A Resource-dependency perspective on the implementation of strategic plans in non-governmental organizations in Kenya

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Many organizations have embraced strategic planning, but the implementation process remains a challenge resulting in well-formulated strategies that fail to be accomplished at the implementation stage. Existing research on strategic planning and implementation have focused on relationships between various factors that impact on strategy implementation. However, the factors have not been directly assessed on how they affect the implementation especially in non-governmental organizations (NGOs). Lack of implementation of strategic plans in their entirety impacts negatively on efficiency, effectiveness and sustainability of the NGOs. The focus of this study is on the effect of organizational resources on the implementation of strategic plans in NGOs in Kenya. To achieve the main objective, a survey of 258 NGOs was conducted from a population frame of 2588 NGOs operating in Nairobi District under the Youth, Relief, Micro-Finance, Welfare and Health sectors. Both quantitative and qualitative data were collected. The main instrument of data collection was a questionnaire containing both open-ended and closed questions, which was administered on specific levels of staff judged to be equipped with the relevant information on organizational resources related to strategy implementation in the sampled NGOs. Selected staff were also interviewed. Data collected was analyzed using descriptive statistics and content analysis, in particular using the Statistical Package for Social Sciences (SPSS) software. The study results indicate that organizational resources play a major role in the effective implementation of strategic plans in Kenyan NGOs. Based on the findings, the study recommends that organization resources both internal and external must not be neglected and should be enhanced through well-managed plans for effective implementation at all stages.

Key Words: Organizational resource, dependency, sustainability

INTRODUCTION

The key to survival of organizations in the modern world is the ability to acquire and maintain resources. Salancik and Pfeffer (1978) have deduced that resource acquisition and maintenance indicates the effectiveness of the organizations. Resources create a leading edge for an organization and they are normally difficult to replicate across any given sector. Johnson and Scholes (1999) indicate that management linkage may source for similar resources and other best practices but it is always difficult to have some resources with replication for example, employee skills, practiced cultural values, time management skills and financial savings ability. This leads to great discrepancies in the implementation of seemingly similar strategies among organizations. Kidombo (2007) observed that knowledge resources, material wealth and coordination ability are key to successful implementation of strategy.

The prevalence of resource managers in many organizations points to the importance of resource management with optimization to create value and satisfaction to stakeholders and customers giving a competitive advantage and an impetus to effectively
implement strategic plans (Porter, 1985). If the organization’s resources are not utilized to the organization’s advantage, the resources become a waste and burden that hinders effective strategy implementation. Aosa (1992) attributes the lack of proper management of resources to the frequent failure to implement well planned and documented strategic plans across Africa. Adequate number of employees alone is not enough to drive forward an implementation plan. There is need to have good leadership and well trained managers that will coordinate the usage of organization resources which are normally scarce and very costly to get.

**NGOs in Kenya**

The Non-Governmental Organizations Co-ordination act, 1990 (no. 19 of 1990), amended through the Kenya Gazette Supplement No. 85 (Act No. 8) 23 October 1992, defines a Non-Governmental Organization as “a private voluntary grouping of individuals or associations, not operated for profit or for other commercial purposes but which have organized themselves nationally or internationally for the benefit of the public at large and for the promotion of social welfare, development, charity or research in the areas inclusive of, but not restricted to, health, relief, agriculture, education, industry, and the supply of amenities and services” (GoK1990).

Traditionally, NGOs depend on donors for funding. However, overtime, the increased numbers of NGOs competing for donor funding has constrained the amount and level of funding available for each NGO (The Economist, 2000). Donors, on the other hand, have reviewed funding policies, preferring to work in blocs of “like-minded donors” or in regional blocs. Some foundations have transferred their headquarters to the regions nearer the partners, for example, The Ford Foundation, Rockefeller Foundation, and Church World Service, amongst others. The situation has meant additional effort for NGOs competing for the meager funds to emerge as leaders in best practice of governance, accountability, efficiency, effectiveness, timeliness, sustainability.

As NGOs seek to be effective players in the society, they are faced with the problem of bringing various scarce resources together in forming an organizational that is able to survive in the turbulent environment. From the field data, analyses were done to assess the extent to which organizational resources influence the effective implementation of strategic plans. Several tests were carried out as highlighted in the next sections.

**Statement of the problem**

Ansoff and McDonnell (1990) have observed that organizational resources require internal integration such that collective identity and togetherness determines day to day usage, acceptable levels of utilization and equitable allocations throughout the organization structures. Similarly, external resources for dealing with outside environment will be very much in need when trying to implement a strategic plan. Aosa (1992) has also added that the resources of an organization will affect how the organization relates to implementation of its strategic plans. He argues that for external focus, such resources could be adaptability whereas an internal focus could lean the organization’s resources towards highly skilled employees and strong budget plans. Awino (2007) found out that organization resources require collective responsibility in order to determine day-to-day usage, acceptable/non-acceptable levels of utilization as well as proper allocation of those resources. These are important aspects in implementation of organizational plans and this study scanned the organizational resources in various NGOs in Kenya, and sought to determine whether organizational resources affect implementation of strategic plans.

There is evidence of gaps in the implementation of strategic plans within Kenyan NGOs. In its 5th Corporate Plan, the National Council of Churches of Kenya (NCCK, 2009) noted implementation of strategy as a weakness, and created a Planning, Monitoring and Evaluation department to ensure effective planning and implementation of the plans (5th Corporate Plan, 2009). In a similar move, the Young Women’s Christian Association of Kenya (YWCA) created Oversight Teams to monitor implementation of the Strategic Plan 2008-2011, after realizing that about half of the strategic objectives in the current plan had been carried down from the previous strategic period, implying challenges in implementation (YWCA, 2008). Similarly, lack of optimization of organization resources in their entirety impacts negatively on effectiveness, efficiency and sustainability of the said NGOs.

Aosa (1992) focused on resource based involvement related to strategy implementation in manufacturing firms. That represented an important aspect of factors that influence implementation leaving a gap for non-manufacturing entities to be pursued by other scholars. Thompson, Strickland and Gamble (2007) and Evans (2007) propose further studies on organizational resources in instilling high levels of commitment to strategic success and lack of detailed planning to support utilization of organizational resources. This study therefore investigates organizational resources as factor affecting the implementation of Strategic Plans in NGOs in Kenya.

**MATERIALS AND METHODS**

The study adopted a survey research plan. Cooper and Schindler (2008) define a survey research as systematic gathering of information from a sample of respondents for the purpose of understanding and/or predicting some aspects of the behaviour of the population of interest. The
study sought to establish how organization resources affect the implementation of strategic plans in Kenyan NGOs. The study population target consisted of the 2,588 NGOs based in Nairobi District and operating in the sectors of youth, relief, micro-finance, welfare and health. NGOs operating in these five selected sectors provided a fair representation of NGOs in Kenya practicing implementation of strategic plans. Stratified sampling was used to give 258 NGOs. The study grouped the population into five strata according to the sector of operation, namely, Youth, Micro-Finance, Relief, Welfare and Health. At least ten percent sample of the population was considered a generally acceptable method of selecting samples in such a study (Stanley and Gregory, 2001; Kothari, 2004).

This study applied mixed instruments in which more than one instrument were used and is referred to as triangulation. Sekaran (2006), Nachmias and Nachmias (2008) and Mugenda and Mugenda (2006) observe that triangulation involves the use of more than one form of data collection in a study. The research used four instruments including questionnaires, interviews, observations and desk studies. Reliability was tested for study instruments producing Cronbach’s Alpha coefficient scores of over 0.8 while university professors supervising the study tested face validity. The field work observed and interviewed staff to explore the effectiveness of various aspects of their daily culture in implementation policies and methods such as contained in strategic action planning. Change management was tested through observations and questionnaires to identify or not, the organization culture helped in achievement of strategic objectives.

RESEARCH FINDINGS AND DISCUSSIONS
The study tested the influence that organizational resources would have on implementation of strategic plans. The level of achievement of strategic plans would be influenced by the availability of organizational resources. Resources such as employee skills, practiced cultural values, time management skills and financial savings ability would be vital to effective implementation of strategic plans.

A graphical presentation in figure 1 of the means of effective implementation of strategic plans between the three different levels of contribution of resources towards achievement of strategic objectives shows a high mean of about 70 within the moderate levels of contribution of resources towards achievement of strategic objectives and low values of about 50 and 55 for the low and zero levels of contribution of resources towards achievement of strategic objectives respectively. This implies that the higher the contribution of organizational resources, the higher the effectiveness of implementation of strategic plans. The graph however also shows that none contribution of organizational resources also gives higher mean on implementation of strategic plans. A further statistical test would be necessary to determine the significant difference between the means.

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**Figure 1**: Extent of resources contribution to strategic objectives
Table 1: ANOVA on groups of level of contribution of resources

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>1712.279</td>
<td>2</td>
<td>856.139</td>
<td>3.366</td>
<td>.038</td>
</tr>
<tr>
<td>Within Groups</td>
<td>30268.461</td>
<td>119</td>
<td>254.357</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>31980.739</td>
<td>121</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Multiple comparisons of resources

<table>
<thead>
<tr>
<th>(I) Extent to which resources contribute to achieving organizational strategic objectives</th>
<th>(J) Extent to which resources contribute to achieving organizational strategic objectives</th>
<th>Mean Difference (I-J)</th>
<th>Standard Error</th>
<th>Sig.</th>
<th>95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moderate</td>
<td>Low</td>
<td>19.94729(*)</td>
<td>7.84025</td>
<td>.012</td>
<td>4.4228 35.4718</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>14.78258(*)</td>
<td>7.32164</td>
<td>.046</td>
<td>.2850 29.2802</td>
</tr>
<tr>
<td>Low</td>
<td>Moderate</td>
<td>-19.94729(*)</td>
<td>7.84025</td>
<td>.012</td>
<td>-35.4718 -4.4228</td>
</tr>
<tr>
<td></td>
<td>None</td>
<td>-5.16470</td>
<td>3.65147</td>
<td>.160</td>
<td>-12.3950 2.0656</td>
</tr>
<tr>
<td>None</td>
<td>Moderate</td>
<td>-14.78258(*)</td>
<td>7.32164</td>
<td>.046</td>
<td>-29.2802 -2.850</td>
</tr>
<tr>
<td></td>
<td>Low</td>
<td>5.16470</td>
<td>3.65147</td>
<td>.160</td>
<td>-2.0656 12.3950</td>
</tr>
</tbody>
</table>

* The mean difference is significant at the .05 level.

Analysis of variance test on groups of level of contribution of resources

An analysis of variance (ANOVA) test was done to determine the statistical significance - whether there is difference in the means of effective implementation of strategic plans across the three levels of contribution of organizational resources; moderate, low or none.

According to table 1, P-value of the F statistic is 0.038 which is less than 0.05. This implies that the null hypothesis is rejected that there is no significant difference in the mean of effective implementation of strategic plans between groups of level of contribution of resources towards achievement of strategic objectives. The alternative hypothesis is thus accepted that at least one mean of implementation of strategic plans between groups of levels contribution of resources in achievement of strategic objectives is different from the others across the groups. This finding proves with statistical significance that contribution of organizational resources influences implementation of strategic plans as described by the graph in figure 1.

Multiple comparisons analysis

Further to the analysis of variance a multiple comparison analysis was carried out. This was to determine with statistical significance which of the three groups of mean of organizational resources that is; moderate, low and none had different mean of implementation of strategic plans. Graph 1 showed that moderate contribution had a higher mean than both low and none.

Table 2 shows that the mean of effective implementation of strategic plans in moderate contribution of resources towards achievement of strategic objectives is significantly different from the mean of effective implementation of strategic plans within the other two levels of contribution of resources towards achievement of strategic objectives. The P-value of the mean difference between the group of moderate and low levels of contribution of resources towards achievement of strategic objectives is 0.012 which is less than 0.05 implying that the mean difference 19.95 is significant.

The mean difference between moderate level and no level of contribution of resources towards achievement of strategic objectives 14.78 is also significant with a P-value of 0.046 which is less than 0.05. The mean difference of effective implementation of strategic plans between low level and none level contribution of resources towards achievement of strategic objectives is 5.16 with a P-value of 0.160 which is greater than 0.05 implying that there is no significant mean difference of effective implementation of strategic plans between these two groups. This shows that increasing the levels of resource contribution would significantly increase the level of implementation of strategic plans.

In his study of analysis of organizational learning process in donor agencies in Nairobi, Amulyo (2004) stated that not keenly implementing strategies had led to wastages in resource usage especially in relief organizations during food distribution for long term plans. He stated that NGOs in Kenya have been involved in many workshops and training programmes but are normally blamed for not keenly implementing strategies and pooling resources in cases of proximity and common activities in a given area. This is clearly an influence of lack of proper and skilled human resource. On a perspective of human resource, this is in line with the findings in this study which shows that lack of resources would cause low levels of implementation of strategic plans. Prahalad and Hamel (1990) observed that if employees are offered high job security through
motivation, empowerment, modern and reliable working systems and a free environment to be innovative, they will tend to guard organization resources and hence work towards achieving long term goals as found in the strategic plans.

Regression Analysis

**Resources versus effective implementation of strategic plans**

Further to the multiple comparison analysis, a regression analysis was carried out to significantly determine the degree of influence that contribution of organization resources would have on implementation of strategic plans if the level of contribution were changed.

Results in table 3 shows that 37.3% of the variation in the dependent variable is explained by the variation in the independent variables. This showed a low fit of the data on the model. It indicated that data on the variable resource alone does not appropriately fit the regression model. A multiple regression including data on other variables also influencing implementation of strategic plans would however fit the model.

**Analysis of variance on resources**

The Analysis of variance in table 4 however depicts a good result for the model. It indicates that the significance of the F statistic 0.00 is less than 0.05. We thus reject the null hypothesis that the coefficient of regression model is equal to zero and accept the alternative that it is not equal to zero. This implies that resources have significant influence on implementation of strategic plans.

**Regression coefficients on resources**

A test on the beta coefficient in table 5 shows a positive relationship between implementation of strategic plans and organizational resources. The coefficient of the extent to which organizational resources influences the achievement of organizations strategic objectives 14.866 is significantly greater than zero since the significance of the t statistic 0.000 is less than 0.05. This implies that organizational resources have a positive influence on implementation of strategic plans. Increasing the level of contribution of organizational resources by a unit would increase the level of implementation of strategic plans by 14.866.

This is in line with studies from past scholars. According to Pearce and Robinson (2009), it is through good training and development of human resource that other resources become viable and closely monitored to achieve strategic goals. This concurs with this study’s findings on the perspective of human resources which shows that increasing resource contribution would positively increase the levels of effective implementation of strategic plans. This study is also in line with Prahalad and Hamel (1990) who observed that if employees are offered high job security through motivation, empowerment, modern and reliable working systems and a free environment to be innovative, they will tend to guard organization resources and hence work towards achieving long term goals as found in the strategic plans.

### Table 3: Model Summary for Resources

<table>
<thead>
<tr>
<th>R</th>
<th>R Square(R²)</th>
</tr>
</thead>
<tbody>
<tr>
<td>.611</td>
<td>.373</td>
</tr>
</tbody>
</table>

### Table 4: ANOVA for resources

<table>
<thead>
<tr>
<th></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>151806.820</td>
<td>1</td>
<td>151806.820</td>
<td>73.273</td>
<td>.000(a)</td>
</tr>
<tr>
<td>Residual</td>
<td>254829.650</td>
<td>123</td>
<td>2071.786</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>406636.470(b)</td>
<td>124</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Table 5: Coefficients test for resources

<table>
<thead>
<tr>
<th>Category</th>
<th>Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>B</td>
</tr>
<tr>
<td>Organisational resources</td>
<td>14.866</td>
<td>1.737</td>
<td>8.560</td>
</tr>
</tbody>
</table>
support staff, community and stakeholder support and good management. A rare unique resource was the ability to raise or mobilize funds.

However, Scott (2003) has noted that the complexities of relationships in environment mean that an organization can break from its immediate environment. Observations from the study found for example that the trend of outsourcing and performance contracting has led to a great control of environmental resources. NGOs can now outsource a critical service or product and be very much in control of that service as opposed to that service or product controlling the NGO.

The study also found that assuming that all resources come from the external is not practical for example, some NGOs indicated that when financial resources are in short supply from let’s say donors, the NGOs develop contingency plans to get other funds in order to have an uninterrupted schedule of activities. Another notable point was that resources could be abundant but an NGO still lacks the will to complete or successfully implement strategies. This also conforms to what other scholars like Menzel et al. (2008) and Mulube (2009) found from their studies that resources could be a hindrance or a plus in implementation of strategies. Although the study has found resources to be very significant in the implementation of strategies, further research has to be engaged to strengthen the scholarly findings as well as an exploration into the human resource factor in the NGO sector. Overall resources had a high influence on effective implementation of strategic plans.

CONCLUSIONS AND RECOMMENDATIONS
Study findings indicated a positive relationship between implementation of strategic plans and resources, which was in conformity with Robinson and Pearce (2006) assertion that effective resources strengthen their strategic orientation by anticipating the challenges and problems of an organization through creating a reserve of resources that are very unique and strategic in the environment for their survival. From the findings, it can be confirmed conclusively that organization resources play a big role in effective implementation of strategic plans in NGOs in Kenya. Based on the study findings that have important theoretical and practical value to academicians and practicing managers in NGOs the following recommendations were made:
- Effective implementation of strategic plans was dependent on proper management and control of organization resources therefore it is recommended that organizations should employ appropriate policies and systems on resources.
- Organizations must always scan the environment to determine the best possible source of acquiring resources at competitive cost
- Policy makers should have non-discriminatory tendencies in all aspects of strategic plan implementation and set conducive conditions for resource sharing.

REFERENCES


