



**STRATEGIC MANAGEMENT PRACTICES AND PERFORMANCE OF NATIONAL GOVERNMENT AFFIRMATIVE ACTION FUND IN KIAMBU COUNTY, KENYA**

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**Abstract**

The general objective of the study was strategic management practices and the performance of the National Government Affirmative Action Fund in Kiambu County, Kenya. The Specific objectives were; to establish the effect of situation analysis on the performance of the National Government Affirmative Action Fund in Kiambu County; to determine the effect of strategy formulation on the performance of National Government Affirmative Action Fund in Kiambu County; to assess the effect of strategy implementation on performance of National Government Affirmative Action Fund in Kiambu County, and to assess the effect of strategy evaluation on the performance of National Government Affirmative Action Fund in Kiambu County. The study was anchored on agency theory, resource-based view theory, and resource dependence theory. The study adopted a descriptive survey design. The target population for the study was 1,000 women 1,500 youths and 500 Persons with Disabilities. The study sample selected was 353 respondents. The selection of the sample for this study was done with the help of the purposive sampling method. Questionnaires helped gather data. The researcher dropped the data gathering tool and later picked them after the respondents had answered the questions. Analysis of quantitative data was done using descriptive statistics which included standard deviation, frequencies and mean. After the gathering of data, the researcher checked for errors and coded them. Statistical Package for Social Sciences (SPSS) software helped in data analysis. The outcome from the research was presented in simple ways such as tabulations, graphical representations and percentages. Inferential statistics such as regression and correlation analysis assisted in deducing whether the association between the variables was positive or negative and how weak or strong, they were. Part of the statistics used the multiple regression model to help provide whether there was an association between strategic management practices and performance of the National Government Affirmative Action Fund in Kiambu County, Kenya. From the findings, the performance of the National Government Affirmative Action Fund is significantly influenced by the strategic management practices employed by the Fund management committee. Strategy formulation constitutes the most influential elements such like the mission and vision of the fund, SWOT analysis that enabled the exploitation of the available opportunities, understanding their strengths as well as their external environment. Given limitation and findings of this study, the researcher recommends that, after evaluation, corrective actions should be instituted for slow areas. The management should lead in the improvement of functional strategies to reach out to all potential clients as well as the office involving the beneficiaries when implementing their plans within the county.

**Keyword:** Strategic Management Practices, Performance, National Government Affirmative Action Fund, Situation Analysis, Strategy Formulation, Strategy Implementation and Strategy Evaluation.

**Introduction**

Strategic management remains important despite the size of the company. The success of a company is dependent on the external environment and how it aligns its resources internally, to exploit opportunities and cover its weaknesses. Companies that have invested in strategic management practices, by ensuring a wholesome formulation process and adhering to its implementation process, have been observed to have a higher prevalence of success as compared to companies that do not. In developing and/or developed nations, the Affirmative Action Funds are of great importance. The main objective of the Affirmative Action Funds is to address affirmative injustices meted against the Affirmative Action Groups (AAGs) in the society. It also breaks down barriers and provides a level playing ground to ensure that the vulnerable and disadvantaged groups in the society are accorded equal opportunities to uplift themselves economically.

Globally affirmative action history in the United States (US) can be traced back to the civil rights and slavery times. According to the argument given by Philip F. Rubio a famous historian, if one wants to understand the origin of affirmative action in the US, they must look back to the slave days in the united states and consider the relationship that existed then between the dominant whites who were the slave buyers and the minority groups most of them who were the slaves. A description given by Rubio (2001:3) to explain the strong roots of affirmative action in the US notes that affirmative action in the US can be said to be the story of the struggle for self-determination, equality and justice and the decision on whether the African Americans had a right to enjoy chosen labour and better chances at life in the American soil.

Affirmative action is a representation of the struggle against white supremacy, guilt, privilege in comparison to reparations, and demand for compensation, militancy and black protest. It is the fight for equality against remedial preferential treatment; black reality against white denial and the talk on separation, segregation, assimilation and integration. The people of color, women and minority groups have struggled and fought against discrimination while also fighting for social and political equality. In American, African Americans were discriminated in schools and workplaces which laid the foundation for affirmative action. The start of affirmative action is said to have been from civil rights movement started in the US. The movement started as a struggle by the African Americans in the social, legal and political settings in an effort for them to attain racial equality and full citizenship rights in America (Rubio, 2001:70). Notably, the anti-slavery struggle that sought for slavery abolishment and racial equality led to the start of the 1861-1865 civil wars in America.

In 1863, American president Abraham Lincoln provided the Emancipation Proclamation that liberated slaves in areas that were controlled by the federacy (Kranz, 2002:6). In 1865, there was the establishment of the Freedman's Bureau which sought to protect the slaves that were found in the Southern area of the United States (Rubio, 2001:46). The Bureau was charged with the supervision of the education and relief undertakings provided to refugees and the now freed

former slaves. The Bureau led to the development of hospitals and public educational institutions and also resolved conflicts and supervised civil institutions (Davis, 1993:7). The civil war ended in 1865 and this led to anti-slavery amendments made by the US Congress to the US constitution. The Federal constitution was also amended to look at racial discrimination and improve the rights of the freed former slaves. In 1865, the Constitution Thirteenth Amendment was passed which did away with slavery in America.

In 1868, the Fourteenth Amendment was changed to give the same protection to every American citizen, the freed former slaves being among them. In 1870, the Fifteenth Amendment was passed that provided for equal voting rights and prohibited discrimination based on colour, race, or being a former slave. Executive Order 11375 sought to ensure that all vulnerable group members would get fair employment and be treated fairly at the workplaces and employers were expected to give periodic compliance reports based on this order. The Committee on Equal Employment Opportunity was abolished by Executive Order 11375 and the Office of Federal Contract Compliance Programs (OFCCP) was expected to enforce the employment policy directive and also ensure employers did as the policy directed (Davis, 1993:11). OFCCP is given the powers to enforce and monitor the implementation of the policy directives and programs related to affirmative action. OFCCP also looks into any complaints plus it prohibits firms from selling products to the government and also cancels such contracts (Ibid). Nevertheless, in case a contractor can't meet their goal the OFCCP doesn't take any punitive action against the contractor so long as the person or institutions can show that they tried their best to reach the expected goals (Crosby et al., 2013:96). Periodic compliance audits are done through on-site or desk reviews and through the analysis of employees. They are done to determine if affirmative action programs are well-established, accepted and made part of the organization (Rubio, 2001:140).

Singapore has a well-laid vision that sets it apart from its neighbouring country Malaysia. Malaysia has well-laid policies that ensure that the ethnic group-Malay in the country has preferential treatment when it comes to employment in the public service and university admission. However, Singapore has a different approach based on the principles of multiracialism. In Singapore, everyone is treated equally despite their race or background and opportunities are given in terms of merit. The country has adopted the principle of Meritocracy in many sectors but this doesn't mean that the country is race-blind when it comes to the making of policies. The Singaporean government provides opportunities and chances that allow for the success of those talented but it also ensures that it allows for peaceful co-existence of its diverse racial groups through policy making.

According to the Singaporean government, harmonious co-existence can only occur if each community is willing to sacrifice some of their rights and tolerate the views of other communities. The country doesn't marginalize any community and the Meritocracy principle is essential and used even in the governance of the country's operations. Part of the government's

responsibilities has been to ensure that every community and race is represented in the various social sectors. The government has had great success in the higher education sector where it has ensured ample opportunities for the minority groups to join institutions of higher learning. The country's university admissions are very competitive and one gets a place on the country's universities based on performance in prior exams. In 1980 for instance, among the Malaysians who had joined first grade only 0.5% were admitted to public universities. This number rose to 5.4% and 7.7% in 2005 and 2015 respectively. Comparing Singapore to China and India, the participation of the cohort was 30% and 11% respectively.

The increase in the number of Malays in public universities wasn't because of affirmative action but due to the government's efforts to build the capabilities of the Malays capabilities right from childhood. The government in 1982 came up with self-help groups to help the Malays (known as MENDAKI) the groups sought to resolve the underperformance noted among the Malays students. The groups came up with strategies that helped enhance the attainment of education such as the reduction of tutoring fees, educating the parents on the value of education and the use of mentorship programs. The increase in the numbers of Malays students who graduated was proof that these efforts were bearing fruits. At the universities, Malays students are treated as equals by their Chinese counterparts as they know that they qualified to join universities through their high scores in the national examinations.

The first and second-generation affirmative action in Africa can be said to have happened in Ghana. Many issues that were noted in the first-affirmative were implemented in second-affirmative. The measures instituted in the second-generation affirmative action were focused on women and if they were legitimate in taking part in the administrative directive provided by the country's cabinet in 1998. The recommendations provided by the National Council on Women and Development (NCWD), the administrative directive sought to give guidelines for the implementation of the different Affirmative Action's aspects focused on enhancing the rights and opportunities of women in Ghana (p.1). According to guidelines, Ghana was part of the UN General Assembly that took up the CEDAW without reservations.

The nation was also part of deliberations of the 1995 4<sup>th</sup> Beijing World Conference on Women and the passed guidelines formed the basis of the country's affirmative action policies. Part of the administrative directive provisions sought to: Establish an administrative to handle women's issues. This was characterized by the appointment of an officer who would be part of the government and would be looking into women's issues. The officer would liaise with the NCWD desk to ensure policy implementation.

South Africa is another country in Africa that is said to have made strides in the use of Affirmative action in the workplace, politics and education. Affirmative Action in South Africa started in the Apartheid days which saw black people seek for leveling field in the country. The mover of Affirmative action policies in the country is the ruling party African National Congress

(ANC). The party points out that affirmative Action sought to do away with the harmful impact of apartheid brought out by discrimination on race and gender by the creation of equal employment opportunities based on the equity and justice principles to do away with inequality (African National Congress, 1991). The party affirmative action directives are guided by the constitution and other countries' experience including the USA. In the USA affirmative action is highly contested and the major area where affirmative action has been noted is in education. In South Africa, affirmative action is more pronounced in the employment debates. According to the country's Employment Equity Act, some employers- those with more than 50 employees are expected to implement affirmative action measures for minority groups such as women, black people and those with disabilities to ensure they attain employment equity.

According to the law, Affirmative Action is said to be the measures put up to ensure qualified people from minority groups are accorded equal opportunities and are well-represented in all workforce. Affirmative action whether in education or the workforce has ensured that minority groups and the underprivileged are well represented and get equal opportunities. In the local scene, the Kenyan government has provided the Affirmative Funds Oversight Boards to ensure funds are used as planned. The Oversight Boards are expected to help in the achievement of development goals and eliminate poverty at the grassroots level. Although many government-funded projects aim to alleviate poverty in Africa, little effort is taken to see the initiatives meet the laid down goals (Kenya Gazette Supplement No. 18 of 2012).

Empirical studies done in Jordan are doubtful if there is a need to use the strategic management approach in the implementation of visions and missions. A study done in Jordan pointed out the importance of using strategic management processes and the impact they have on firm performance among firms in Jordan industries (Zaidoun & Waleed 2001). The study findings indicated that firms that used the strategic management approach saw a positive impact on their total performance. The results also showed a direct relationship between having the basics of strategic management competencies and the performance of the Jordan-based firms. The study recommended that firms should concentrate on using the strategic management principles and the middle management should be provided with updated practices to help them in doing their administrative tasks. Further, it was noted that strategic management has been increasingly used by both the public and private sector and this has led to the important strategic terms being coined.

The study also recommended that that middle management should be involved in the managerial functions that have to do with controlling, organizing, planning and monitoring the administrative tasks in all the firm managerial levels. Nations such as Kenya, Tanzania and South Africa have continually pushed for their governments to decentralize political, social and financial sectors. Emphasis on devolution of authority has grown as this would ensure that the people at the grassroots would access services and there is accountability to the local units of governance (Maina, 2005). Burki, Javed, and William (2014)) and World Bank (2000) explains

that nations in the East Europe, East Asia and the Caribbean regions have taken up decentralization as part of their development agenda and done better compared to African nations. Decentralization ensures that local governance is strengthened. It also allows for improved equity and efficiency in the use of public resources and that resources are used to fund development even at the local levels (Robot, 2002). The Ugandan, Tanzanian and Kenyan governments have increasingly been involved in grassroots projects and the development of communities as noted by Baskin (2010).

### **Statement of Problem**

NGAAF was formed in 2015 with the primary objective to empower the Affirmative Action Groups namely persons with disabilities (PWDs), women, young people, vulnerable children and the elderly persons through expanding access to money for socio-economic growth, promotion of enterprise development and provision of social development services at the grassroots. The fund however experiences some inherent problems which make it unable to deliver on its mandate. Some of the problems experienced by the Fund are; inadequate budgetary allocation and delay in the release of funds, court petitions challenging the establishment of the Fund, inadequate physical infrastructure and equipment, inadequate knowledge on Fund Access Guidelines, weak monitoring, evaluation and reporting framework, lack of well-defined organizational structure and inadequate staffing and high turnover of trained field staff; (NGAAF strategic plan 2018/19-2022/23).

According to a study done by Mapesa & Kibua (2006) funds given for affirmative action aren't well monitored, are not given to those expected to gain from them and are also challenged by lack of awareness for the groups, no community participation, poor access to financial resources and the interference of politicians among others. Only less than 10% of eligible women have accessed the National Government Affirmative Action Fund according to the County Government of Kiambu. Affirmative Action Funds in Kenya include Constituency Development Fund, Youth Enterprise Development Fund, the National Government Affirmative Action Fund, Women Enterprise Fund and Uwezo Fund. The Fund allows PWDs, youths and women to access affordable credit that can help them expand their businesses or start small businesses. The fund was a flagship project of the country's vision 2030 and also shows that the government is committed to achieving the Millennium Development Goal (MDG) on gender equality and women, youths and PWDs empowerment (Nyagah, 2010).

### **Objectives of the Study**

The general objective of the study was the influence of strategic management practices on performance of the National Government Affirmative Action Fund in Kiambu County, Kenya. The objectives that acted as guide to this research include;

1. To establish how situation analysis influenced the performance of NGAAF in Kiambu County, Kenya.

2. To determine the effect of strategy formulation on the performance of NGAAF in Kiambu County, Kenya.
3. To assess how strategy implementation affects the performance of NGAAF in Kiambu County, Kenya.
4. To assess the effect of strategy evaluation on the performance of NGAAF in Kiambu County, Kenya.

### **Theoretical Review**

Kombo and Tromp (2006) explain that theoretical framework is made up of interrelated ideas that are derived from theories. The theoretical framework tries to explain the phenomenon under study using existing theories. This study will be anchored on the below theories;

#### **Agency Theory**

Agency theory is a management method where an individual called the agent works for another individual and also tries to accomplish the goals of that individual-the principal (Hendry 2014). The agent is expected to advance their interests while also looking at the interests of their principal. There should be a balance between these two individuals' interests if the agent is to gain from the relationship and the principle organizational goals are to be met. The agent in this case is in charge of utilizing the firm's resources. As noted by Laffort and Martimost (2016) the agency theory in strategic management is important as what the agent chooses to do does not only affect him but also the interests of many stakeholders or principles. The agent is vital in the process of strategic management. The firm is made up of numerous external and internal conflicts that provide a link between the firm and its employees, unions, customers, suppliers, shareholders among other stakeholders.

According to the agency theory, there should be synergy between the firm and all its stakeholders if all these parties are to work towards achieving the firm goals. This theory is also often referred to as the central approach to managerial behaviour. The theory affirms that in every level of strategic formulation there is an agent responsible for representing the stakeholders in the different firm levels. If the firm is to attain its goals, it is important for there to be synergy and understanding between the agents and principle. Thus, the agency theory is particularly important for strategic management more so at the strategy formulation level and also on the other processes of strategic management if the firm is to meet its objectives. NGAAF in this case is the agent to the Kenyan government while the government is the principal. NGAAF is also an agent to other shareholders including the youth, PWDs and women.

#### **Resource-Based View Theory**

The resource-based view (RBV) proposed by Wernerfelt (1984) notes that a firm can achieve a competitive advantage if it provides a product or service that is of higher value to its customers. The theory points out that the firm should use the resources at its disposal efficiently to achieve a sustainable advantage (Barney, 1991). According to global business theorists, the success of an

organization is determined by the competitiveness of its local alliances or subsidiaries in the existing market (Luo, 2003). The local know-how provided by an alliance or a subsidiary can become an important source of competitiveness for a firm (Gupta et al., 2011). When considering the RBV use in strategic management, the theory has been used to explain the persistence in the differences among inter-firm performance (Barney and Griffin, 1992). The theory explains that a firm has unique competencies and resources that are non-substitutable, inimitable, rare and valuable that it can use to achieve sustainable advantage. Resources in this case are tangible and intangible assets that the firm owns or controls. Capabilities are the ability to use and combine resources by use of the inherent routines used by the firm to achieve the firm goals (Amabile et al, 1996). The RBV theory as used in this study hopes to indicate ways in which external and internal resources can impact a firm's competitiveness and the firm capabilities can help achieve innovativeness (Galbreath 2005). The argument provided by Nahapiet and Ghoshal (1998) is that innovation results from the creation of new knowledge which is due to relations between social capital and intellectual capital. SMEs have these two sources of capital and there is a need to manage them efficiently and effectively to ensure the competitiveness of the enterprise is established.

### **Resource Dependence Theory**

The resource dependence theory is attributed to Pfeffer and Salancik in 1978. The success of the firm according to this theory is the maximization of the firm's power (Pfeffer 1981). Research on organizations power started with Weber (1947) and was also part of the early studies by political scientists and social exchange theorists. Power-based arguments started being generalised based on intra-organization relations early enough Selznick (1949). RDT looks at the associations among firms in form of power relations that are based on the exchange of resources. The theory notes that firms that do not have resources will try to have relations with other players to get the resources they need. The firms also try to reduce dependence on other firms by minimizing their dependence on others or increasing the dependence of others on them.

Thus, organizations are seen as coalitions that change their behaviours and patterns to get and have the resources they require. To get external resources from the firm, the organization will try to reduce its dependence on other firms or by increasing other firms' dependency on them this is how the firm changes its power in relation to other firms (Jones, 2011). The resources of NGAAF are provided by the Kenyan government and other donors. The stakeholders are essential in the provision of funds. The NGAAF utilization of these resources needs to be done efficiently. Unfortunately, many of the utilizers of the funds have poor management skills and misuse the funds. This reduces NGAAF competitiveness. Thus, competitive strategies used help improve the position of NGAAF if it is to remain competitive in the growing and competitive environment (Kioko, 2012).

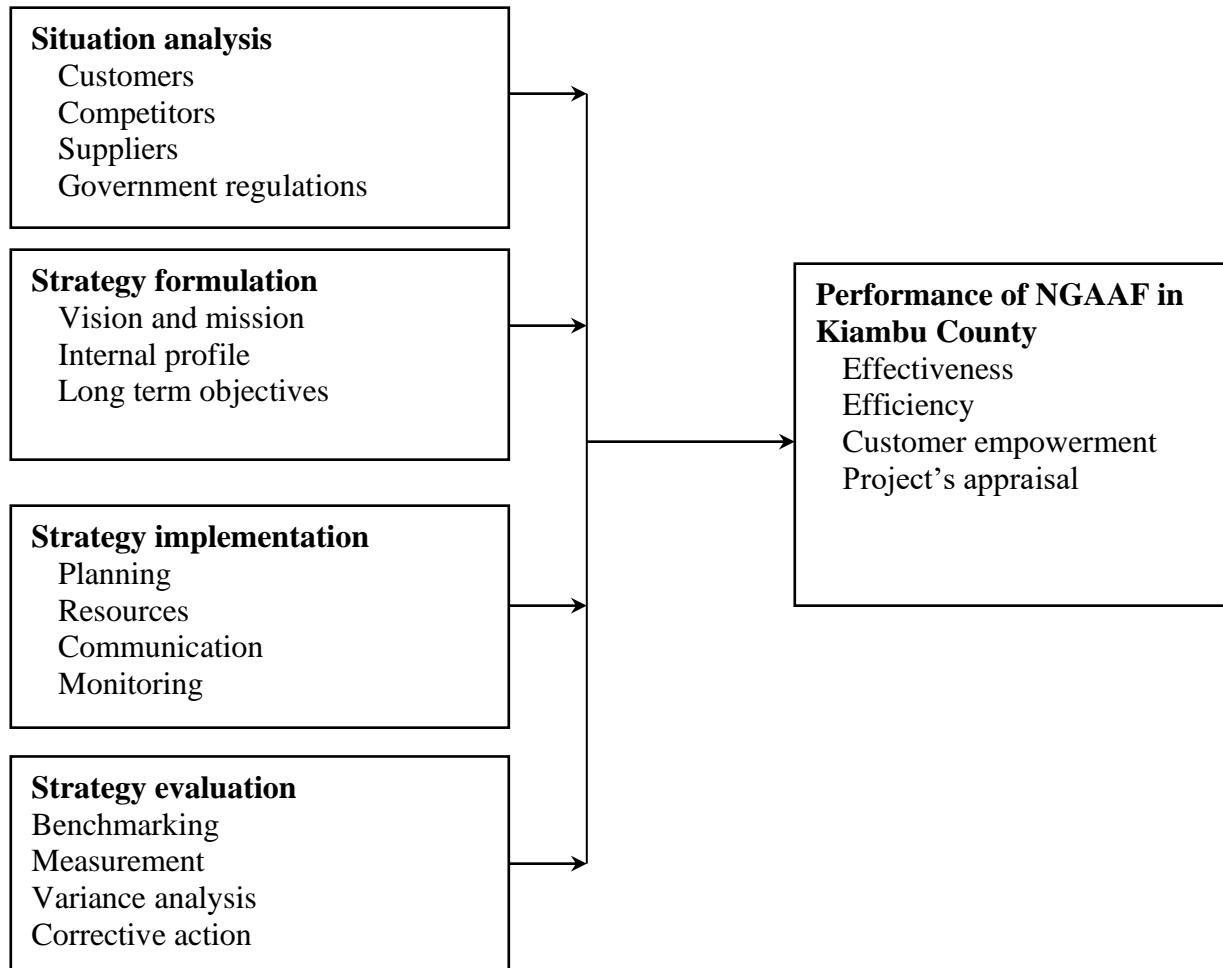


**Conceptual Framework**

Kombo and Tromp (2013) note that a conceptual framework is made up of a set of ideas taken from different fields that are relevant to the study topic and used to come up with a diagrammatic representation. Mugenda and Mugenda (2013) notes that a conceptual framework is a model that represents the association existing between the variables being researched. Here is what this association looks like.

**Independent variable**

**Dependent variable**



Source: Researcher 2021

**Figure 1: Conceptual Framework**

**Research Methodology**

A descriptive survey design was chosen for this study. This design was deemed fit for this study as it involved an in-depth analysis of the association between the variables being studied. The study targeted women, youths and PWDs who have had access to National Government Affirmative Action Funds. According to a report by the County Government of Kiambu, there

were approximately 3,000 beneficiaries who had accessed the National Government Affirmative Action Funds. Therefore, the target population for the study was 1,000 women, 1,500 youths and 500 PWDs. The researcher used the Yamane (1967) formula to come up with the sample size of 353 respondents. The gathering of data was done with the help of a questionnaire. The researcher dropped the questionnaires and collected them later once the respondents had filled them. Descriptive statistics which include standard deviation, frequencies and mean helped in analysing quantitative data. The presentation was in the form of tabulations, graphs and percentages. The data from the open-ended queries was qualitative and was classified in themes in line with the objectives of the study and presented narratively. The qualitative data reinforced the results obtained from the quantitative data. The data from the data gathering tool after collection was double-checked and corrected for errors, coded before being analysed with the help of the Statistical Package for Social Sciences (SPSS). To determine the strength and direction of the relationship between the variables, the researcher used both regression and correlation methods. Part of the inferential statistics methods used was the multiple linear regression models to deduce the association between strategic management practices and performance of NGAAF in Kiambu County, Kenya.

## Results and Discussion

The purpose of the study was to investigate the influence of strategic management practices on performance of the National Government Affirmative Action Fund in Kiambu County, Kenya. The current study targeted all women, youths and PWDs who have had access to National Government Affirmative Action Funds (NGAAF) in Kiambu County, Kenya.

**Table 1: Response Rate**

Category of respondents	Target responses	Achieved responses	Responses achieved (%)
Women	118	90	76.3
Youths	176	140	79.5
People Living with disabilities	59	50	84.7
<b>Total</b>	353	280	79.3

Out of the targeted 353 respondents, 280 questionnaires were adequately filled and returned making the overall response rate to be 79.3 percent as shown in Table 1. The response rate could be considered adequately unbiased given that Nulty (2008) recommends a response rate of at least 65%. Likewise, the response rate was adequate for every group considered in the sampling frame with women yielding a response rate of 76.3 percent as youths and persons with disabilities yielded 79.5 percent and 84.7 percent respectively.

### Situation Analysis

This section of the questionnaire sought to address the situation analysis and performance of National Government Affirmative Action Funds (NGAAF) in Kiambu County, Kenya as presented in Table 2.

**Table 1: Situation Analysis**

Statements	Mean	Standard Deviation
We have all information about our customers	3.936	1.100
Situation analysis has helped us understand our competition	3.986	0.870
Situation analysis has enabled us to serve our suppliers	3.936	1.050
Through SWOT analysis we have been able to understand our strengths	3.618	0.982
Situational analysis has assisted us to understand government policies governing NGAAF	4.221	0.733
Through SWOT analysis we have been able to exploit the available opportunities	3.993	0.784
Average	3.948	0.920

As revealed in Table 2, situational analysis had assisted the respondents to understand government policies governing NGAAF (mean= 4.221, standard deviation = 0.733) while through SWOT analysis they have been able to exploit the available opportunities supported by a mean of 3.993 and a standard deviation of 0.784 which is in line with Ghazali *et al* (2010), who looked at the internal and external factors impacting the strategic planning in Malaysian firms. The research also showed that the external factors that became opportunities included encouragement and support from the state while factors that were threats included the bureaucratic processes that a firm had to follow to get licensing and plan approval. Additionally, situation analysis had helped the respondents understand their competition (mean= 3.986, standard deviation = 0.870) as they had all the information about their customers (mean= 3.936, standard deviation = 1.100). Asika, (2001) was in agreement noting that firms that recognize that the environment is competitive take an initiative to know their customers and use such information to gain an advantage and to thrive in a dynamic environment. According to global business theorists, the success of an organization is determined by the competitiveness of its local alliances or subsidiaries in the existing market (Luo, 2003). The local know-how provided by an alliance or a subsidiary can become an important source of competitiveness for a firm (Gupta *et al.*, 2011). It had also enabled them to serve their suppliers (mean= 3.936, standard deviation = 1.050) while a mean of 3.618 and a standard deviation of 0.982 SWOT analysis had enabled them to understand their strengths. On average, situation analysis had a mean of 3.948 and a standard deviation of 0.920.

These findings indicate the majority of women, youths and PWDs who have had access to National Government Affirmative Action Funds (NGAAF) in Kiambu County affirmed that

situation analysis is vital to the performance of the Fund. These findings also integrate with dictates of the agency theory given that situation analysis entails analysis of firms operating environment that is made up of numerous external and internal conflicts that provide a link between the firm and its employees, unions, customers, suppliers, shareholders among other stakeholders. Thus, and as recommended by the agency theory, situation analysis should always be geared towards synergy between the firm and all its stakeholders if all these parties are to work towards achieving the firm goals. This theory is also often referred to as the central approach to managerial behaviour.

## Strategy Formulation

**Table 2: Strategy Formulation**

Statements	Mean	Standard Deviation
We have a NGAAF vision and mission in our County	4.336	0.688
The NGAAF, we understand our external environment	4.025	0.817
The NGAAF has formulated policies for youth empowerment	4.193	0.706
The NGAAF has formulated policies for women empowerment to benefit from NGAAF.	4.107	1.074
The NGAAF has formulated policies for PWDs to benefit from NGAAF	4.061	0.952
NGAAF in Kiambu county has a framework for long term objectives	4.146	0.679
NGAAF has functional strategies to reach out to all potential clients.	3.439	1.269
<b>Average</b>	4.044	0.884

Table 3 shows that the respondents nodded to have NGAAF vision and mission in their County (mean= 4.336, standard deviation = 0.688) and that the NGAAF had formulated policies for youth empowerment (mean= 4.193, standard deviation = 0.706), women empowerment (mean= 4.107, standard deviation = 1.074) and also for the persons with disabilities (PWDs) (mean= 4.061, standard deviation = 0.952) to benefit from National Government Affirmative Action Funds (NGAAF). According to Azhar *et al* (2012), leaders assist in the formulation of the firm's mission and vision and also help come up with strategies that can help achieve the vision and mission. The respondents also agreed that the NGAAF in Kiambu county had a framework for long-term objectives (mean= 4.146, standard deviation = 0.679) and still understood their external environment (mean= 4.025, standard deviation = 0.817). Nonetheless, the respondents modestly revealed that the NGAAF had functional strategies to reach out to all potential clients with a mean of 3.439 and a standard deviation of 1.269. On average, strategy formulation had a mean of 4.044 and a standard deviation of 0.884.

These findings indicate that the majority of women, youths and PWDs who have had access to National Government Affirmative Action Funds (NGAAF) in Kiambu County considered strategy formulation as a vital action for a positive influence on the performance of the NGAAF.

Additionally, the findings concur with an argument by Resource Based View's that strategic formulation would utilize innovation results from the creation of new knowledge which is due to relations between social capital and intellectual capital. Thus, organizations have these two sources of capital and there is a need to manage them efficiently and effectively to ensure the competitiveness of the enterprise is established.

### Strategy Implementation

**Table 3: Strategy Implementation**

<b>Statements</b>	<b>Mean</b>	<b>Standard Deviation</b>
NGAAF informs us of their plans from time to time	3.579	0.771
The Fund has enough financial resources to roll out their plans	3.350	0.929
NGAAF has enough human resource to implement the strategic plan	3.925	0.885
There are proper communication channels between the recipient and the Fund.	4.032	0.872
There are enough monitoring techniques applied by our NGAAF office	4.207	0.996
The office involves us when implementing their plans within the county	3.421	1.175
We feel involved in the implementation of strategy in our County	4.000	0.894
<b>Average</b>	<b>3.788</b>	<b>0.932</b>

As depicted by Table 4, the respondents strongly agreed that there are enough monitoring techniques (mean= 4.207, standard deviation = 0.996), proper communication channels between the recipient and the Fund (mean= 4.032, standard deviation = 0.872), and they as well feel involved in the implementation of strategy in their County with a mean of 4.000 and a standard deviation of 0.894). The respondents also revealed that the NGAAF has enough human resources to implement the strategic plan (mean= 3.925, standard deviation = 0.885) as well as informing them of their plans from time to time (mean= 3.579, standard deviation = 0.771). However, the office leanly involves them when implementing their plans within the county (mean= 3.421, standard deviation = 1.175). They also moderately refuted that the Fund had enough financial resources to roll out their plans (mean= 3.350, standard deviation = 0.929). On average, strategy implementation had a mean of 3.788 and a standard deviation of 0.932. Findings in this study are consistent with the agency theory since once a strategy is approved the CEO is tasked with the implementation of the approved strategy in a way that gives the firm an advantage against its rivals. Thus, the agency theory of strategic management is superior to other strategy theories when it comes to the process of strategic management. Firms especially those in the service industry need to think strategically to improve their competitiveness and survival in a dynamic environment, in recent years, many firms have taken this heed and have turned to strategic implementation to deal with the complexities and changes in the business environments. The new trend in the use of strategy implementation is aimed to help the firms effectively navigate

the business environment and also to enhance the performance of the said firms. These, therefore, indicate that majority of women, youths and PWDs who have had access to National Government Affirmative Action Funds (NGAAF) in Kiambu County deemed that Strategy implementation is fundamental to the performance of the Fund.

## Strategy Evaluation

**Table 4.4: Strategy evaluation**

Statements	Mean	Standard Deviation
The county office has developed benchmarks for performance measurement.	4.211	0.859
The county office has various ways with which it measures the success or failures of NGAAF	3.704	1.340
There are periodic reports that evaluate the position of NGAAF within the County	3.964	0.925
The office uses variance analysis to check on progress	3.921	0.682
Financial resources are easily accessible for evaluation	3.643	1.066
There is an effective committee to evaluate the success of the program	3.279	1.022
After evaluation corrective actions are instituted for slow areas.	3.396	1.209
<b>Average</b>	<b>3.731</b>	<b>1.015</b>

Table 5 depicts that the respondents strongly agreed that the county office developed benchmarks for performance measurement (mean= 4.211, standard deviation = 0.859). Ivancic (2013) contends that the effective evaluation method is important because the key activity of strategy evaluation is to determine if strategy execution meets the firm objectives. Hunger and Wheelen (2011) submitted that results of strategy evaluation should be used to decide on the resulting action in case the process is showing any problems that affect the functioning of the firm towards its goal. Theoretically, findings of this study concur with resource dependence theory where strategic evaluation needs to rely on parameters provided by the environment. The environment is made up of other firms and therefore the resources needed by the organization are in the hands of other firms. The resources are the sources of power which makes it legal for organizations to rely on one another as power and resource dependence are interrelated. For firms to operate effectively they depend on many factors such as raw material, capital, labour among others. The firms may be unable to come up with alternatives for these resources. At the same time, this is in line with institutional and ecological theories of firms that look at organizations as structures of order subject to constant negotiation and reinterpretation and that interact with the existing environment and competing to achieve a set of different interests. While there are periodic reports that evaluate the position of NGAAF within the County (mean= 3.964, standard deviation = 0.925), the respondents agreed that the county offices used variance analysis to check on progress (mean= 3.921, standard deviation = 0.682). Additionally, the county office had various ways with which it measured success or failures of NGAAF (mean= 3.704, standard deviation = 1.340) as financial resources are easily accessible for evaluation

(mean= 3.643, standard deviation = 1.066). Nonetheless, the respondents fairly agreed that after evaluation, corrective actions are instituted for slow areas supported by a mean of 3.396 and a standard deviation of 1.209. Modestly, they also agreed that there is an effective committee to evaluate the success of the program (mean= 3.279, standard deviation = 1.022). On average, strategy evaluation had a mean of 3.731 and a standard deviation of 1.015. Kumar (2015) with the help of correlation analysis showed that the strategy evaluation dimension of strategic planning has a significantly and favourably impacted performance of the firms. Authors argue that strategy evaluation is a systematic and rational process that influences the performances of mobile telecommunication firms in Nigeria. This implies that the majority of women, youths and PWDs who have had access to National Government Affirmative Action Funds (NGAAF) in Kiambu County affirmed that collectively, strategy evaluation favourably impacts the general performance of the NGAAF.

### Performance of National Government Affirmative Action Funds (NGAAF)

**Table 5: Performance of NGAAF**

Statements	Mean	Standard Deviation
NGAAF has become more effective in execution of its mandate	4.039	0.753
NGAAF has become more efficient in execution of its mandate	3.739	1.049
NGAAF has promoted PWDs, youths and women to be economically empowered	3.979	0.741
NGAAF is continually doing appraisals of its customers' projects	4.150	1.031
NGAAF has increased to customer base over time	3.786	1.020
NGAAF has made it easy for the target groups to access funds easily.	3.646	1.007
<b>Average</b>	<b>3.890</b>	<b>0.933</b>

As revealed in Table 6, the respondents agreed that the NGAAF was continually doing appraisals of their customers' projects (mean= 4.150, standard deviation = 1.031). NGAAF also had become more effective in the execution of its mandate (mean= 4.039, standard deviation = 0.753) and had promoted PWDs, youths and women to be economically empowered (mean= 3.979, standard deviation = 0.741). They also agreed that NGAAF had increased their customer base over time (mean= 3.786, standard deviation = 1.020) as well as becoming more efficient in the execution of their mandate (mean= 3.739, standard deviation = 1.049). Additionally, NGAAF had made it easy for the target groups to access funds easily, held by a mean of 3.646 and a standard deviation of 1.007. On average, the performance of NGAAF had a mean of 3.890 and a standard deviation of 0.933. These findings can be directly connected to resource dependence theory given that performance of a firm is driven by strict adherence to the principle of criticality and scarcity. The critical resources are the resources that the firm can't do without as they are critical for the functioning of the firm. The firm can use strategies such as vertical or horizontal integration or relating with many suppliers to get access to critical resources (Michael, 2013). Resource dependence is more than relating with external firms that give resources, distributes,

compete and provide the organization. Executive decisions have a lot of weight compared to non-executive decisions but the latter has more effect on the firm operations.

### Correlation Analysis

**Table 6: Correlation Analysis**

		Situ atio n Ana lysi s	Strate gy Form ulation	Strategy Imple mentation	Strat egy Eval uation	Perfor mance of NGA AF
Situation Analysis	Pearson	1.00	-0.12	0.00	.298**	.172**
	Correlation					
	Sig. (2-tailed)		0.05	0.95	0.00	0.00
	N	280	280	280	280	280
Strategy Formulation	Pearson	-0.12	1.00	0.05	.131*	.363**
	Correlation					
	Sig. (2-tailed)	0.05		0.41	0.03	0.00
	N	280	280	280	280	280
Strategy Implementation	Pearson	0.00	0.05	1.00	-0.01	.412**
	Correlation					
	Sig. (2-tailed)	0.95	0.41		0.87	0.00
	N	280	280	280	280	280
Strategy Evaluation	Pearson	.298**	.131*	-0.01	1.00	.546**
	Correlation					
	Sig. (2-tailed)	0.00	0.03	0.87		0.00
	N	280	280	280	280	280
Performance of NGA AF	Pearson	.172**	.363**	.412**	.546**	1.00
	Correlation					
	Sig. (2-tailed)	0.00	0.00	0.00	0.00	
	N	280	280	280	280	280

All variables were found to be positively correlating to each other with an exception of situation analysis versus strategy implementation (-0.12) and that of strategy implementation versus strategy evaluation (-0.01). Performance of NGA AF had correlation index of 0.172, 0.363, 0.412, and 0.546 for situation analysis, strategy formulation, strategy implementation, and strategy evaluation which were all significant at both 0.05 and 0.01 significant level

### Coefficient of Determination

**Table 7: Coefficient of Determination**

R	R Square	Adjusted R Square	Std. Error of the Estimate
.742a	0.55	0.54	0.19



Results in Table 8 show an R-Square of 0.55 with the standard error of estimate being 0.190. This implies that strategic management practices (through strategy evaluation, strategy implementation, strategy formulation, situation analysis) explain changes in employees' performance up to 55 percent. The remaining 45 percent is explained by other factors that are not envisaged in this study.

### Analysis of Variance

Analysis of variance (ANOVA) was generated to determine the spread of the mean of variables and in the particular spread between variables and spread within data.

**Table 8: Analysis of Variance**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	12.66	4	3.17	84.03	.000a
Residual	10.36	275	0.04		
Total	23.02	279			

As shown in Table 9, F-Calculated (4, 275) = 84.03 at 2-tail test and 95% confidence level. Results also show p-Value = 0.000 < 0.05.

### Regression Coefficients

**Table 9: Regression Coefficients**

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-0.09	0.25		-0.37	0.71
Situation Analysis	0.05	0.04	0.06	1.31	0.04
Strategy Formulation	0.24	0.04	0.29	6.88	0.00
Strategy Implementation	0.34	0.03	0.40	9.94	0.00
Strategy Evaluation	0.41	0.04	0.50	11.52	0.00

From the findings, when all the predictors (that is situation analysis, strategy formulation, strategy implementation, and strategy evaluation) are held constant, the performance of NGAAF would remain at -0.09. Besides, when situation analysis increases by 1 unit, the performance of NGAAF increases by 0.05 units. The same case happens when strategy formulation, strategy implementation, and strategy evaluation separately increase by 1 unit leading to an increase in performance of NGAAF by 0.24, 0.34, and 0.41 respectively. All the predictors had a p-Value < 0.05 at a 95% confidence level implying that they were all individually significant in influencing performance of NGAAF. This once more positions the four variables as major predictors for performance of NGAAF. The model can be summarized as follows:

$$Y = 0.544 + 0.131X_1 + 0.296X_2 + 0.356X_3 + 0.068X_4$$

Where Y is the dependent variable (performance of NGAAF),  $X_1$  = situation analysis,  $X_2$  = strategy formulation,  $X_3$  = strategy implementation,  $X_4$  = strategy evaluation. In summary, performance of NGAAF will vary because of the conditions under which strategic management practices are employed in a certain organization. As Johnson 2008 notes strategic management practices are adopted by a firm to attain both the vision and the mission of the firm and this applies to the National Government Constituency Development Fund.

### **Conclusions**

In conclusion, the performance of National Government Affirmative Action Funds is significantly influenced by the strategic management practices employed by the Fund management committee. Strategy formulation constitutes the most influential elements such as the mission and vision of the fund, SWOT analysis that enabled the exploitation of the available opportunities, understanding their strengths as well as their external environment. NGAAF had also formulated policies for youth, women and also for persons with disabilities (PWDs) empowerments. There is enough monitoring, proper communication channels between the recipient and the Fund, and as well the respondents felt that they were involved in the implementation of strategy in their County. Whilst the NGAAF had enough human resources to implement the strategic plan they moderately refuted that the Fund had enough financial resources to roll out their plans. The county office developed benchmarks for performance measurement and they carry periodic reports that evaluate the position of NGAAF within the County.

### **Recommendations**

Given the limitation and findings of this study, the researcher recommends that, after evaluation, corrective actions should be instituted for slow areas. The management should lead in the improvement of functional strategies to reach out to all potential clients as well as the office involving the beneficiaries when implementing their plans within the county. The financial resources should also be increased to realize the desired performance as well as rolling their plans smoothly. The oversight committee should remain active and effective to evaluate the success of the program

### **Further Research**

This study considered only four research indicators which were situation analysis, strategy formulation, strategy implementation and strategy evaluation. Given that other factors explain strategic management, a comprehensive study incorporating these other variables and more conclusive findings should be carried out. Given that the current research was a case study of the National Government Affirmative Action Fund in Kiambu County, the researcher recommends a similar study to be carried out on a cross-sectional survey where other Funds under the national government and County governments and results be compared. This study should also be

contextualized in counties and results compared to those of the National Government Affirmative Action Fund in Kiambu County, Kenya.

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