



## **Full Length Research Article**

### **STRATEGIC MANAGEMENT PRACTICES AND PERFORMANCE OF PUBLIC SECONDARY SCHOOLS IN KENYA: A CASE OF NAKURU DISTRICT**

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#### **ABSTRACT**

The aim of this paper is to find determine the influence of strategic management practices on the performance of public secondary in Kenya . The research was conducted in Nakuru district where a census of 21 public secondary schools was carried out. Data collection was done through self administered questionnaire through drop and pick method and the data was analyzed by the use of descriptive and inferential statistics mainly; frequencies, percentages, regression, chi-square and correlation facilitated by Statistical Package for Social Sciences The primary findings were that schools are at different levels of strategic management such that some schools do not even have a strategic plan, some have the plan but shelved while others implement their strategic plan. Overall, the strategic management practices elements of environmental analysis, Organizational direction, Strategy formulation, strategy implementation and strategy evaluation and control have a significant influence on the strategic performance. The results of this research provide knowledge, create awareness and identify concepts and framework of strategic management. In addition, the results are useful to schools and the ministry since they can be used to improve implementation of strategic management and this will enhance good performance.

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#### **INTRODUCTION**

Strategic Management is a concept that concerns with making decisions and taking corrective actions to achieve long term targets and goals of an organization. The importance of strategic management in a firm can be answered by analyzing relationship between strategic management and organizational performance. Generally strategic management practices can improve efficiency in various organizations. Strategic management is the full set of commitments, decisions, and actions a firm requires to carry out its strategy to gain sustainable competitive advantage (Wheelen and Hunger, 2002). Strategic management guides how the basic work of the organisation is approached; ensures the continual renewal and growth of the firm, and provides a context for developing and carrying out the strategy that drives the firm's operations (Schendel and Hofer, 1979; Kuratko and Audretsch, 2009). The goal of strategic management process is that firms obtain a sustained competitive advantage by carrying out strategies that exploit their internal strengths, through responding to environmental opportunities, while neutralising external threats and avoiding internal weaknesses (Hitt, *et al.*, 2009; Ireland *et al.*, 2001; Reading, 2002).

The idea of a sustained competitive advantage (sustained above-average returns) is more in line with the concept of firm performance and wealth creation. Strategic management practices therefore include strategic planning; strategy implementation and strategy evaluation and control, which have in the past studies been seen to influence the competitive positioning of the firm in the industry, thus determine the performance (Johnson, 2009). Generally, strategic management practices can improve efficiency in various organizations (Bakar *et al*, 2011). Strategic management practice consists of four basic elements, strategy formulation, implementation, evaluation and control (Wheelen and Hunger, 2008). It is within these four elements that strategic management practices are manifested and is also described as the strategic management process. Strategy formulation is the development of long-range plans for the effective management of environmental opportunities and threats, in light of corporate strengths and weaknesses (Wheelen and Hunger, 2008). It includes defining the corporate mission, specifying achievable objectives, developing strategies and setting policy guidelines. Strategy implementation is the process through which strategies are put into action throughout the organization by deriving short-term objectives from the long-term objectives and further deriving the functional tactics from the business strategy. This process assists management in

identifying the specific immediate actions that must be taken in the key functional areas to implement the business strategy (Pearce and Robinson, 2008). Strategy evaluation and control is the process of comparing the actual performance against the desired performance. Strategy evaluation involves setting control processes to continuously review, evaluate and provide feedback concerning the implemented strategies to determine if the desired results are being accomplished such that corrective measures may be taken if warranted (Hill and Jones, 2001; Steiner, 1997).

The field of strategic management has gained a sustained prominence in the management of public services in the past two decades. Public organizations are increasingly being asked to use it as part of their management techniques. It has become an attractive management tool to reformers, and as Bovaird (2009) argues, for an organization to be without a strategy is to appear directionless and incompetent. It is not an exaggeration to say that, the use of strategic management particularly in this era, when public organizations are considered underperforming and uneconomical in their use of public resources, could, among other things, help to enhance public organizations' image and legitimacy. The general mood of the public has been that public managers must 'do more with less', the situation that requires strategic thinking in order to 'reduce wastes' (Bovaird, 2009). Strategic management is a systematic process for managing the organization and its future direction in relation to its environment in a way that will assure continuous success as well as secure from surprises (Ansoff, 1984). It has thus been touted as one of the effective management tools in strengthening organization performance through effective decision making and systematic strategy formulation and implementation. Although strategic management was more prevalent in the private sector since the concept was first developed, the interest of using strategic management in the public sector has increased over the last decade (Smith, 1994). Since 2000 there have been a series of reforms taking shape in the public sector in Kenya, resulting from increased awareness on the importance of quality in the public sector.

According to Osborne and Gaebler (1992), strategic management appeared to be part of a package of management innovations designed to "reinvent" or "modernize" the public sector and it was found to be an effective management tool in transforming a bureaucratic public sector to a more responsive and innovative administration. Meier, O'toole, Boyne and Walker (2006) stresses that the importance of strategic management in the public sector performance should not be trivialized because in their research; Strategic Management and the Performance of Public Organizations, 10 estimations involving 80 management-related coefficients and controlling for a substantial set of opportunities and constraints in the settings of the public organizations in question, fully 45 of these management coefficients are related to performance. Other than strategy content, a majority of the remaining management measures contribute to improved performance. Public secondary schools are part of the public sector and they have adopted this new style of management. However, there are challenges facing them which include; delays in disbursing funds to support free education which frustrate many teachers, lack of teacher motivation, lack of enough teachers, ineffective

management of curriculum implementation, autocracy in school governance, inadequate funding and mismanagement of school funds (Sang, 2009).

The Kenyan society is in transition and this affects the student learning environment. For the last few years, there has been evidence of volatility, student unrest, and loss of life due to arson in schools. In most cases, the responses have been reactive almost always after a tragedy has occurred. The school leadership community has always been caught by surprise when these incidents occur. The recent tragic deaths of students in Endrasha Boys Secondary school due to arson is a wakeup call to establish the extent to which strategic management is practiced in the schools because the school leaders should have had Early Warning Systems thresholds which trigger necessary precautionary steps before tense situations escalate to violence ( Thuo and Kimenyi, 2011). School leaders are expected to be proactive by being able to anticipate society change and gauge its impact on school environment and student learning, through use of data and student environment indices to respond appropriately. Increased insecurity, social and administrative issues will increasingly become more challenging and this will require long-term solutions. School principals are often confronted by issues of drugs and social problems which require a concerted effort with all school stakeholders (Thuo and Kimenyi, 2011). This raises questions on the effectiveness of strategic management the schools purports to practice. In addition, there is limited literature regarding the level of adoption of strategic management, the factors that contribute to the implementation of strategic management, the challenges faced during implementation and the outcome of this practice. Moreover, it is not clear on how the practice of strategic management has impacted on the performance of public secondary schools in Nakuru.

### **The Statement of the Problem**

Strategic management is applauded for reshaping organizations and improving their performance. Ababu (2007) found that formal strategic management significantly improved organizational performance. Organizations that engaged in strategic management outperformed those that did not (Ansoff, 1984). In Kenya, it's a ministerial requirement that public organizations including educational institution develop strategic plans as a means of enhancing results based management and efficiency in their operations. Ideally these plans should provide direction in regard to resource targeting and program implementation (MOE, 2005). Despite the use of strategic management, schools are still facing challenges including; student unrest and loss of life due to arson in schools. Besides, lack of teacher motivation, lack of enough teachers, ineffective management of curriculum implementation, and autocracy in school governance, inadequate funding and mismanagement of school funds are some of the issues common in public secondary schools. This raises concerns over the effectiveness of the adoption of strategic management in the institutions. Though the Kenyan government embraced the use of strategic management and advocated for its use in the public sector institutions which include public secondary schools. A number of studies have been carried globally and locally on the influence of strategic

management practices on organizational performance. For instance, Melchorita (2013), Bakar *et al* (2011), Murimbika (2011), Dauda *et al* (2010) and Ofunya (2013) analyzed the relationship between strategic management practices and organizational performance in different organizations but none of them investigated the influence of strategic management practices on performance of public secondary schools in Nakuru, Kenya. This research study therefore sought to establish the influence of the use of strategic management practices on the performance of the public secondary schools.

### Objectives of the Study

The main objective of this study was to determine effect of the strategic management practices on the performance of public secondary schools in Kenya. The study was guided by the following specific objectives include:

- To determine the influence of strategic environmental analysis on the organizational performance of secondary schools.
- To determine the influence of organizational direction on the organizational performance of secondary schools.
- To determine the influence of strategy formulation on the organizational performance of secondary schools.
- To establish the influence of strategy implementation on the organizational performance of secondary schools.
- To establish the influence of strategy evaluation and control the organizational performance of schools.
- To determine the combined influence of environmental analysis, organizational direction, strategy formulation, strategy implementation and strategy evaluation and control on organizational performance.

### Research hypotheses

- HO1:** Environmental analysis does not significantly influence strategic performance of the school
- HO2:** Establishing organizational direction does not significantly influence strategic performance of the school
- HO3:** Strategy formulation does not significantly influence strategic performance of the school
- HO4:** Strategy implementation does not significantly influence strategic performance of the school
- HO5:** Strategy evaluation and control does not significantly influence strategic performance of the school
- HO6:** There is no combined influence of environmental analysis, organizational direction, Strategy formulation, Strategy implementation and Strategy evaluation and control on organizational performance

### Literature Review

Strategic management according to Ansoff (1984) encompasses the process of determining organization's mission and goals, managing strategy formulation, strategy implementation and strategy control. Strategic management can be viewed as a series of steps covering the tasks of analyzing the opportunities and threats that exist in the

external environment. It also involves; analyzing the organization's strengths and weaknesses within the internal environment, identifying agency stakeholders, establishing organization's mission and goals, formulating strategies by matching the organization's strengths and weaknesses with the environment's opportunities and threats, implementing the strategies, and finally engaging in strategy control activities to measure the implementation progress and ensure achievement of the stated goals.

Barry (1986), argue that strategic planning and management, regardless of whether in public or private, can help an organization achieve the desired future direction, think strategically and develop effective strategies, establish priorities, deal effectively with rapid changing circumstances, build teamwork and expertise, and solve major organizational problems, and improve organizational performance. An analysis of strategic management literature such as Byars (1992), Kroon (1995), Wheelen and Hunger (1992), Thompson and Strickland (1998), Pearce and Robinson (2003), Hussey (1994) Van der Waldt and Knipe (1998), reveals that the strategic management process consists of: environmental Analysis, establishing organizational direction, strategy formulation, strategy implementation, and strategy evaluation and control. According to Wright, Kroll and Parnell (1998) and Kroon (1995), an organization's external environment consists of all the conditions and forces that affect its strategic options as well as define its competitive situation. The analysis of the external environment can be done by means of environmental scanning, competitive analysis and scenarios. It consists of an analysis and or study of the changes and trends in the following environments: international environment; political environment; economic environment; social environment; technological environment; physical environment; institutional environment; and the market environment.

When performing internal analysis or diagnosis organizations do an investigation, or conduct an audit, of the current quantity and quality of the organization's financial, human, and physical resources. It should also assess the strengths and weaknesses of the organization's management and organizational structure. The organization assesses its past successes and is usually concerned with the organization's current capabilities in an attempt to identify the organization's future capabilities and or potential (Harrison and John, 1998). The analysis of the environment takes place with the aim to identify opportunities, threats, key success factors and the competitive advantage of the "business". An opportunity is a favourable or unexploited situation in one or more of the management environments that can be utilized proactively by top management to the advantage of the organization. A threat is an unfavourable situation in one or more of the management environments that, without proactive management, could lead to damage for the organization. Establishing the organization's direction consists of developing long term plans to guide the organization towards effective management of environmental opportunities and threats, in line with corporate strengths and weaknesses. It includes: formulating an organizational vision; establishing the organization's mission and social responsibility; determining the institutional mandate and setting an organization's objectives (Hussey, 1994). "A

Strategic vision is a road-map of an organization's future - the direction it is headed, the position the organization intends to stake out, and the capabilities it plans to develop" (Thompson and Strickland, 1998). An organization's mission, whether written down or just apparent from the organization's pattern of decisions and actions over time, provides an important vehicle for communicating ideals and a sense of direction and purpose to internal and external stakeholders (Hill and Jones, 1998) and (David, 2001). It can also help guide public managers when making resource allocation decisions. In general, the organizational mission is what the organization is and its reason for existence whereas vision is a future-looking view of what the organization wants to become.

For an organization to have meaningful and successful strategic management, it needs to be clear on what it is authorized to do. Members of the organization must be aware of and familiar with, relevant legislation, ordinances, sections, provisions and contracts determining the formal mandate of the organization. Before the strategic management process can be initiated, the organization should get clarity on its role within the social-political transformation processes. Too many organizations think they are more constrained than they actually are and, indeed, make the fundamental error of assuming that their mandates and missions are the same. They might be, but planners should not commence their activities with that assumption. According to Van der Walldt and Knipe (1998), the reason why it is necessary to obtain institutional mandates is to inform key decision-makers of what is intended, highlight the benefits and obtain approval. Objectives for organizations are the long-term results that they seek to achieve in operationalising their missions. Public sector organizations pursue a variety of different objectives. The differences of the public and private sectors are that business organizations objectives are mainly expressed in financial terms, for example the desire to attain a particular return on capital employed or growth in earnings per share whereas public organizations set non-financial objectives such as concern for employee welfare or to be at the leading edge of service delivery.

Simultaneous assessment of the external environment and the organization's profile enables an organization to identify a range of possibly appealing interactive opportunities. These opportunities are possible avenues for improved service delivery. However, they must be screened through the criterion of the organization's mission to generate a set of possible and desired opportunities. This screening process results in the selection of options from which a strategic choice is made. The process is meant to provide the combination of long-term objectives and generic and grand strategies that optimally position the organization in its external environment to achieve the organization's mission. According to Thompson and Strickland (1998), many organizations adopt one or more generic strategies to demonstrate their service delivery approach to the community they serve. This is a holistic statement of the organization's strategic orientation. Grand strategies provide the basic direction for strategic actions. According to Byars (1992), Wheelen and Hunger (1992), Thompson and Strickland (1998) and Joyce (1999) following strategy formulation in strategic management process is the implementation of the chosen

strategy or strategies. In this phase it is important for the organization to undertake an assessment in order to establish what will be needed for the implementation of the formulated strategy and to reach the set performance criteria.

They further point out that managing the process of implementing and executing strategy within the organization needs to be mainly a proactive administrative responsibility that includes the following primary aspects: Establishing capabilities necessary to carry out the strategy successfully, Developing budgets to allocate the needed resources into those internal activities critical to strategic success, Establishing strategy-supportive policies and operating procedures that will guide managers and members to do exactly according to expectations created by the set strategy. It also involves motivating managers and members in ways that encourage them to pursue the identified objectives actively and, if need be, adjusting their responsibility to improve the requirements of successful strategy implementation, Rewarding the achievement of managers and members, Creating an organizational culture and work climate conducive to successful strategy implementation and execution, Establishing information, communication, and operating systems that enable the managers and members to carry out their strategic roles effectively day by day, Introducing best practices and programs for continuous improvement and the top management needs to apply the internal leadership that is essential to drive implementation forward and to keep improving on how the strategy is being executed.

According to Byars, Rue and Zahra (1996), it is important for the organization that all the role-players in the strategy implementation process should have the necessary authority, competency and are committed to the process. The final phase of successful strategic management is the establishment of procedures for the effective evaluation and control of strategies throughout the implementation phase (Lumpkin, 2003). Strategy evaluation and control involves the following activities: Establishing standards of performance for the overall organization as well as for individual departments, units or functional areas, Monitoring progress in the carrying out of the organization's strategy and this requires assessing and measuring the performance of the implementation of the strategies followed by different departments and all units throughout the organization. The organization needs to initiate corrective actions to ensure continued commitment to the implementation of the strategy by the members of the organization. Strategic control refers to the processes that lead to adjustments in strategic direction, strategies, or the implementation plan when necessary. Through strategic control, feedback, corrective information to management is provided, such as the organizational mission is no longer appropriate, that organizational strategies are not achieving desired outcomes, or that the mission and strategies are appropriate, but they have not been well executed. Actions should also be able to withstand the test of public investigation and legislative and judicial supervision. The evaluation of success and impact of strategies will be assessed in different ways by competing political decision-makers because of the public nature of decision-making in the public sector. It is important to remember that political decision-makers from the opposition may be critical, even in the case of successful

strategies. The figure below shows the generic model of strategic management.

### Public Sector Reforms in Kenya

Reforms seek to transform the public service from process orientation to result management culture to facilitate the achievement of the Economic Recovery Strategy (ERS) and attain Millennium development goals (MDGS) (UNDP, 2008). Noting that Public Service efficiency sets standards for other sectors, the government launched the Civil Service Reform Program in 1993 to enhance Public Service efficiency and productivity. The reforms were expected to facilitate equitable wealth distribution necessary for poverty alleviation and create an enabling environment for investment and enhanced private sector growth. The Civil Service Program was designed to proceed in three phases: Phase 1 – Cost containment; Phase 2 – Performance Improvement, and Phase 3 – Consolidation and sustenance of gains made by reform initiatives. While phases 1 and 2 succeeded in reducing the Civil Service workforce by 30% (from 272,000 in 1992 to 191,670 in 2003), productivity and performance remained a fleeting illusion. This paved way for introduction of Results- Based Management (RBM) guided by the ERS for Wealth and Employment Creation (2003-2008).

In the 2003 -2007 Public Service Reforms, the Government started implementing the ERS for Wealth and Employment Creation. The ERS was based on the pillars of macro-economic stability, economic growth, strengthening the institutions of Governance and rehabilitation of physical infrastructure as well as investment in human capital. The ERS also acknowledged the role of the Public Service as the key driver of the desired growth. The government proposed wide ranging Public Service Reforms in the Civil Service, Local Government and Public Enterprises (State Corporations) The reforms the government has initiated include rapid result initiative, performance contracting, Citizen Service delivery charter, transformational leadership value and ethics and institutional capacity building. With the advent of the Grand Coalition Government and the subsequent reorganization of Government, the Public Sector Reforms and Performance Contracting (PSR&PC) was formed under the Office of the Prime Minister (OPM). According to the Presidential Circular No. 1 of 2008, PSR&PC has an expanded mandate of coordinating and facilitating reforms in the wider Public Sector. PSR&PC has acknowledged the enormity of this task and has purposed to diligently undertake it so as to ensure customer satisfaction with public services, build the trust and confidence of citizens in the Government and create sustainable global competitiveness for Kenya. Through the strategic management process, ministries are able to develop clear goals and objectives, and justify their budget and funding requirements. The system has promoted focus on Performance and result.

### Strategic management Practices in the Public sector

Strategic planning is a relatively new innovation in the public sector management, and according to some observers, it represent a major change in the management of public sector organizations (Bryson, 1988). According to Poister and Streib

(2005) strategic management was only introduced into the public sector 20 years ago, with much of the early literature focusing on local government applications. This observation implies that strategic management is basically a new management instrument imported to the public sector. For example, Llewellyn and Tappin (2003) insist that strategic management is not rooted in the public sector so strategies have to be ‘planted’ in the public services. The current surge for strategic management in the public sector is related to a number of recent events that also triggered far reaching public sector reforms. New Public Management (NPM) paradigm emerged to implant a new approach into traditional public administration. It was geared towards enhancing efficiency, productivity, improved service delivery and accountability and emphasizes a result-orientation as opposed to the process-orientation of traditional public administration (Hughes, 2003). It calls for a reduction in the exclusive reliance on public bureaucracy for service delivery and advocates instead the increased use of the private sector and non-governmental organizations (NGOs) as alternative mechanisms of service delivery. NPM advocates de-bureaucratization, offloading, downsizing or rightsizing the public bureaucracy, greater reliance on the private sector, service delivery through contracting out and outsourcing, public-private partnership, competition and reliance on market forces, and creation of an enabling environment for the growth of private enterprise. It advocates empowering rather than serving, decentralization, public participation, citizen empowerment, innovation and use of modern information and communication technology (ICT) and e-Government. It is characterized by cutting red tape, shifting from systems in which people are accountable for following rules to systems in which they are accountable for achieving results; putting customers first; empowering employees to get results, and producing better results for less (Hughes, 2003).

It is a ministerial requirement that public organizations including educational institution develop strategic plans as a means of enhancing results based management and efficiency in their operations. The plans provide direction in regard to resource targeting and program implementation (MOE, 2005). One factor that stands out as a key determinant to school success is school planning effectiveness. According to School Management Guide (1991), strategic planning is a line of action designed by the school to achieve desired targets with a scale using available resources. Planning is a process of identifying a purpose and then deciding upon the approaches, techniques, methods, procedures, time horizons, resources and all that must be done to accomplish a purpose. The central role of planning is the projection of targets looking and thinking forward in time. Plans contain practical guidelines, precise goals and targets and a timetable for attainment. Targets can be articulated without ambiguity and measurements of attainment against them set out. Kenya is expected to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion. Improving the efficiency and transparency of public administrations in education sector will significantly strengthen economic competitiveness through encouraging business confidence and improving standards of public service. The challenges of new, knowledge-based public sectors in Kenya are forcing public

organizations to seek and expand comparative advantages mainly through the intellectual capital in the management of public service institutions so as to be able to continuously incorporate strategic change management issues. Different internal and external drivers from the dynamic public sector environment are impacting on adoption of strategic management practices in the public sector institutions and consequently requiring new, knowledge-based managerial tools for innovative change management processes.

### Strategic Management in the Education Sector

For a country to develop, its education sector plays a pivotal role. Education in Kenya aims at achieving the following goals: Foster nationalism, patriotism and promote national unity, Promote social, economic, technological and industrial needs for national development which include; Social needs which Prepare children for the changes in attitudes and relationships which are necessary for the smooth process of a rapidly developing modern economy. Economic needs which Produce citizens with skills, knowledge, expertise and personal qualities that are required to support a growing economy, technological and industrial needs which provide the learners with the necessary skills and attitudes for industrial development, education also promote individual development and self-fulfillment, sound moral and religious values, social equality and responsibility, respect for and development of Kenya's rich and varied cultures, international consciousness and foster positive attitude towards other nations and promote positive attitudes towards good health and environmental protection.

Strategic management is a tool for senior management and therefore for schools to embrace it, the parent ministry must be practicing it effectively. However, according to Mwanje (2008), the education sector operates in a changing environment and it faces challenges such as poverty, unemployment, corruption and violence among others. Other challenges facing the education sector also include; delays in disbursing funds to support free education which frustrate many teachers, lack of teacher motivation, ineffective management of education system, autocracy in school governance, inadequate funding and mismanagement of school funds. Public schools over the years have experienced changes which have complicated their management. These changes include; free secondary tuition, breakthrough in technology and climatic changes. Although schools that fall under the public sector have less opportunity to develop strategic intent as this is defined by a political process outside the control of school management, ( Macmillan and Tampoe, 2000).

The significance of culture change, starting with top management and cutting across all levels of the organizational hierarchy, is also crucial for the successful implementation of reform initiatives. Public schools find themselves in competitive world ranging from sports and games activities to academic. In addition schools have a mission to accomplish just like the other commercial organizations. Therefore, adopting and adapting strategic management concepts will give a school the competitiveness desired in achieving its overall goal.

### Strategic management and organizational performance

Performance can be defined as a collection of work activities, operational efficiency, and effectiveness, their measurement and subsequent outcomes attained (Dessler, 2008). Every organization has well defined mechanisms of measuring performance which enable it to evaluate current and past achievements relative to expected standards but the methods used to measure performance are relative to the context in which the organization operates and the strategic objectives pursued (Akinyi, 2010). The concept of performance is vital in all organizations whether commercial, profit-making or Not-for-profit organizations, private or public sector, (Johnson *et al*, 2008). Organizational performance is a measure of the extent to which the organization's goals and objectives have been achieved. Such measure of achievement informs all the stakeholders of the extent to which we are succeeding in the business we are in. Based on their context, different organizations use different modes of performance. Mazzarol and Rebound (2009),state that organizational performance can be measured as achieving sustainable growth over time using such indicators as annual turnover, the number of employees, size of assets and equity in the balance sheet, market share and profitability. Measurement of performance in a school set-up will therefore include academic excellence, land infrastructure development, discipline and school culture, stakeholder satisfaction, financial stability and excellence in non-academic activities.

### Conceptual Framework

This study conceptualized organizational performance of the secondary schools in terms of improved academic, team work and improved performance in co- curriculum while the independent variables as: Environmental analysis, establishing organizational direction, strategy formulation, strategy implementation and strategy evaluation and control. The performance outcome of strategic management in public secondary schools depends on whether the school undertakes the various steps of strategic management as shown on the framework. The level of implementation of strategic management in this research is influenced by the government policy and political climate. When implementation is effectively carried out, the school improves academically, the staff work as a team focused towards the same purpose as well as improving in co-curriculum performance. Therefore a school that use strategic management is expected to overcome most of its threats as well as minimize its weaknesses.

## MATERIALS AND METHODS

### Research Design

This research employed exploratory and descriptive design. Descriptive research is the most commonly used and the basic reason for carrying out descriptive research is to identify the cause of something that is happening. According to Lockesh (1984) Descriptive research studies are designed to obtain important information concerning the status of phenomena from which valid conclusions may be drawn. The research is also exploratory because it addresses the knowledge gap over the practice of strategic management in public secondary

schools where little is known concerning the adoption and implementation of strategic management.

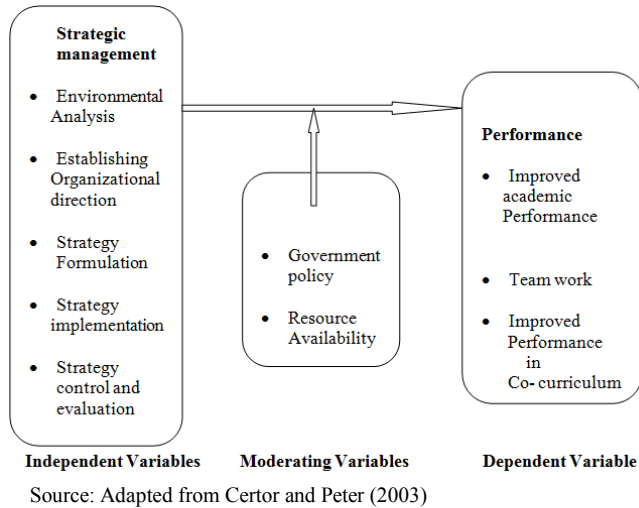


Figure 2. Conceptual Framework

**Study Population**

The target population of this study was public secondary schools in Kenya. A case study of public secondary schools in Nakuru district was used. There are 4000 public secondary schools in Kenya, 896 in the Rift valley and 21 public secondary schools in Nakuru district which fall within three principal categories, namely National, Provincial and District schools. The list of public secondary schools in the study was obtained from Nakuru District education Office. Table 3.1 shows the distribution of public secondary schools according to various categories.

Table 1: School Categorization

Category of the school	Number of schools
National schools	2
Provincial schools	5
District schools	14
Total number of schools	21

Correlations between Strategic Management practices and organizational performance

		Enronindex	Orgdirindex	Sformindex	Simplendex	Sevaindex	Operindex
Enronindex	Pearson Correlation	1	.199	.263	.006	.206	.394
	Sig. (2-tailed)		.301	.185	.981	.312	.077
	N	31	29	27	16	26	21
Orgdirindex	Pearson Correlation	.199	1	.708**	.840**	.686**	.876**
	Sig. (2-tailed)	.301		.000	.000	.000	.000
	N	29	32	30	18	29	22
Sformindex	Pearson Correlation	.263	.708**	1	.892**	.765**	.834**
	Sig. (2-tailed)	.185	.000		.000	.000	.000
	N	27	30	31	17	29	21
Simplendex	Pearson Correlation	.006	.840**	.892**	1	.913**	.776**
	Sig. (2-tailed)	.981	.000	.000		.000	.001
	N	16	18	17	18	18	15
Sevaindex	Pearson Correlation	.206	.686**	.765**	.913**	1	.734**
	Sig. (2-tailed)	.312	.000	.000	.000		.000
	N	26	29	29	18	30	22
Operindex	Pearson Correlation	.394	.876**	.834**	.776**	.734**	1
	Sig. (2-tailed)	.077	.000	.000	.001	.000	
	N	21	22	21	15	22	22

**Sampling Design and Procedure**

The research employed a census approach since the population size was relatively small and the researcher could easily access

the schools. Furthermore; Israel (2003) asserts that when a population is of size 200 or less, a census is the most appropriate for the study. Another advantage of a census is that it reduces the sampling error since all the elements in the population are studied. The administration structure of the public secondary schools is comprised of the principal, deputy, Heads of department, teachers and non teaching Staff. However the target respondents only included the principals and the deputies because they are well vast with the management issues of schools.

**Instrumentation**

Data were collected using a questionnaire. Data were collected using a questionnaire. It was chosen because it was easy to administer in the on-the-spot- collection of information approach used in this study. Permission to conduct a research was sought from Egerton University and Nakuru District Education Office. The questionnaire was administered to the school Head Teachers and the Deputy Head Teachers by drop and pick method. A time period of one week was allowed to fill the questionnaires after which they were collected.

**Validity and Reliability**

Validity of an instrument is the degree it measures what it purports to measure. The questionnaires' validity was evaluated by professionals in the field of strategic management who in this case are my supervisors. According to Borg and Gall (1983), validity of an instrument is better improved by expert judgment. The validity evaluated include; construct validity which refers to the extent to which operationalization of the construct do actually measure what

the theory says they do, content validity which is an examination of the test content to determine whether it covers a representative sample of the behavior domain to be measured

and face validity which is an estimate of whether a test appears to measure a certain criterion that is whether a test appears to be a good measure or not. The instruments reliability was determined using the Cronbach Alpha Coefficient. The questionnaire was administered to ten randomly selected schools in the neighbouring Njoro district from where the instrument's reliability was determined to have cronbach alpha coefficient of 0.9574. The questionnaire is considered reliable if it has a Cronbach Alpha Coefficient of at least 0.7 (Mugenda and Mugenda, 2003).

### Data Analysis

The study used both descriptive and inferential analyses. Descriptive analysis involved the computation of frequency distribution, mean, and standard deviation, which were useful to identify differences among groups. Inferential analysis assisted in understanding relationships between the study variables. In order to meet the research objectives of this study, all valid responses were assessed using a variety of statistical techniques: Pearson's Correlation, analysis of variance and regression analysis. Pearson's Correlation analysis was used to establish the degree of relationships between variables. Pearson Correlation was preferred because it assesses the strength of linear relationship between two variables used to test for the relationship between two variables. Multiple regression analysis was used to determine the contribution of each of the independent variables to dependent variable. Regression analysis describes the way in which a dependent variable is affected by a change in the value of one or more independent variable. This technique was preferred because it tests the relative contribution of the independent variables on customer loyalty was achieved through multiple regression. Regression helps to predict the value of a dependent variable using one or more independent variables (Kometa (2007) and is used for the investigation of relationships between variables (Sykes (1993). This analysis was also useful in quantifying the influence of various simultaneous effects on a single dependent variable (Sykes, 1993).

In order to test the strength of the relationship between the dependent and independent variables, regression coefficients were used to evaluate the strength of the relationship between the independent variables and the dependent variable. Chu (2002) claims that the beta coefficients of the independent variables can be used to determine its derived importance to the dependent variable compared with other independent variables in the same model. In general, the relationship of the independent variable with the dependent variable will be positive if the beta coefficient is positive. In contrast, if the beta coefficient is negative, the relationship between the independent and dependent variables will become negative. Of course, the beta coefficient equaling zero implies that there is no relationship between both of the independent and dependent variables. R<sup>2</sup> was the multiple correlation, which represented the percent of variance in the dependent variable (organizational performance) explained collectively by all of the independent variables (Garson, 2008). Thus the R<sup>2</sup> value in the model provided a measure of the predictive ability of the model. The close the value to 1, the better the regression

equation fit the data. The following study multiple linear regression model was tested

$$OP = \beta_0 + \beta_1EA + \beta_2OD + \beta_3SF + \beta_4SI + \beta_5SEC + e$$

Where:  $\beta_0$  = Intercept or constant

$\beta_1, \beta_2, \beta_3, \beta_4$  and  $\beta_5$  = Regression coefficients or slope of the regression line of the independent variables 1 to 5. They indicate the relationship between the independent variables and the dependent variable

EA = Environmental Analysis

OD = Organizational Direction

SF = Strategy Formulation

SI = Strategy Implementation

SEC = Strategy Evaluation and Control

$\epsilon$  = Error or random term.

In regression analysis, the decision rule is: Reject null hypothesis if F calculated > F critical at  $\alpha = 0.05$  (5% level of significance). However, if F calculated < F critical, we do not reject the null hypothesis. Another way of drawing conclusion on the significance of the regression is that if the p-value (probability) calculated by the regression is less than our significance level (0.05) then it means the probability of drawing another sample from the population that gives similar results and satisfies the null hypothesis is so low that we reject the null hypothesis. A p-value is a probability that provides a measure of the evidence against the null hypothesis provided by the sample. Smaller p-values indicate more evidence against the hypothesis (Anderson *et al.*, 2009). Hence if p-value of the regression (population) < 0.05, we reject the null hypothesis but if p-value > 0.05, then do not reject the null hypothesis.

## RESULTS AND DISCUSSIONS

### Influence of strategic Management practices on the performance of Public Secondary Schools in Nakuru

Strategic management practices were hypothesized to influence organizational performance of public secondary schools. An index for each of the strategic management practices or dimensions was calculated to represent all the items that were used to measure this construct. Organizational performance index and strategic management indices were used to test the relationship between them. Correlation analysis was used to test the relationship between strategic management practices and organizational performance of public secondary schools. The following hypotheses were tested to establish the relationships among the independent variables and their influence on dependent variable

**HO1** *There is no significant relationship between environmental analysis and organizational performance of public secondary schools*

The result of Pearson correlation analysis provided in table 1.1 shows that environmental analysis is significantly, positively correlated to organizational performance. The result shows a coefficient of .394\*\* at  $p = 0.01$  ( $r = .394^{**}$ ,  $p < 0.01$ ) which shows that the two constructs, environmental analysis and



organizational performance are positively related. The correlation coefficient of  $r = .394$  shows that there is a significant positive relationship between environmental analysis and organizational performance of public secondary schools. Therefore, the hypothesis should be rejected.

The hypotheses test of this study confirms that tangibility and customer loyalty are positively correlated with each other. The possible explanation of this finding is that the bank customers often look to any tangible indications which may be used as indicators of the service quality. The customers can assess the premises of the banks; or perhaps the appearance of the bank's staff. Lai (2004) also pointed out that tangibility is positively related to customer loyalty.

**HO2** *There is no significant relationship between organizational direction and organizational performance of public secondary schools*

The result of Pearson correlation analysis provided in table 1.1 shows that organizational direction is significantly, positively correlated to loyalty. The result shows a coefficient of  $.876^{**}$  at  $p = 0.01$  ( $r = .876^{**}$ ,  $p < 0.01$ ) which shows that the two constructs, organizational direction and organizational performance are positively related. The correlation coefficient  $r = .876$  shows that there is a significant strong positive relationship between organizational direction and organizational performance of public secondary schools. Therefore, the null hypothesis should be rejected.

( $r = .834^{**}$ ,  $p < 0.01$ ) which shows that the two constructs, strategy formulation and organizational performance are positively related. The correlation coefficient of  $r = .834$  shows that there is a significant positive relationship between strategy formulation and organizational performance of secondary schools. Therefore, the hypothesis should be rejected.

**HO4** *There is no significant relationship between strategy implementation and organizational performance of public secondary schools*

The result of Pearson correlation analysis provided in table 1 shows that strategy implementation is significantly, positively correlated to organizational performance. The result shows a coefficient of  $.776^{**}$  at  $p = 0.01$  ( $r = .776^{**}$ ,  $p < 0.01$ ) which shows that the two constructs, strategy implementation and organizational performance are positively related. The correlation coefficient of  $r = .776$  shows that there is a significant positive relationship between strategy implementation and organizational performance of public secondary schools. Therefore, the hypothesis should be rejected. The result of Pearson correlation analysis provided in table 1 shows that strategy evaluation and control is significantly, positively correlated to organizational performance. The result shows a coefficient of  $.734^{**}$  at  $p = 0.01$  ( $r = .734^{**}$ ,  $p < 0.01$ ) which shows that the two constructs, strategy implementation and organizational performance are positively related.

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.936 <sup>a</sup>	.876	.787	2.85560

a. Predictors: (Constant), Sevaindex, straindex, Sformindex, orgidindex, Simplendex

#### ANOVA<sup>b</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	401.842	5	80.368	9.856	.005 <sup>a</sup>
	Residual	57.081	7	8.154		
	Total	458.923	12			

a. Predictors: (Constant), Sevaindex, Enronindex, Sformindex, Orgidindex, Simplendex

b. Dependent Variable: Operindex

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2.682	7.998		-.335	.747
	Enron index	.559	.359	.254	1.558	.163
	Orgidindex	.775	.773	.342	1.004	.349
	Sformindex	.136	.848	.047	.160	.878
	Simplendex	.064	.255	.099	.251	.809
	Sevaindex	1.493	1.248	.424	1.197	.270

a. Dependent Variable: Operindex

**HO3** *There is no significant relationship between strategy formulation and organizational performance of public secondary schools.*

The result of Pearson correlation analysis provided in table 1 shows that strategy formulation is significantly, positively correlated to organizational performance of public secondary schools. The result shows a coefficient of  $.834^{**}$  at  $p = 0.01$

The correlation coefficient of  $r = .734$  shows that there is a significant positive relationship between strategy implementation and organizational performance of public secondary schools. Therefore, the hypothesis should be rejected.

**HO6:** *There is no significant combined relationship between environmental analysis, organizational direction, Strategy*

formulation, Strategy implementation and Strategy evaluation and control on organizational performance in public secondary schools.

An analysis of the relative importance of the strategic management practices was carried out using a regression model. The results revealed that  $R^2$  was .876 or 87.6 % which was significant at 0.001 level. This implied that these strategic management practices accounted for about 87.6 % of the variation in organizational performance in this model. The results indicate that 12.4% of organizational performance of the public secondary schools can be explained by factors not included in the regression model. This study empirically established that organizational performance of public secondary schools is strongly influenced by strategic management practices. It can be observed from table 2c that using beta values to measure the variation in organizational performance indicated that strategy evaluation and control ( $\beta = .424$ ) contributed to the highest variability followed by organizational direction ( $\beta = .342$ ), environmental analysis ( $\beta = .254$ ), strategy implementation ( $\beta = .099$ ) and strategy formulation ( $\beta = .047$ ) respectively.

### Conclusions and Recommendations

The study results indicate that there is a positive relationship between strategic management practices on the organizational performance of secondary schools. Pearson Correlation coefficients show that there is a positive relationship between all the strategic management practices and the organizational performance of schools. Specifically the coefficients were: environmental analysis  $r = 0.394$ , organizational direction  $r = 0.876$ , strategy formulation  $r = 0.834$ , strategy implementation  $r = 0.776$  and strategy evaluation and control  $r = 0.734$  respectively. All these correlations are significant at  $p < 0.01$ . The findings are consistent with those of Harrington *et al.* (2004) who concluded that a firm's strategic management practices should guide all those activities necessary to adapt the environment. Anderson (2000) explains further that formal strategic management practices enable the management in establishing right and proper strategic path for public organizations as a whole.

The study established that strategic management practices influence organizational performance of public secondary schools. Thus the board of management of public schools should embrace strategic management practices so as to improve the performance of their organizations. This was consistent with those of David (1997) who found that organizational performance improved performance was enhanced by the utilization of strategic management practices. These findings are also in agreement with those of other studies which observed that indeed there is a relationship between strategic management and organizational performance (Miller and Cardinal (1994). The study established that strategic management influences organizational performance and that the adoption of strategic management practices has a significant effect on the performance of the public secondary schools. All the dimensions of strategic management practices influence the performance of the public secondary schools. The

management of these schools should adopt the practices to influence performance.

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