STRATEGIC PLANNING AND ORGANIZATION PLANNING IN THE MINISTRY OF FOREIGN AFFAIRS IN KENYA

Ruth N. Macharia

Post Graduate Student: School of Business Kenyatta University, Kenya

Corresponding Author’s Emails: rmacharia91@gmail.com

Feristus Hilda Makhamara (Ph.D)

Lecturer: School of Business Kenyatta University, Kenya

Hilda.makhamara@ku.ac.ke


ABSTRACT

Purpose: The purpose of the study is to determine the effect of strategic planning on organizational performance in the public sector in Kenya.

Methodology: The methodology employed a descriptive research design. This study focused on 284 staff of the Ministry of Foreign Affairs. The study utilized a descriptive research design. The design gave an opportunity for a comprehensive description and analysis of the variables involved in the study while clearly outlining the relationship between variables. A stratified sampling technique was used in this study. The sample size was determined through Krejcie and Morgan’s method, comprising of 48 respondents. Primary data was collected by means of a semi-structured questionnaire. Test-retest technique of reliability testing was employed. The data collected was analyzed using descriptive statistics (measures of central tendency, regression and measures of variations) with the help of statistical Package for Social Science (SPSS) version 20 to achieve the objectives of the study. The findings were presented using tables, frequencies and percentages.
Findings: The study found out that the calculated value was greater than the critical value and indication that strategy implementation, strategic evaluation, working environment and organizational culture all have a significant effect on organizational performance. The significance value was less than 0.05 indicating that the model was significant.

Unique contribution to the theory, practice and policy: The study recommended that future studies should consider replication using different approach so as to incorporate other aspects of strategic planning and organizational performance other than the ones in the study.

Keywords: Strategic Planning, Strategic Implementation, Strategic Evaluation, Work Environment, Organizational Culture, Organizational Performance.

1.0 INTRODUCTION

It is not a simple process to carry out the strategic planning of public organization as the public sector characteristics, external environments and constitutional limitations have to be considered (Clark & Fuller, 2010). The main reason why strategic planning is practiced is to ensure that organizational performance is enhanced. Strategic planning enables the organization to know its direction and to know when it has achieved or will achieve its objectives. The first step of determining the strategic planning of an organization is by defining its long term vision through identifying its mission according to Starkey (2004). An organization has no reason to exist if it does not have a vision. The goals of the organization need to be met, which is the strategic planning main concept so that the organization can flourish (Johnson and Scholes, 2000).

There are many indices that have been placed to measure performance which include; making sure that all participants, stakeholders, employees and customers are satisfied, meeting objectives with effectiveness, meeting objectives by using resources with efficiency, meeting of future opportunities and challenges through developing of capacity, product, service and process innovation and improving the rate of achieving quality (Carton & Hofer, 2010). When the intended output is measured against the actual output or results in an organization it is termed as organizational performance. The financial performance, product market performance and shareholders returns are the outcomes of the organization (Bass, 2000).

For a period of time, the Ministry’s priorities are developed, and a foundation laid by strategic planning, to make sure that the performance and service delivery are enhance by the ministry through its guidance, strategic thinking stimulation, provision of resource mobilization,
allocation and contribution to the achievement of the Vision 2030. The Ministry makes efforts to as to achieve its goals and objectives through strengthening its relations with its partners and ensure that competencies of democracy are developed and develop other capacities so that they can have a good relationship with the world (MFA&IR, 2013).

2.0 LITERATURE REVIEW

2.1 Resources Based View Theory

The study is anchored on resource-based view theory. The theory involves analyzing how an organization combines its strategic advantages. The assets that organizations have involved making use of their unique asses which are either tangible or intangible which is the basis of RBV (Barney, 2006). The competitive advantage of a firm is achieved through development of competences from the resources they have. Most of the firms plans remain at the planning phase due to lack of required resources despite effective strategies (Hoopes et al., 2003).

The internal environment of a firm is perceived in the resource-based view theory, where its resources and capabilities are taken into account as the main determinants of strategic actions (Barney 2001).

2.2 Dynamic Capability View Theory

Competences are renewed by organizations through the dynamic capabilities which also helps in managing of strategies, management of organizational skills both internal and external, use of routines and resources so as to improve the company’s performance especially in the rapid changes in business environment (Teece et al., 1997). Through ensuring that agility and flexibility in the company is increased, company performance is also enhanced through dynamic capabilities as suggested by other researchers (Zahra et al., 2006).

The development and deployment of dynamic capabilities is determined by change in an industry which is a contingency factor as contended by Winter (2003). Managerial perceptions moderate notably exogenous factors which help them to affect each other differently on the firm. A dynamic capability may be stored in a potential state which makes it effective over time and it may degrade and might be effective in the past and be less effective presently despite the fact that the dynamic capability remains unchanged. The goals of the organization need to be met, which is the strategic planning main concept so that the organization can flourish. An
organization is able to fit with its environment through strategic planning as it is the root of the business arena (Kogut and Zander 2002).

Competitive Advantage can only be created through if they are able to survive in the changing environment in this era of market globalization and internalization, which makes them able to exploit their level of dynamic capability well. With very high rates the competitive environments are changing gradually which brings about high levels of uncertainty. High expectation of customers, highly competitive environments and global competition have been the main reasons (Gathung and Mwangi, 2012).

2.3 Empirical Literature Review on Strategic Planning and Organizational Performance

Adan (2014) studied the effects of strategic planning and performance of banks in Kenya specifically National Bank of Kenya and found that the banking Industry is very competitive, and many banks were being forced by dynamic environment to repackage themselves and the services that they were offering in order to increase or maintain their market share. Through its them managing director the national bank was able to turn around the bank to a record 12 billion profit in 13 years. Adan concluded that the strategic decisions of an organization determine the relationship with its external environment, depended on input from the functional areas in an organization and had a direct impact on operational administrative activities that are very important to an organization. He recommended that the use of strategic planning practices that considered the future implication of current decisions, and that the executive director and the board should provide guidance in developing the strategic planning process and inputting the plan.

Ayuya (2010) studied to determine how performance of the University of Nairobi had been influence by strategic planning. The findings indicated that the University had documented its vision, mission and core values well that its stakeholders and employees were able to identify with the, The study revealed that set objectives were important in the organization structure, appropriateness of objectivities and managerial performance. The conclusions made were that strategic planning has a great impact on the performance of Nairobi University and that it enhanced improvements in many areas, such as work environment, outreach and extensions to activities and programs, service delivery, implementation charter and compliance with the budgetary levels that have been put in place.
The study concluded that the university was faced with challenges during strategic management implementation that included their competitors poaching their staff and limited financial resources. The recommendations included that there was the need for strategic planning workshops for all staff, goal commitment in high degree, qualified and committed human resources and the increase of financing of profitable projects that would aid in generating income and build more on quality learning and ensure that the university focused on continuously improving information facilities that were available to achieve full automation of systems.

3.0 RESEARCH METHODOLOGY

3.1 Research Design

The study employed a descriptive research design. Through descriptive research design, it becomes easily tenable to generalize the research findings to other areas with similar characteristics as the study subjects (Cooper & Schindler, 2011).

The study employed descriptive survey design. The research design gave the researcher the ability to designate the features of the variables of interest. The independent variables include strategic implementation, strategic evaluation, working environment and organizational culture, while the dependent variable is organizational performance. The research is on effects of strategic planning or organizational performance in the Ministry of Foreign Affairs in Nairobi City County, Kenya. The descriptive design was well suited to this study. The method was useful for this study as it described the characteristics of a large population. The survey had the advantage of having the potential to provide a lot of information from a quite large sample of individuals (Mugenda & Mugenda 2003).

3.2 Target Population and Sampling

The study targeted the members of staff working at the Ministry of Foreign Affairs, Nairobi, Kenya from Job Group N to Job group T. The target population had 284 members of staff, a sample of size of 43 staff members was determined through Krejcie and Morgan’s method. When the sample size determined is enough, then the normal distribution curve is normal according to the Central limit theorem (Gilbert & Churchill 2001).

A Sample design is the strategy or architecture used to chose study participants. On the other hand, sampling technique is the systematic method used to select limited number of participants.
from a certain specified population. The sample draw was used in making conclusions about the whole population (Creswel & Clark 2007).

A stratified sampling technique was used in this study. This sampling method measure the general population parameters with outstanding precision and make sure that a representative sample was obtained (Kothari, 2004) According to Kothari (2004) stratified method also makes sure that the sample size of each level, which is represented in various departments in proportional to the population size of the Ministry.

3.3 Validity and Reliability

What is intended to be measured by a study is undertaken through a process called validity in collection of data. Using the instrument to find score on useful inferences and meaningful drawing is what (Brotherton, 2008) defines as validity. Mugenda & Mugenda (2003) on the other hand defines validity as an accuracy and meaningful of the inferences, that is normally based on results of the research. They further posited that the validity only exists if data or information is to be measured. According to Peil (2013) professionals of certain fields should be used to assess content validity.

Two ways were used to determine the validity of the instrument. The Ministry of Foreign Affairs in Nairobi /county, Kenyatta’s staff were reached by the researcher after they has discussed the items with the researcher. The staff filled in the questionnaires that they were given by the researcher for them to tick in their responses. The response they provided was measured whether it was effective for each question and then clarification was done.

The Content Validity Index (CVI) formular was used in capturing the adequate and represented set of items.

\[
\text{Content Validity Index} = \frac{\text{Number of items declared valid}}{\text{Total Number of items}}
\]

The assessment done was determined whether it was meaningful through the construct of the instrument’s validity. Quality assessment is the center of construct validity through Rasch which was used to explore it. When measurement is to be done on any attribute, the involvement of construct validity is essential as it is the best form that assesses measurement of validity (Mc Millan & Shumacher, 2006)
The tool’s reliability was determined using SPSS to enter the data obtained. Internal consistency was assessed using the Cronbach’s Alpha Coefficient, where reliability of the study was considered if a score of 0.7 and above was obtained (Cronbach, 2015).

3.4 Data Analysis and Presentation

Descriptive statistics were used for data analysis. The study used means, averages and percentages. The data analysis tools were tabulations and spread sheets which were used to present the report. The primary data collected from the filled questionnaires was presented using charts, tables and graphs. The data was coded and organized to concepts and generalizations were made of the entire population. From the field findings data was tabulated and frequencies calculated on every variable that was under study and interpretation was made. Quantitative data was analyzed using descriptive (Mugenda & Mugenda, 2003). Descriptive statistics involved the use of means, standard deviations, frequencies and percentages. The Statistical Package for Social Sciences (SPSS version 21) was used for analysis. Both linear regression and correlation analysis were used to test the relationship elements of independent variables and dependent variables. The research questions were tested, identifying both P-values of 95% confidence levels and the R value of correlation results that were made from regression coefficient results that were either accepted or rejected.

4.0 FINDINGS AND DISCUSSIONS

4.1 Response rate

From the research findings a participation rate of 79% was recorded after the 34 questionnaires were picked by the researcher form the area of research out of the total 43 targeted respondents. Therefore, 79% was rated well enough for conclusions to be drawn and thus adequate. This was according to Mugenda and Mugenda (2011)’s study that indicated that 70% and above was excellent for the presentation of the study’s findings. The rate was then concluded as perfect and contentious (Refer to Table No. 1).
Table 1: Response Rate

<table>
<thead>
<tr>
<th>Response</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responded</td>
<td>34</td>
<td>79</td>
</tr>
<tr>
<td>Not Responded</td>
<td>9</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>43</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: (Survey Data, 2019)

4.2. Strategic Evaluation on

4.2.1 Strategic Evaluation has an effect on strategic planning in organizational performance in the Ministry of Foreign Affairs, Kenya.

Respondents agreed with statements on strategic evaluation to a great extent as shown by an average score of 3.8.

Strategic evaluation had helped in aligning the strategy objectives to the mission and objectives of the Ministry (mean = 4.02 std dev = 0.675), strategic evaluation had helped in fitting the strategic plan operationalization Ministry’s systems/structures (mean = 3.94 std dev = 0.352), strategic evaluation had enabled the Ministry to target and correct strategic variations (mean = 3.92 std dev = 1.340), strategic evaluation had enabled the Ministry to effectively address the cultural and political context within the Ministry (mean = 3.83 std dev = 0.581), strategic evaluation had enabled the Ministry of Foreign Affairs to evaluate its assets periodically (mean = 3.81 std dev = 0.975) and strategic evaluation had enabled the Ministry of Foreign Affairs to effectively capitalize on the organizational strengths and core competencies (mean = 3.80 std dev = 1.172).

Strategic evaluation had helped the Ministry to take corrective actions on its activities (mean = 3.77 std dev = 1.228), strategic evaluation had enabled the Ministry to consistently adhere to its set Mandate (mean = 3.75 std dev = 1.228), strategic evaluation had helped to streamline expenditure patterns to overall organizational spending patterns (mean = 3.70 std dev = 0.213), strategic evaluation had enabled the Ministry of Foreign Affairs to effectively exploit the opportunities in its environment (mean = 3.69 std dev = 0.283) and strategic evaluation has
enabled the Ministry of Foreign Affairs to effectively avoid organizational weaknesses (mean = 3.66 std dev = 0.715).

### Table 4.3: Strategic Evaluation

<table>
<thead>
<tr>
<th>Strategic Evaluation</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic evaluation has enabled the Ministry of Foreign Affairs to evaluate its assets periodically</td>
<td>3.81</td>
<td>.975</td>
</tr>
<tr>
<td>Strategic evaluation has helped align the strategy objectives to the mission and objectives of the Ministry</td>
<td>4.02</td>
<td>.675</td>
</tr>
<tr>
<td>Strategic evaluation has helped in fitting the strategic plan operationalization Ministry’s systems/structures</td>
<td>3.94</td>
<td>.352</td>
</tr>
<tr>
<td>Strategic evaluation has helped the Ministry to take corrective actions on its activities</td>
<td>3.77</td>
<td>.213</td>
</tr>
<tr>
<td>Strategic evaluation has helped to streamline expenditure patterns to overall organizational spending patterns</td>
<td>3.70</td>
<td>.149</td>
</tr>
<tr>
<td>Strategic evaluation has enabled the Ministry of Foreign Affairs to effectively exploit the opportunities in its environment.</td>
<td>3.69</td>
<td>.283</td>
</tr>
<tr>
<td>Strategic evaluation has enabled the Ministry of Foreign Affairs to effectively capitalize on the organizational strengths and core competencies</td>
<td>3.80</td>
<td>1.172</td>
</tr>
<tr>
<td>Strategic evaluation has enabled the Ministry of Foreign Affairs to effectively avoid organizational weaknesses</td>
<td>3.66</td>
<td>.715</td>
</tr>
<tr>
<td>Strategic evaluation has enabled the Ministry to effectively address the cultural and political context within the Ministry</td>
<td>3.83</td>
<td>.581</td>
</tr>
<tr>
<td>Strategic evaluation has enabled the Ministry to consistently adhere to its set Mandate</td>
<td>3.75</td>
<td>1.672</td>
</tr>
<tr>
<td>Strategic evaluation has enabled the Ministry to target and correct strategic variations</td>
<td>3.92</td>
<td>1.340</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>3.80</strong></td>
<td><strong>0.829</strong></td>
</tr>
</tbody>
</table>

*Source: Author (2019)*

### 4.3. ANOVA

The ANOVA technique was also used in testing of the model’s significance. The table below presents the findings.
Table 4.3.1: Summary of One-Way ANOVA results

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>17.37</td>
<td>4</td>
<td>4.342</td>
<td>5.654</td>
<td>.001b</td>
</tr>
<tr>
<td>Residual</td>
<td>22.27</td>
<td>29</td>
<td>0.768</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>39.64</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Critical value =1.69

The findings were found to be ideal in making the study’s conclusions as established by the ANOVA statistics in the regression model that showed a 0.05% significance level as it was less than 5%. The critical value was less than the calculated value (4.342>1.69) an indication that strategic implementation, strategic evaluation, working environment and organizational culture all have a significant influence on organizational performance.

4.4. Coefficients of Determination

The model of the study was also determined by use of the coefficient table. Table 4.12 presents the findings.

Table 4.4.1: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.167</td>
<td>0.076</td>
<td>2.197</td>
<td>0.036</td>
</tr>
<tr>
<td>Strategic Implementation</td>
<td>0.698</td>
<td>0.163</td>
<td>.391</td>
<td>4.282</td>
</tr>
<tr>
<td>Strategic Evaluation</td>
<td>0.476</td>
<td>0.121</td>
<td>.676</td>
<td>3.934</td>
</tr>
<tr>
<td>Working Environment</td>
<td>0.556</td>
<td>0.119</td>
<td>.385</td>
<td>4.672</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>0.498</td>
<td>0.117</td>
<td>.419</td>
<td>4.256</td>
</tr>
</tbody>
</table>
As per the SPSS generated output as presented in table above, the equation \( Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \) becomes:

\[
Y = 0.167 + 0.698X_1 + 0.476X_2 + 0.556X_3 + 0.498X_4
\]

From the regression model obtained above, a unit change in strategic implementation while holding the other factors constant would positively influence organizational performance by a factor of 0.698; a unit change in strategic evaluation while holding the other factors constant would positively influence organizational performance by a factor of 0.476, a unit change in working environment would positively influence organizational performance by a factor of 0.556, a unit change in organizational culture would positively influence organizational performance by a factor of 0.498. The findings above conform to findings by Adan (2014) that strategic decisions of an organization determine the relationship with its external environment, depended on input from the functional areas in an organisation and had a direct impact on organizational performance.

A significance level of 5% was used to determine the analysis. Both the probability value and \( \alpha=0.05 \) were used in finding out how significant the model was in comparing of the predictor variables. A less than \( \alpha \) p value shows that the predictor variable was significant and therefore in our case it wasn’t significant. A less than \( \alpha=0.05 \) was found in all the predictor values showing a level of significance.

5.0 SUMMARY CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The aim of the study was to establish the effects of strategic planning on performance of the Ministry of Foreign Affairs. The study found that most of the staff members at the Ministry of Foreign Affairs indicated that the principal impetus for developing the strategic plan was an executive mandate from the Public Service Commission. The Directors, Cabinet Secretary and Principal Secretary (Top Management), Senior Deputy Directors, Deputy Director, Counsellors and First and Second Secretaries were involved in developing the Ministry’s strategic plan centrally and that the Staff members at the Ministry of Foreign Affairs indicated that the goals and objectives in the strategic plan were ambitious but realistic.

The second goal of the study was to establish the effects of strategic evaluation on performance of the Ministry of Foreign Affairs. The study established that most of the staff members at the
Ministry of Foreign Affairs indicated that the Ministry had been somewhat successful in implementing the Strategic plan, the Ministry’s strategic plan identified specific performance measures for gauging success in achieving individual strategic goals and objectives and that the top management in the Ministry reviewed the performance data quarterly.

The third goal of the study set out to determine the effect of working environment on performance of the Ministry of Foreign Affairs. The study found that respondents agreed to statements related to strategic planning and working environment to a great extent in that; the working environment in the Ministry of Foreign Affairs had a great impact on the organizational culture, the management style in the Ministry of Foreign Affairs had an impact on the employee performance, the working environment in the Ministry helped to direct and align performance to a common goal achievement and strategic planning had helped the Ministry of Foreign Affairs to identify on the areas where to motivate its human resource to improve on performance.

The fourth objective was to establish the effect of organizational culture on performance of the Ministry of Foreign Affairs. The study found that respondents agreed to a great extent on statements on organizational culture in that; the organizational culture in the Ministry provided conducive environment to the Directorates to compete in terms of performance to achieve superior ranking, the organizational culture in the Ministry provided information and the spirit of continuous learning, development, improvement and accountability, the organizational culture in the Ministry provided conducive environment to good/top performance, the organizational culture in the Ministry provided conducive environment to employees to have good work ethics, the organizational culture in the Ministry provided conducive environment to adhere to best practices internationally and the organizational culture in the Ministry was supportive and provided incentives for good performance.

5.2 Conclusions

Based on the findings, strategic implementation was found to have a significant effect on organizational culture in the Ministry of Foreign Affairs. The results supported findings done by other scholars. It was established that strategy implementation had a positive influence on performance of the Ministry of Affairs when it’s done correctly but can also have negative influence when it’s conducted less efficiently and effectively, what is not to be ignored though is the quality of the strategy in the first place. A poor strategy no matter how well implemented
will not lead to a positive performance. The results anchor in literature the importance of strategy implementation in influencing performance.

Employees are greatly motivated to perform their duties by their work environment. The competitive business environment that is present today does not accommodate money alone as the sufficient motivator to employees. Most of the organizations are looking for effective ways to attract, keep and motivate their work force so as to improve performance. So as employees can work comfortably in their work, the environment is required to provide them with a friendly working environment.

A significant relationship in how organizational culture relates to performance has been established by the study. Thus, organizational culture is influenced by aspects of culture that include; measures on goals, work, employees, open culture and professional work. This is because organizational culture involves beliefs and attitudes, organisation of the work, monitoring and performance. Therefore, performance was found to be influenced significantly by organizational culture.

5.3. Recommendations

I. The study recommends that the Ministry of Affairs should ensure that allocation of resources is balanced and more funds allocated to the departments that are responsible in effective strategic implementation. The entire organization will become effective if necessary, funds are allocated for strategic implementation as it is major in achieving all other reforms.

ii. The implementation of strategies should be aligned together with the Ministry of Affairs’ organizational structure. The strategy being introduced to the organization should be given to the middle level management.

iii. The research further recommended that there is need for flow of communication in all the organization’s department which can be achieved thorough organizational structure in the Ministry of Affairs. Good organizational performance can be achieved through effective strategy implementation that results from effective organizational structure in the Ministry of Affairs.
REFERENCES


Kotelnikoc, Vadim (2007); Strategic Management: Modern Approaches to the new rapidly changing innovation-driven economy, picked from www.1000ventures.com


Temessek, (2009) Expanding the Psychosocial Work Environment: Workplace Norms and Work. Family Conflict as Correlates of Stress and Health 3(1) 71 -88