

INFLUENCE OF ORGANIZATIONAL CULTURE ON IMPLEMENTATION OF STRATEGIC PLANS IN NON-GOVERNMENTAL ORGANIZATIONS: A SURVEY OF NAKURU COUNTY, KENYA

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Abstract

The study examined the influence of organizational culture on implementation of strategic plans in Non-Governmental Organizations (NGOs) operating in Nakuru County, Kenya. Descriptive survey research design was used targeting employees in 249 registered and active NGOs in the area. A sample size of 136 was obtained and questionnaire was used as data collecting tool. The data was analyzed using both descriptive and inferential statistics. The findings revealed that the both reward systems and behavioral norms in the NGOs were strong motivators for strategic plans implementation. Also indicated that certain traits which were highly valued by the organizations and communication strategies played a significant role in enhancing the implementation of strategic plans within the Non-governmental organizations. It was recommended that; management ought to consider using all types of rewards to motivate employees; the NGOs should adopt participatory strategic planning across board; the NGOs should in addition to encouraging teamwork in the workplace also organize activities for bonding sessions; it is also important that the NGOs ensure that adequate on-boarding is done for every new staff member. More research should be done on how the NGO employees perceive their work experience and the relationship between change management and the implementation of strategic plans in NGOs.

Keywords: Organizational Culture, Strategic Plans, Non-governmental Organizations, Kenya

INTRODUCTION

The state has been long regarded as the key player in the social and economic development of a country. However, in recent times, non-governmental organizations (NGOs) have come in to play a role in development after noting that there were gaps in the way government was conducting development. Most of the NGOs are involved in works relating to humanitarian aid which are of direct and visible benefit to the people; they have achieved a high degree of goodwill (Bowman, 2011). Non-governmental organizations have also been key in augmenting the work done by government and international agencies are gaining recognition by the day. In Kenya, their roles are more prominent in the traditionally marginalized areas like the Arid and Semi-Arid Lands (ASALs) where basic government services are not readily accessible (Poverty Eradication Network, 2002). This obviously entails a lot of decision making at different levels so as to ensure that the available resources are distributed out in such a way as to ensure maximum efficacy in service delivery and resource utilization. As such organization culture plays a big role in the way these NGOs are managed and also on the implementation of their strategic plans.

The study of behavior or the performance of organizations is seldom complete without the mention of organization culture. Organization culture plays a very important role in determining other variables of organization performance. Like all social mechanisms, an organization's culture performs certain social functions, some of them intended and some of them unintended (Deal & Kennedy, 2000). Unlike organizational structure, organization culture is not readily discernable and it is quite difficult to observe, measure or map. Culture can be supportive to structure or reinforce it. Interestingly culture at times acts as a functional alternative to reducing behavioral variability in organizations. These functions have been the subject of considerable debate in organizational culture research (Scholl, 2003). Globally, many organizations, public sector and private sector and also NGOs, are striving to streamline their cultures to their goals to enable them to reduce the liability of culture and actually make it work for the wellbeing of the organization.

Organizational culture is the behavior of human beings within an organization and the meaning that people attach to those behaviors. Collective behaviors and assumptions are traditionally taught to new organizational members as a way of perceiving, and even thinking and feeling (Logan, King & Fischer-Wright, 2009). Organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. According to Ravasi & Schultz (2006) organizational culture is a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behavior for various situations. Conflicting cultures are known to co-exist in larger organizations sometimes owing to the

characteristics of different management teams (Janićijević, 2012). Organizational culture may affect employees' identification with an organization.

According to Schein (1992), Deal and Kennedy (2000) & Kotter and Heskett, (1992) organizations often have very differing cultures as well as subcultures. According to Needle (2004), organizational culture represents the collective values, beliefs and principles of organizational members. Most systems of social organization attempt to control the variability of member behavior. Regardless of whether an organization is a society, guild, club, business, community or even an entire nation, social systems need to limit certain behaviors and encourage other behaviors deemed productive. Consequently, organizations have resorted to setting up rules, regulations, procedures and standards coupled with various consequences for compliance and non-compliance (Hofstede, 2001). This system of formalization is part of the organization's formal structure. Turnover and transitions exist in most all social systems. According to Janićijević (2012) despite changes in membership and leadership many organizations maintain certain characteristics, problems are systematically handled, and behavior continues in the direction of the same mission and goals that seem mutually agreed upon by the members apart from the prescribed ones. An organization's culture is traditionally passed on from "generation" to "generation" creating a relatively high level of stability over time.

When taking on an organization as a source of identity, people are taking on the values and accomplishments of that organization (Schein, 1992). Considering the functions of culture mentioned before, it is easy to see some of these characteristics in positive terms and assume that a strong culture would lead to an organization's success. While this is evident in many organizations, it is often true that a strong culture impedes some of the actions taken by managers (Eisenberger *et al.*, 1986). This often happens in unexpected and unpredictable ways bearing in mind that while cultural control mechanisms direct individual behavior, they do not always direct it in manner consistent with the organization's mission or managerial goals (Cooke, 1987).

Nakuru County in Kenya is home to about 249 registered and active NGOs. Some of these NGOs are headquartered there while others have simply set up their branch offices in Nakuru to enable them to access the western parts of the country while maintaining proximity to Nairobi. From a logistical perspective, Nakuru County is quite convenient in resupplying the western and mostly arid and semi-arid lands (ASAL) in the north. However, with declining donor funding, some NGOs with branches in the area are on the verge of closure due to the financial sustainability imperative hence organization culture can be instrumental in improving their profile and hence increase the chances of successful implementation of their strategic plans. This

study therefore sought to answer the question; does organizational culture influence the implementation of strategic plans of NGOs?

RESEARCH METHOD

A survey research design was adopted for the study. This is because it was used to assess the opinions and attitude on events people and procedures (Mugenda & Mugenda, 2009). Survey research design was chosen for this study since it made it possible to collect a large amount of data on the study problem from a large population of NGOs with minimum effort. It could also enable generalizations to be made on the outcome of the study.

The management and staff of 249 NGOs that are duly registered and active in Nakuru County were targeted. The NGO Coordination Board (2013) indicates that there are currently 45 NGOs with at least four employees on long term contracts, the study targeted management and staff of these NGOs. The sample size therefore comprised of 136 respondents comprising management and staff of the NGOs. This sample size was larger than 30 and hence amenable to most statistical analysis. To sample the management and staff of the NGOs who were considered the key informants of the study systematic random sampling was used. Systematic random sampling has the characteristic of providing each member of the target population an equal chance of being included in the study while at the same time keeping the size manageable. The main factor that was considered in determining sample size was the need to keep it manageable while being representative of the entire population under study. Primary data was collected directly from the respondents using the questionnaires.

Internal consistency was employed by the study to check the reliability of the research instruments. This was done by calculating the Cronbach's alpha coefficient for all the sections of the questionnaire from the results of the pre-test. The tests for internal consistency using the Cronbach's alpha yielded a reliability index of $\alpha = 0.791$. According to Cronbach & Azuma (1962) a value of the Cronbach's alpha coefficient above 0.7 shows high internal consistency and thus deemed acceptable for study purposes.

EMPIRICAL FINDINGS AND DISCUSSIONS

The study aimed to explore the influence of organizational culture on implementation of strategic plans in Non-governmental organizations in Nakuru County, Kenya. Inferential statistics that is correlation and regression analyses are presented in for the purposes of making meaningful inferences of the data to the entire population under study.

Correlation Analysis

In this subsection a summary of the correlation and regression analyses is presented. It seeks to first determine the degree of interdependence of the independent variables and also show the degree of their association with the dependent variable separately. These results are summarized in Table 1

Table 1: Summary of Correlation Analysis

		Rewards	Behavioral Norms	Valued Traits	Communication Strategies	Implementation of Strategic Plans
Rewards	Pearson Correlation	1				
	Sig. (2-tailed)	0.000				
Behavioral Norms	Pearson Correlation	.186**	1			
	Sig. (2-tailed)	0.005				
Valued Traits	Pearson Correlation	0.004	-.166**	1		
	Sig. (2-tailed)	0.000	0.058			
Communication Strategies	Pearson Correlation	.136**	.216**	-.299**	1	
	Sig. (2-tailed)	0.015	0.138	0.001		
Implementation of Strategic Plans	Pearson Correlation	.547**	.479**	0.096	.200**	1
	Sig. (2-tailed)	0.000	0.001	0.000	0.020	

** Correlation is significant at the 0.01 level (2-tailed).

The results in Table 1 show that the level of correlation between the independent and dependent variable was higher than the other zero order value in the correlations between the independent variables. Results from a correlation analysis to determine whether rewards affected implementation of strategic plans in Non-governmental organizations operating in Nakuru County showed that there was a significant relationship ($r=0.547$, $\alpha=0.05$). The strong relationship evidenced by this finding suggests that the reward systems in the NGOs were strong motivators for strategic plans implementation and an improvement of the reward system could lead to better implementation of these plans.

The correlation analysis to determine the relationship between behavioral norms and the implementation of strategic plans in Non-governmental organizations operating in Nakuru County in the area showed a strong, positive and significant relationship existed between the variables ($r=0.479$, $\alpha=0.05$). Consequently, the results suggest that behavioral norms played a

very important part in the implementation of strategic plans in Non-governmental organizations in the area as they largely defined how the members of the NGOs engaged with each other.

The study also sought to determine whether there existed a significant relationship between valued traits implementation of strategic plans in Non-governmental organizations operating in the area. The Karl Pearson's product moment coefficient of correlation showed that a relationship exists ($r=0.096$, $\alpha=0.05$). This result implied that certain traits which were highly valued by the organizations could have a considerable bearing on their ability to implement their strategic plans. Therefore, the managements needed to be on the lookout for those traits when recruiting and also when discharging staff.

Finally, the correlation analysis to determine whether there was a significant association between communication strategies and the implementation of strategic plans within the Non-governmental organizations operating in Nakuru County shows that the relationship is in fact significant ($r=0.200$, $\alpha=0.05$). These findings suggest that more needed to be done to improve communications approach in the NGOs especially those directly touching on the strategic plans. Hence, it is evident that all the variables were significant to the study problem although the degrees of influence varied.

Regression Analysis

Multiple linear regression analysis was used to determine the effect of all the independent variables on the dependent variable and presents the results in Table 2

Table 2: Multiple Linear Regression Analysis Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.666 ^a	0.444	0.435	3.26636

a. Predictors: (Constant), Implementation of Strategic Plans

b. Predictors: (Constant), Rewards, Behavioral norms, Valued traits, Communication strategies

The results in Table 2 show that the value obtained for R, which is the model correlation coefficient was $r = 0.666$ which was higher than any zero order value in the table. This indicates that the model improved when more variables were incorporated when trying to analyze the influence of organizational culture on implementation of strategic plans in Non-Governmental Organizations (NGOs) operating in the area. The adjusted r square value of, $r = 0.435$, also indicates that Rewards, Behavioral norms, Valued traits and Communication strategies could explain approximately 44% of the variations in the implementation of strategic plans in Non-

Governmental Organizations (NGOs) operating in Nakuru County. Table 3 provides a summary of the multiple linear regression analysis correlation coefficients.

Table 3: Multiple Linear Regression Results

	Unstandardized		Standardized	t	Sig.
	Coefficients	Std. Error	Coefficients		
	B		Beta		
(Constant)	4.22	9.251		0.456	0.656
Rewards	0.463	0.143	0.369	0.647	0.019
Behavioral norms	0.551	0.143	0.404	-3.831	
Valued traits	0.303	0.101	0.266	-0.628	0.092
Communication strategies	-0.072	0.114	-0.101	-0.635	0

a. Dependent Variable: Implementation of Strategic Plans in NGOs

The beta value was used to determine which independent variable was more important in the implementation of strategic plans in Non-Governmental Organizations (NGOs) operating in Nakuru County. It is evident from the findings in Table 3 that Behavioral norms ($\beta = 0.401$) was the most important factor in this regard. Further, Rewards ($\beta = 0.369$), Valued traits ($\beta = 0.266$) and Communication strategies ($\beta = -0.101$) in that order respectively indicate that the dependent variable, implementation of strategic plans, would change by a corresponding number of standard deviations when the respective independent variables change by one standard deviation.

ANOVA Results

ANOVA was performed on the independent and dependent variables and the results are summarized in Table 4.

Table 4: Summary of ANOVA

Source of difference	Sum of squares	Df	Mean square	F _o	Sig.
Between groups	329.467	4	82.367	14.890	0.000 ^a
Within groups	708.052	116	5.532		
Total	1037.519	120			

The results of Table 4 indicate that there is a significant difference between means of organizational culture factors affecting implementation of strategic plans in Non-Governmental Organizations (NGOs) operating in Nakuru County. ($F_o = 14.890 > F_c = 2.37$; $\alpha < 0.05$; $df = 4, 120$; $p = 0.000$). This finding confirms the finding suggested by Table 3. It is therefore evident that Rewards, Behavioral norms, Valued traits and Communication strategies were all factors affecting the implementation of strategic plans in Non-Governmental Organizations (NGOs) operating in the area. This means that all these factors made a notable difference in the implementation of strategic plans in Non-Governmental Organizations (NGOs) operating in the area and should not be ignored.

Summary of Major Findings

The first objective of the study was to determine how rewards affect implementation of strategic plans in Non-governmental organizations operating in Nakuru County. A correlation analysis to determine whether rewards affected implementation of strategic plans in Non-governmental organizations operating in Nakuru County revealed that there was indeed a significant relationship between them ($r = 0.547$, $\alpha = 0.05$). Therefore, rewards as part of the organization culture in the NGOs emerged as the second most important variable of the study. According to majority of the respondents the rewards matched their work efforts and hence they were satisfied with the quality/quantity of the rewards. Considering this, other non-financial rewards needed to be considered as most of the respondents were not ready to increase their work efforts in order to gain the rewards.

The second objective of the study was to determine the relationship between behavioral norms and the implementation of strategic plans in Non-governmental organizations operating in Nakuru County. The correlation analysis done to determine the relationship between behavioral norms and the implementation of strategic plans in Non-governmental organizations operating in Nakuru County in the area revealed that significant relationship existed between the variables ($r = 0.484$, $\alpha = 0.05$). Behavioral norms emerged as the most important factor of organizational culture affecting the implementation of strategic plans in the NGOs in the area. It was also revealed that in most NGOs the members were encouraged to view failures as learning opportunities and not as indictments for ineptness. Moreover, in most of the organizations individuals were valued as skilled individuals who contributed significantly to the mission of the NGOs.

The study also sought to determine how valued traits affect implementation of strategic plans in Non-governmental organizations operating in Nakuru County. This was the third objective and a correlation analysis was done to establish whether there existed a significant

relationship between valued traits implementation of strategic plans in Non-governmental organizations operating in the area. The Karl Pearson's product moment coefficient of correlation showed that a relationship existed ($r=0.096$, $\alpha=0.05$). The study also established that most of the organizations emphasized employee development, fidelity and openness, and consequently participation in the NGOs was high. However, most of them were not dynamic and were also averse to risks. As a result, most of the organizations were inclined to be result oriented where getting the job done was a major concern without exposing the employees to unnecessary risks.

Finally, the study sought to establish how communication strategies affect implementation of strategic plans within the Non-governmental organizations operating in Nakuru County. The correlation analysis used to determine whether there was a significant association between communication strategies and the implementation of strategic plans within the Non-governmental organizations operating in Nakuru County revealed that the relationship was in fact significant ($r=0.200$, $\alpha=0.05$). However, while it was evident that open communication on issues was encouraged in most of the NGOs by their managements and that most of the NGOs the management teams were highly accessible, there were serious concerns over the sharing of information across departments.

CONCLUSIONS

The study concludes that all the various elements of implementation of strategic plans within the Non-governmental organizations operating in Nakuru County were found to be significantly affected by the organizational cultures of the NGOs. This was further confirmed by the multiple linear regression model which also indicated that all the independent variables used to describe organizational culture in the study could explain upto 44 % of the variations in the implementation of strategic plans within the NGOs in the area. The findings on the individual objectives also revealed that the reward systems in the NGOs were strong motivators for strategic plans implementation and an improvement of the reward system could lead to better implementation of these plans. It was also revealed that behavioral norms played a very important part in the implementation of strategic plans in Non-governmental organizations in the area as they largely defined how the members of the NGOs embrace teamwork. It was also established that certain traits which were highly valued by the organizations could have a considerable bearing on their ability to implement their strategic plans. Finally, the findings revealed that communication strategies played a significant role in enhancing the implementation of strategic plans within the Non-governmental organizations operating in the area.

RECOMMENDATIONS

The following recommendations are drawn with regard to the study findings:

First, the management ought to consider using all types of rewards to motivate the employees at all levels in the NGOs to enhance the implementation process. This is informed by the findings that financial rewards alone could not suffice to motivate the staff to do extra work for the NGOs.

The NGOs should adopt participatory strategic planning across board so as to benefit from cross-fertilization of the planning ideas with key inputs from every sector. This is likely to increase synergies while at the same time making the plans self reinforcing.

The NGOs should in addition to encouraging teamwork in the workplace also organize activities for bonding sessions which will enable the staff to get to know each other well beyond the normal working environment. Teamwork is a very important trait in the implementation of strategic plans that, the managements need to be on the look out for when recruiting and also when discharging staff.

It is also important that the NGOs ensure that adequate on-boarding is done for every new staff member so as to expose them to the organization culture and other workings of the NGO. This will enable the new member to have realistic expectations of the NGO and plan his work around these. Moreover, this sessions can also be used to communicate the strategic plans of the NGO to the new employee ab initio. Effective communication and leadership that enhance linkage with stakeholders need to be incorporated in the strategic plan objectives so that these elements are not only exercised serendipitously but consciously to make them part of the organization's routine so as to significantly lead to better performance.

SUGGESTION FOR FURTHER RESEARCH

The study hence suggests that future research be carried in regard to how the NGO employees perceive their work experience as this was not given much treatment in the study and the employee's attitude towards his work which is in part shaped by the organization culture can have considerable impact on his performance. Further study is needed also to determine the relationship between change management and the implementation of strategic plans in Non-governmental organizations operating in Nakuru County, Kenya. This is due to the fact that change is important to the performance of systems and greater results can be achieved as pertains the strategic plans. This study may also be replicated in other similar organizations to compare the outcomes.

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