Strategic Planning and its Effect on Organizational Performance in the Diocese of Mt. Kenya South

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ABSTRACT

Organizations in the world over have embraced the concept and the practice of strategic planning and management in shaping the future of organizations to have sustainable improvement in their performance. It is worth noting that public and not-for-profit making organizations including religious based organizations are reaping benefits of strategic planning in achieving desired results. Arasa and K'Obonyo (2012) observed that both the private and public sectors have taken the practice of strategic planning seriously as a technique and model to fast track their performances. Between 1973- 1985, there was world-wide disenchantment with strategic planning, that is, widespread dissatisfaction with strategic planning. This was due to a lot of emphasis on strategic planning with little or no implementation. Porter (1987) observed that although strategic planning had gone out of fashion in the late 1970s, it needed to be re-discovered. It would have to be ―re-thought and ―recast. Features of the re-cast strategic planning which is the current strategic thinking include increased emphasis on implementation; link between planning and action. More so, strategy and budgetary cycle sequence need to be put in place and the line managers should take center stage in strategic planning since they are the implementers. In the light of this, Churches need to learn from the failures of the 1970s and 1980s and embrace the current strategic thinking in their strategic planning to be able to develop executable plans where the line managers in this case, the vicars-in-charge and the PCC take a leading role in steering parishes to achieve set objectives and enhance organizational performance. This is what triggered this study to correlate the current strategic planning in not-for-profit making organization, in this case, churches.

This study examined the relationship between strategic planning and organizational performance in a developing country's context (Kenya) and in a religious based organization (churches). The research was guided by the four objectives; (i) to identify the strategic planning components; (ii) to determine the effects of strategic planning on church growth in membership; (iii) to establish the effects of strategic planning on financial growth; and (iv) to evaluate how strategic planning has affected mission and outreach. The study findings indicate that there is a causal relationship between strategic planning and church performance. Strategic planning in churches has an effect on the performance measures. Church membership is first priority performance measure,

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followed by financial growth; and then mission and outreach. Strategic planning also has an effect on other performance measures that includes: baptism/ confirmation; education and empowerment; land buying and church house buildings; member participation; social activities like games; and stewardship.

Data was collected from both primary and secondary sources. The study used a descriptive design and utilized quantitative and qualitative data as its primary source of information, together with information from secondary sources. A target population of 155 parishes was randomly selected using stratified random sampling method. The data was analyzed using statistical package for social science (SPSS); and data presented in tables and bar graphs. From the study results, all the heads of the church parishes indicated that the strategic plan had an effect on church‘s performance. The findings also indicated that most of the church parishes‘ strategic plans (90%) have the envisioning and situational analysis elements, that is, vision, mission, core values and situational analysis. Majority of the church parishes (93%) indicated that strategic planning contributed to church membership growth to either very high extent, high extent and moderate extent moderate extent. More so, most of the church parishes (93%) indicated that strategic planning contributed to financial growth to a large extent and to a moderate extent. This is a clear statement that the heads of church parishes understood that strategic planning contributes immensely to financial performance. Most of the church parishes (82%) indicated that strategic planning contributed to mission and outreach involvement to a moderate extent and to a large extent. Cognizance of the study findings of the study, it is conclusive therefore to say that strategic planning had an effect on organizational performance in church parishes in Kenya.

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