STRATEGIC MANAGEMENT PRACTICES AND PERFORMANCE OF HEALTH NON-GOVERNMENTAL ORGANIZATIONS IN NAIROBI CITY COUNTY, KENYA

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Abstract

Introduction: The contemporary business environment in which organizations operate is increasingly becoming uncertain and unpredictable, and it has been established that little is known of the implementation of strategic planning practices among not-for-profit organizations in developing countries, despite increased inability to meet estimated project timelines, quality and budget allocation.

Purpose: This study aimed to examine how strategic management practices influence health NGOs' performance in Nairobi City, Kenya.

Methodology: The study was grounded on theories that include: Ansoff’s strategic success theory and stakeholder theory. The study was grounded on positivism research philosophy with a descriptive research design guiding the research. The study targeted the senior managers of the 98 health NGOs operating in Nairobi County. Stratified random sampling was used in the selection of the desired respondents. The sample participants for the research were 131 employees from health NGOs. The study relied on frequencies, means and standard deviation in presenting descriptive results. The inferential statistics used were correlation analysis, regression analysis and analysis of variance.

Findings: The study results showed a positive and significant correlation between strategic planning, strategy evaluation and monitoring, and health non-governmental organizations' performance. The study concluded that strategy formulation as well as strategy evaluation and monitoring have a positive relationship with the performance of health NGOs.

Recommendations: The study recommends that NGOs improve their strategic management practices by strengthening their collaborations with stakeholders, reviewing threats and opportunities and involving employees in strategic planning and implementation. The study recommends for further research work be conducted to review the influence of internal organization environment on NGOs’ performance in Kenya.

Keywords: Strategic Management Practices, Strategic Planning, Strategy Evaluation, Monitoring and Organizations' Performance
Introduction

Non-Governmental Organizations (NGOs) need to understand and implement strategies that will enhance the performance for organizations to attain desired results from employees. This is becoming more challenging and difficult due to the competitive nature in the business world (Kimunguyi, Memba, & Njeru, 2015). In an endeavour to achieve their goals, NGOs face various challenges in the operations (Kinyuma, 2013). NGOs operate in a unique environment and for non-government organizations in the health sector, the management of key strategic practices is indeed a complex due to the amount of information generated in health service delivery (Chebii, Lewa, & Ngari, 2019). When organizations are able to incorporate available information in the development of value-creating strategies, this increases their ability to respond to the demands of stakeholders, development of their workforce and support to critical service delivery (Batti, 2014).

When a company is involved in strategic management practices, it can deal with uncertainties related to funding. The absence of strategic management practices makes an organization to have short-lived structures that are harmful to financial sustainability (Mutole, 2019). However, more benefits accrue upon the utilization of strategic management practices in addition to financial payoff. Moreover, strategic management practices help firms enhance associations with key partners and collaboration establishment with external companies (Ebenezer, Musah, & Ahmed, 2020).

Moreover, many NGOs’ governance structure is quite complex. Largely self-appointing and self-perpetuating boards of directors govern most non-profits as literature reveals (Lewis, 2014). These problems affect the effectiveness of an organization in management, productivity, and performance. Consequently, successful non-governmental organizations must continue to invest in strategic management practices that make these goals a reality (Mukasa, 2016; Abdalkrim, 2013). This study sought to establish the effect of strategic management practices on the performance of non-governmental organizations in Kenya. The relationship between strategic management practices and performance has been reviewed by several researchers in various dimensions. The dimensions range from financial and non-financial measures. The performance evaluation enables an understanding of a firm’s strategies and the effect on the firms’ productivity (Kefa & Iravo, 2018). However, when thought on the performance of NGOs is considered, it is not easy to measure because their main objective of existence is to promote a social mission (Andrews, Beynon, & Genc, 2017). A common indicator of performance measurement is fundraising efficiency and access to funds, but that does not present a full picture of the performance of the NGOs (Maina, 2019).

Statement of the Problem

In Kenya, most businesses lack formalized planning and working strategies which can be used to guide them towards objective realization. Researchers see this as a contributor to the increased failure of most ventures (Maina, 2019). NGOs have adopted various strategies to enhance their performance. They include having strong visionary leadership, powerful management team and effective teamwork, well-motivated, committed, skilled and flexible workforce; optimal organizational structure; clearly defined mission, vision and objectives, and a sound financial base (de Waal & Olale, 2019). Kenyan NGOs are plagued with specific managerial issues, including queries around strategic planning, staffing, budgeting and the general operating structure of the organization. These organizations are also faced with the challenge of managing external partnerships; relations with state agencies, the private sector,
other organizations and with their target communities (Mutole, 2019). Despite the critical role and positive outcomes that strategic planning play on organizational performance in times when the contemporary business environment in which organizations operate is increasingly becoming uncertain and unpredictable, little is known of the implication of the implementation of strategic planning practices among non-profit organizations in developing countries (Njeri, 2016), especially in Kenya (Aldehayyat & Twaissi, 2011). Therefore, with the mixed results, there is a need for more research to establish the relationship between strategic management activities and performance. This is why this study focussed on assessing how strategic management practices influence the performance of selected health NGOs in Nairobi County, Kenya.

Research Objectives
The general objective that guided the study was to investigate the relationship between strategic management practices and the performance of health NGOs in Nairobi City County in Kenya. The specific study objectives were:

i) To investigate the effect of strategy planning on the performance of health non-governmental organizations in Nairobi County in Kenya
ii) To find out the effect of strategy evaluation and monitoring on performance of health non-governmental organizations in Nairobi County in Kenya

Theoretical Literature
Ansoff Strategic Success Theory
Ansoff Strategic Success theory is a planning model that is used in an organization to determine its product and service strategy. The model is credited to the father of strategic management school of thought, Igor Ansoff. According to the theory, there is a strong causal association between formalized strategic planning and the achievement of optimal success of an organization. For a company to be effective in its strategy, there is a need to match the level of environmental turbulence. The level of turbulence strongly affects its strategy, and its understanding provides a good foundation in developing a better performing organization (Ansoff, 1971). Often, the determination of strategy is dependent on environmental turbulence. Ansoff’s theory acts as a tool for the facilitation of data translation form qualitative to quantitative numbers that help the management to develop a direction (Moussetis, 2011). Ansoff Strategic Success theory is valuable to the current study in explaining the effect of the strategy evaluation and monitoring on the performance of selected NGOs in Nairobi County, Kenya.

Stakeholder Theory
According to Freeman (2009), stakeholder theory is an idea about how organizations work. It is premised on the thinking that firms have to generate value to stakeholders to be considered successful (communities, suppliers, employees, and financiers). Accordingly, the firm has to look at the interests of all stakeholders as a unit, rather than focussing on the needs of a single stakeholder. According to Newcombe (2003), the identification of key organizational stakeholders is the starting point for meaningful and effective stakeholder management. Efforts to aggregate stakeholder groups can help an organization to determine the best approach to integrate interested parties towards a common goal. The relevant and legitimate value created in the firm does not necessarily imply an economic value. The central philosophy of this theory is that of “joint-ness” where the stakeholder needs and interests are taken care of for future
benefits through cooperation. Therefore, this theory is valuable to the current study in explaining the strategy planning, and their association with organizational performance.

**Empirical Literature**

Khoshtaria (2018) examined the effect of strategic planning on firm performance through the strategic implementation of manufacturing companies in Georgia. The study used a quantitative strategy through a deduction approach. The formulation of hypotheses was done using existing knowledge that has been tested. Questionnaires were used to collect primary data through an online survey and telephone interviews. The target population was estimated to be 455 companies. The response rate was 22.85% which was considered adequate for analysis. Analysis of Variance (ANOVA) and correlation analysis was utilized in the research. The study established that comprehensive strategy planning by a firm leads to better performance. However, the study focused on manufacturing firms and the findings may not be generalized in other sectors. Therefore, the current study addressed strategic planning and organizational performance among Kenyan NGOs.

Azahari, Mustafa and Yusoff (2017) investigated how strategic planning impacts productivity in the Indonesian public sector between 2012 to 2017. The study was based on an inconsistent finding on how strategic planning relate to productivity among firms operating in both the private and public sector. 671 public sector departments in 23 districts in Aceh, Indonesia were useful in providing data on the productivity of the firms. 284 respondents were handed questionnaires, with a realization of a response rate of 45.77%. findings were that the relationship was positive and significant. Thus, when an organization implements strategy planning comprehensively, the level of productivity will increase comprehensively. The inclusion of companies operating in the public sector makes the findings invaluable to the current study since these firms operate under different rules and regulations with NGOs. The current study focussed on strategic planning and performance of NGOs.

Sophia and Owuor (2015) examined how strategic planning activities affect the growth of the Kenya Medical Research Institute (Kemri). Adopting a descriptive research design 200 KEMRI staff and members of the various management teams were identified using the stratified random sampling method. 50 respondents made up the sample study. Questionnaires were developed to collect primary data from top managers, departmental heads, middle-level managers and general staff managers. Findings showed that a well-implemented strategy plan enables organizations to effectively grow. The study’s focus on organizational growth as a measure of managerial effectiveness make its findings inadmissible in the current study. The current study examined organizational performance using non-financial indicators.

Nnamani, Ejim, and Ozomu (2015) examined how strategy formulation affects performance levels among Nigerian manufacturing firms in Nigeria. The variables considered in the study were organizational structure and worker behaviour. A survey research design was adopted, using a sample of 100 respondents drawn from a population of 185 elements by use of the Freud and Williams model. Descriptive statistics were applied in the analysis of the questionnaires which were the main research instruments. It was established that a well perceived and formulated strategy improves a firm’s productivity, and behavioural and methodical resistance to strategic dynamics make formulation futile. However, the study was conducted on manufacturing firms and the results may not be generalized. The current study examined NGOs that are operating in Nairobi County, Kenya.
Poister, Edwards, Pasha, and Edwards (2013) sought empirical evidence on strategy formulation and performance from 236 local public transit agencies in the US. The response rate for the study was 43%. Data was obtained using online surveys of managers and the National Transit Database (NTD) using questionnaires that were administered through emails. Ordinary Least Squares (OLS) regression was utilized to evaluate the relationship between strategy formulation and objective performance. Findings established that strategic formulation significantly and positively influences productivity in the public transit services industry. The study focused on the transport sector, and the results may not be generalized in all the sectors and industries. Also, the study was conducted in a developed economy. The current research, therefore, focused on NGOs in developing county.

Augustine and Agu (2013) did a study to assess the effect of strategy formulation in business firms based in Enugu State, Nigeria. The study was intended to evaluate how the formulated strategies have been applied and operated in organizations. A descriptive survey was applied to a population consisting of 185 workers who belonged to three categories of management. Freud and William's model was applied to obtain a sample size of 106 respondents, while the sample space was determined using simple random sampling. Questionnaires were adopted and descriptive statistics were used in data analysis. Findings established a significant effect of strategy formulation on form performance. However, the study only used descriptive statistics. The current study used a combination of descriptive and inferential statistics.

Santura, Muema, and Nkaabu (2017) investigated how strategy formulation impacted performance among public organizations in the county government of Isiolo. Utilizing a descriptive research design the research focused on the management heads and section heads in the county government. A census survey was conducted on all the 63 management employees of the county government since the respondents were easily accessible in the system. To collect the data, questionnaires were used, then analyzed using descriptive statistics. Pearson Correlation was utilized to ascertain whether a relationship exists between strategy formulation and productivity of elements in the county government. Findings revealed that strategic formulation significantly and positively influences county government productivity in Isiolo. However, the study did not consider stakeholder involvement. The current study focused on the involvement of stakeholders and the development of long-term objectives in strategic implementation.
Conceptual Framework

Independent Variables

<table>
<thead>
<tr>
<th>Strategic Planning</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Mission statement</td>
<td></td>
</tr>
<tr>
<td>- Vision statement</td>
<td>Performance of NGOs</td>
</tr>
<tr>
<td>- Values statement</td>
<td>- Program outcomes</td>
</tr>
<tr>
<td>- Performance review</td>
<td>- Program impacts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategy Evaluation and Monitoring</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Systems’ development monitoring</td>
<td>- Quality</td>
</tr>
<tr>
<td>- Monitoring of strategic plans</td>
<td>- Efficiency and improved service delivery</td>
</tr>
<tr>
<td>- Evaluation of outcomes</td>
<td></td>
</tr>
<tr>
<td>- Identification of performance measures and standards</td>
<td></td>
</tr>
</tbody>
</table>

Figure 1: Conceptual Framework

Research Methodology

Research Design

The study was grounded on positivism research philosophy which suggests that occurrences directly and individual perception, therefore, there is a direct correlation between things and their representation (Willig, 2013). A descriptive research design was utilized. The descriptive research design allowed the researchers to employ quantitative techniques in the analysis of the interaction between study variables. Further, the design enables for the examination of the phenomena within its current environment.

Population and Sampling

The total population of Health NGOs in Kenya is 98 (HENNET, 2019). The unit of observation was the directors and project managers of the NGOs leading to a population of 196 participants. The study targeted managing directors and project managers. The random sampling technique was utilized due to its affordability in the administration of the research instruments and its applicability in obtaining a representative sample. The sample participants for the research were 131 employees from health NGOs who were conveniently selected to participate in the research.

Data Collection Instruments

The basic data collection instrument that was used in the study was questionnaires. These allow for data collection from a wide geographical region at minimal costs. The research assistant kept track of the questionnaires administered and collected using a register. The study also relied on Google forms in remotely collecting research data from participants who were not available for the physical collection of research data.
Data Analysis and Presentation

The Statistical Package of Social Studies (SPSS) Version 25 was utilized in the analysis. Inferential statistics and descriptive statistics were useful in data analysis and testing of the study hypothesis to answer the research questions. Descriptive analysis was conducted using frequencies, means and standard deviation. The inferential statistics that the study used were correlation analysis and regression analysis. After analysis, presentation was in the form of tables, graphs, and charts.

Results and Discussion

The sample size for the study was 131 employees drawn from the managing director and the project managers drawn from NGOs operating within Nairobi City County. The research applied both drop and pick a method and electronic (Google forms) data collection procedures. The study obtained responses from 92 employees (70%) while 39 sample participants (30%) of the organizations did not participate in the research.

Background Information

The study reviewed various demographic information on the study participants and the findings are represented in this section. The research analyzed the education attainment among the respondents, and the findings showed that 74% (n=68) of the participants had graduate-level education, 18% (n=17) had diploma level education and 8% (n=7) had attained a masters level education. The findings demonstrated that the participants had requisite education attainment that helped respond to the study statements as prescribed in the instrument.

Figure 2 Education Level of Participants

Source: Research Data (2021)

The research also reviewed the position held by the participants within the organization, and the analysis showed that the majority 62% (n=57) were project managers while 38% (n= 35) were the managing directors within the health NGOs. This indicated that participants had relevant information that was being sought to solve the study problem by their professional positions.
The results demonstrated that the majority of the participants 37% had worked within the sector for 4-7 years, 29% had worked for 12-15 years, 22% for 8-11 years while only 2% had worked for 1-3 years. The findings revealed a varying wealth of work experience among participants which showed that vital information could be collected which will be core to answering the research questions.

**Descriptive Results**

This study relied on a quantitative research instrument in the collection of research data. The study tool was developed using a 5-point Likert scale questionnaire. The analysis of the research data applied means, sum and standard deviation in the analysis of the study participants’ responses.

**Organization Performance of Health NGOs**

The study's dependent variable was the institutions' organization performance, and the participants were presented with six key statements, and the results are shown in Table 2 below.
Table 2 Results for Organization Performance of Health NGOs

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Sum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The institution has been able to achieve positive outcomes in the implementation of its programs</td>
<td>92</td>
<td>361.00</td>
<td>3.9239</td>
<td>.77366</td>
</tr>
<tr>
<td>There is improved efficiency in the execution of the institution's projects</td>
<td>92</td>
<td>383.00</td>
<td>4.1630</td>
<td>.81574</td>
</tr>
<tr>
<td>The institution has been able to develop sustainable partnerships with stakeholders within the NGO sector</td>
<td>92</td>
<td>385.00</td>
<td>4.1848</td>
<td>.74020</td>
</tr>
<tr>
<td>The institution has been able to attain better service delivery to beneficiaries</td>
<td>92</td>
<td>357.00</td>
<td>3.8804</td>
<td>.79618</td>
</tr>
<tr>
<td>There is improved quality in the execution of the institution's projects</td>
<td>92</td>
<td>357.00</td>
<td>3.8804</td>
<td>1.05708</td>
</tr>
<tr>
<td>The institution has been able to maintain financial sustainability in the execution of its projects</td>
<td>92</td>
<td>378.00</td>
<td>4.1087</td>
<td>.94295</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td><strong>4.0235</strong></td>
<td><strong>0.8543</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Research Data (2021)

The analysis demonstrated agreement among respondents that the institution has developed sustainable partnerships with stakeholders within the NGO sector as noted by mean = 4.1848 and moderate deviation .7402. The study also showed agreement that there is improved efficiency in executing the institution's projects as indicated by mean of 4.163 with a moderate deviation of .81574. The participants were also in agreement that there is improved quality in the execution of the institution's projects (mean = 3.8804) and strong deviation in responses as noted by dev = 1.05708. The results also revealed the agreement that the institution has been able to attain better service delivery to beneficiaries as shown by mean of 3.8804. Overall, the results showed an aggregate mean = 4.0235 which was an indication that majority of the participants were in agreement with statements regarding the organization performance of the health NGOs.

**Strategic Planning of Health NGOs**

The first variable examined the strategic planning conducted within health NGOs, and the respondents were presented with 6-statements and analysis of the collected responses is shown in table 3 below.
Table 3 Results for Strategic Planning of Health NGOs

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Sum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization mission and vision are crucial elements of strategic management</td>
<td>92</td>
<td>364.00</td>
<td>3.9565</td>
<td>.90071</td>
</tr>
<tr>
<td>The organization vision and growth are reinforced by a strategic focus on the attainment of better performance</td>
<td>92</td>
<td>368.00</td>
<td>4.0000</td>
<td>.81200</td>
</tr>
<tr>
<td>Strategic planning has helped establish benchmarks that show whether the organization is meeting my goals and objectives</td>
<td>92</td>
<td>364.00</td>
<td>3.9565</td>
<td>.86333</td>
</tr>
<tr>
<td>Strategic planning improves the organization processes and ultimately reduces internal costs of operations</td>
<td>92</td>
<td>364.00</td>
<td>3.9565</td>
<td>.86333</td>
</tr>
<tr>
<td>The organization has a feedback system in place that influences the development of new capabilities and organizational learning</td>
<td>92</td>
<td>388.00</td>
<td>4.2174</td>
<td>.87488</td>
</tr>
<tr>
<td>Target setting allows the organization to reconfigure existing business capabilities and also build new capabilities</td>
<td>92</td>
<td>361.00</td>
<td>3.9239</td>
<td>.90461</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td>4.0018</td>
<td>0.86981</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Research Data (2021)

The respondents strongly agreed that the organization has a feedback system that influences new capabilities and organizational learning (mean = 4.2174, dev = .87488). The study indicated agreement among participants that the organization vision and growth are reinforced by a strategic focus on attaining better performance as shown by mean of 4.00. The findings indicated participants agreement (mean = 3.9565, dev = .8633) that strategic planning improves the organization processes and ultimately reduces operations' internal costs. Similarly, participants agreed that target setting allows the organization to reconfigure existing business capabilities and also build new capabilities (mean = 3.9239, dev = .90461). The aggregate results showed that senior employees within the NGOs viewed strategic planning as vital to the organizations operations as denoted by mean of 4.0018 and deviation of 0.86981.

**Strategy Evaluation and Monitoring of Health NGOs**

The study reviewed the strategy evaluation and monitoring of Health NGOs among the study participants using 5-key statements, and the findings are presented below.
Table 4 Results for Strategy Evaluation and Monitoring of Health NGOs

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Sum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The organization has developed monitoring systems to support the review of firm operations</td>
<td>92</td>
<td>359.00</td>
<td>3.9022</td>
<td>.85240</td>
</tr>
<tr>
<td>The organization has developed clear strategic plans for monitoring firm service operations</td>
<td>92</td>
<td>366.00</td>
<td>3.9783</td>
<td>.82513</td>
</tr>
<tr>
<td>The organization continuously reviews projects outcomes to guide future operations</td>
<td>92</td>
<td>368.00</td>
<td>4.0000</td>
<td>.86444</td>
</tr>
<tr>
<td>The organization constantly identifies new performance measures and standards to guide firm activities</td>
<td>92</td>
<td>373.00</td>
<td>4.0543</td>
<td>.81691</td>
</tr>
<tr>
<td>The organization has developed clear evaluation techniques to gauge attainment of organization objectives</td>
<td>92</td>
<td>377.00</td>
<td>4.0978</td>
<td>.87781</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td></td>
<td>4.0065</td>
<td>0.8473</td>
</tr>
</tbody>
</table>

Source: Research Data (2021)

The analysis showed agreement among participants that the organization has developed clear evaluation techniques to gauge attainment of organization objectives as indicated by mean = 4.0978. The results also indicated agreement (mean = 4.0543, dev = .81691) that the organization constantly identifies new performance measures and standards to guide athletic activities. The study showed agreement that the organization had developed clear strategic plans for monitoring firm service operations (mean = 3.9783, dev = .82513). The findings also noted that the organization has developed monitoring systems to support a review of firm operations (mean =3.9022, dev =.85240). The aggregate findings showed that strategy evaluation and monitoring was affected within the health NGOs as indicated by mean of 4.0065 and deviation of .8473.

Correlation Analysis

The study sought to establish the association between the study variables. The research employed the Pearson Correlation at a 95% confidence interval, and the findings are presented in Table 5 below.

Table 5 Correlation Results

<table>
<thead>
<tr>
<th>Organization Performance</th>
<th>Pearson Correlation</th>
<th>Sig. (1-tailed)</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Performance</td>
<td>1</td>
<td></td>
<td>92</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>.643**</td>
<td>.000</td>
<td>92</td>
</tr>
<tr>
<td>Strategy Evaluation &amp; Monitoring</td>
<td>.705**</td>
<td>.000</td>
<td>92</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (1-tailed).

Source: Research Data (2021)
The first objective examined the effect of strategic planning on the organization performance of health of NGOs. The findings demonstrated a strong positive and significant effect of strategic planning on organization performance ($P=.643$, Sig = $.000<.05$). The results are consistent with Khoshtaria (2018), who noted that effective strategic planning has been pivotal to Georgia's performance. Azahari, Mustafa and Yusoff (2017) similarly observed that strategic planning has been central to improving productivity. Innocent and Levi (2017) revealed a positive effect of strategic planning on firm productivity in the same vein. Akinyele and Fasogbon (2010) in their study in Nigeria also established that strategic planning has been vital to improving the productivity of organizations. The same observations were advanced by Sophia and Owuor (2015) who revealed that implementing better strategic plans will lead to organization effectiveness and growth.

The second study objective reviewed the effect of strategy evaluation & monitoring on NGOs' organization performance of health. The analysis showed a strong positive and significant effect of strategy evaluation & monitoring on organization performance ($P=.705$, Sig = $.000<.05$). The findings agree with Hieu and Nwachukwu (2019), who showed that the strategy evaluation approach positively affected firm performance within telco firms. Locally, Chepkwony (2016) also found out that strategy evaluation and control were significant predictors of organization performance. Abdalla (2015) in their study of Kenyan firms indicated that appropriate strategic evaluation was central to improving organization performance.

**Regression Analysis**

The purpose of the research was to determine the relationship between strategic management practices and health NGOs' performance in Nairobi City County in Kenya. The study adopted a multiple linear regression analysis, and the results are presented in this section.

**Table 6 Regression Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.772a</td>
<td>.595</td>
<td>.572</td>
<td>2.06362</td>
<td>2.126</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Strategy Evaluation & Monitoring, Strategic Planning

b. Dependent Variable: Organization Performance

**Source:** Research Data (2021)

The coefficient of determination for the research was $R^2=.595$. This result demonstrated that 59.5% of health NGOs' organization performance is determined by the strategic management practices (*strategy evaluation & monitoring, strategic planning*) adopted. The results showed that 40.5% of the organization performance could be attributed to factors not considered in this research.
Regression Coefficients

Table 7 Regression Coefficients Summary

<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>1 (Constant)</td>
<td>2.802</td>
<td>2.196</td>
<td>1.276</td>
<td>.205</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>.208</td>
<td>.115</td>
<td>.292</td>
<td>2.610</td>
</tr>
<tr>
<td>Strategy Evaluation &amp; Monitoring</td>
<td>.484</td>
<td>.145</td>
<td>.378</td>
<td>3.344</td>
</tr>
</tbody>
</table>

b. Dependent Variable: Organization Performance

Source: Research Data (2021)

The study yielded a $\beta_0 = 2.802$ which was not statistically significant $>.05$. The study yielded a $\beta_1 = .208$, $\text{Sig} = .004<.05$. This indicated a significant effect of strategic planning on organization performance which demonstrated that a change in strategic planning would lead to a $\beta_1 = .208$ change in health NGO performance. The results resonate with Akinyele and Fasogbon (2010), who revealed that strategic planning is vital to better firm performance. Sophia and Owuor (2015) also showed that well-implemented strategic plans lead to growth and effectiveness within the firm. The findings indicated a coefficient $\beta_5 = .484$ and statistically significant $<.05$, which implied that changing strategy evaluation and monitoring by a unit would lead to a $\beta_5 = .484$ change in health NGOs’ performance. The findings are supported by Chepkwony (2016), who demonstrated that strategy evaluation and control significantly influence firm productivity.

Conclusions

The study concludes that strategic management practices have a positive and significant relationship with health NGOs' performance in Kenya. The first objective reviewed effect of strategic planning on organization performance and based on the results the study concluded that there is a positive and significant effect on health NGOs' performance. The study found that having a clear mission statement, vision and values statement, and robust performance review is vital to organization performance. The second objective reviewed influence of strategy evaluation and monitoring and the results supported the conclusion that strategy evaluation and monitoring have a positive and significant influence on health NGOs' organisation performance. The study revealed that the development of monitoring systems, monitoring of strategic plans, evaluation of firm outcome and identifying performance and measuring standards is critical to improved organization performance of health NGOs.
Recommendations

Policy-wise, the study recommends that the NGO sector support individual organizations in developing their strategic management guidelines. This will ensure that firms in the industry have uniformity in their execution of strategic management practices which can be vital to enhancing the firm's performance. Concerning strategic planning, the study recommends that the organizations continuously review their firm's mission and vision statement to ensure consistency in operating environment changes. This will ensure that organizations are at the forefront of developing new capacities and adopting capabilities and measures to foster the attainment of the organization objectives. The research recommends that concerning evaluation and monitoring the NGOs should constantly review the best practices being adopted globally to ensure those activities are guided accordingly. Further, NGOs can develop clear manuals and plans to guide effective implementation of monitoring and evaluation activities that can be ideal for attaining organizational objectives.

Contribution to Knowledge

The study recommends that NGOs should rely on the Ansoff strategic success theory in formulating and developing the right growth strategy based on the choices available to the management. This is supported by study results that showed that strategic management practices are vital to improved organization performance.

References


