

Portfolio models

Computer planning

Other (specify) \_\_\_\_\_

19. Are stakeholders represented in the planning process?

Yes

No

20. When are timetables set during the strategic planning?

At the beginning

In the middle

At the end of the process

Not at all

21. What are the durations of the plans?

Short term plans i.e. not more than one year

Medium term plans i.e. between one and three years

Long term plans .i.e. more than three years

22. Is resource allocation considered during the planning process?

Yes

No



23. Who is tasked with coordinating the Strategic planning within the organization?

Senior Management/ In-house employees

Consultants/Specialists in the field

Only Planning Department

Parental Company/Government Department

24. Who decides the composition of those involved in the Strategic Planning process ?

Senior Management

Planning Department and / or Committee

Nomination process by Employees

No Laid Down procedure exists

25. Who has responsibility for allocation of budgets?

Government

Top management

Middle management

Not Relevant

26. Is Strategic Planning linked to performance of the Organisation ?

Yes

No

If No, please state why

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27. Is Strategic planning linked to the performance of the person (s) involved?

Yes

No

If No, please state why

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28. Please state in three(3) points the most influencing factors where Strategic planning has been successful in the organisation. Please rank (1) being the most influencing factor

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29. Please state in your own words three points /issues (3), what you consider to be a hindrance in Strategic Planning in your organization. Please rank (1) being the most hindrance to the planning

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30. What would be the single most important improvement and or addition you would add to the existing practice of Strategic planning process in the organization?

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Many thanks for sparing your time to fill in this questionnaire.

Anita A. Otete