

**COMPARATIVE STUDY ON DETERMINANTS OF STRATEGIC PLAN
IMPLEMENTATION IN SAVINGS AND CREDIT COOPERATIVE SOCIETIES
OF AMICA AND MENTOR SACCOs**

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DECLARATION

Declaration by the candidate

I the undersigned, declare that this thesis is my original work and has not been presented for any award to any other College, Institution, or University other than Murang'a University of Technology.

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DEDICATION

This work is dedicated to my beloved family, my dear wife, our children, parents, brothers, and colleagues for their prayers, love, understanding, and support. May Almighty God bless you abundantly.

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LIST OF ABBREVIATION

CEO	-	ChiefExecutiveOfficer
CBK	-	Co-operative bank of Kenya
CMC	-	Central Management Committee
KCC	-	Kenya Co-operatives Creamery
KUSCCO	-	Kenya Union of Savings and Credit Co-operatives Society
KFA	-	Kenya Farmers Association
KPCU	-	Kenya Planters' Co-operative Union
SASRA	-	Sacco Societies Regulatory Authority
SASSRA	-	Sacco Society's Regulatory Authority

Operational Definition of Terms

1. **Strategic planning**-It is the process of documenting and establishing a sense of direction to your business or organization, by evaluating your current situation and where you want to be in a given period of time.
2. **Strategy**- determines the basic short/long-term goals and objectives of an organization, the course of action to achieve the goals and the resources necessary for carrying out those goals.
3. **Implementation**- is the carrying out, execution, or practice of a plan, a method, or any design, idea, model, specification, standard or policy for doing something.
4. **Leadership**-directing workers and colleagues with a strategy to meet the company's needs.
5. **Funding**- is the act of providing resources to finance a need, program, or project. While this is usually in the form of money,
6. **Government policy**- is a rule or principle that hopefully better guides decisions, resulting in positive outcomes that enhance the community or unit.
7. **Monitoring**- is the activity of reviewing and analyzing the performance of such processes to identify successes and problems.
8. **Strategy Formulation**- Formulation entails coming up with both long and short-term goals.
9. **Strategy Evaluation**- measures the effectiveness of the strategy. Measure the progress by comparing the plan against actual results. If the company is properly implemented its strategy results should be as expected in the strategy or not far off.
10. **Grand Strategies**- the Grand Strategies are the corporate level strategies designed to identify the firm's choice with respect to the direction it follows to accomplish its set objectives.
11. **Strategic Planning**-is the process of documenting and establishing a direction of your business or organization—by assessing both where you are and where you're going.

ABSTRACT

Management of Strategic plan involves actions and decisions that leads to the formulation and execution of strategies meant to attain the set objectives of a given firm. According to Strategy implementation is one of the crucial functions of top management which addresses the decisions targeted at formulation and implementation of long-term plans aimed at realization of organizational goals. A lot of challenges are experienced during Strategy implementation due to high requirements of both human and financial resources and the changing internal organizational environment. The situation has been highly turbulent and affected strategy implementation in most organizations. Due to such difficulties, this study aimed at finding the key determinants in strategy implementation practices in Amica and Mentor SACCOs whose headquarters' are in Murang'a town. Organizations have Strategy plans that are rarely implemented and the study tried to assess some of these determinants. Questionnaires and interviews were used to acquire data from the targeted members' of director's board, senior managers, and staff in the SACCOs using a census guide. Content analysis technique was used to analyze the data. The findings indicated that leadership had the highest influence on strategic plan implementation in SACCOs as revealed by a mean of 12.91, funding was the second determinant with a mean of 9.39, followed by government policy with a mean of 9.22, monitoring and evaluation had the lowest influence as revealed by a mean of 8.15. Therefore, the study established that leadership plays a significant role in terms of guidance, resource mobilization, and the overall success of the implementation of strategic plans in both Amica and Mentor SACCOs. The study established that implementation of strategic plans contributed to the growth of SACCOs in terms of membership increase with a mean of (3.38), Share capital increase (3.00), increase in turnover (3.16), asset quality improvement (3.17), business volume increase (3.15), increase in deposit portfolio (2.91) and product diversification (2.73). for data analysis methods, mean which was useful in computation of averages of the data collected , standard deviation was significant in determination of the spread of data around the mean , regression helped to explain the relationship between Amica SACCO and Mentor SACCO , it also assisted to determine whether the relationship are strong or weak, all this data analysis methods helped in analyzing the information. The findings revealed that strategic plan implementation had optimistic effect on the development and growth of the SACCOs, finding from Mentor SACCO revealed that funding had the greatest effect on the implementation of strategic planning, it further indicated there was an increase in membership , increase in turn over, and optimum utilization of resources, from the findings there is need to have a leadership that supports the strategic plans from initiation to final implementation. Based on study findings, the study proposed the following recommendations to ensure successful implementation of strategic plans and growth of SACCOs: funds should be made available and in sufficient amounts, regularization of monitoring and evaluation strategies, periodical review of strategic plans, the inclusion of the different departments and workers in the organization to ensure that the strategic managers can own the process and management to cascade or delegate the duties downwards to the more specific departments where such functions apply

CHAPTER ONE

INTRODUCTION

1.1 Background to the study

Cooperatives are members-centered enterprises which are possessed, run, led or managed by members to realize their financial and other mutual needs. Cooperative organizations bring people together for a common purpose. Where members are the customers, “the one member, one vote rule”, applies when it comes to voting regardless of the amount of share capital they hold in the cooperative organization. (Ndegwa 2015)

1.2. History of cooperatives

According to (Williams, 2016), History shows that cooperatives began in the year 1884 with the Rochdale Society of Equitable Pioneers a consumer co-operative, which formed the basis for the modern co-operative movement.. The Pioneers in the Great Britain also developed the Rochdale principles as a guide to co-operatives

(Cook, & Burrell, 2009). Due to the emerging wave of industrial revolution as result of high demand for mechanization a group of 28 weavers at Lancashire felt threatened and formed a union to avoid impending poverty by pooling limited resources together. The group later came to be known as the Rochdale Society of Equitable Pioneers. This cooperative toiled for about four months and managed to raise £1 per individual.

The co-operative started with small amount of items such as candles, sugar, butter, flour, oatmeal among others. In a period of three months, they brought in more products namely, tobacco and tea. They went ahead and created a good brand name and were appreciated as great providers of goods and services of right quantity high quality. A decade later, the movement grew to about 1,000 co-

operatives in Britain dealing in different line of goods and services. Presently, this Group is among the largest superlines in the United Kingdom.

1.1.2 The Genesis of the Co-operative Movement in Kenya

The coming of white settlers in Kenya marks the origin of the co-operative movement in the country. This is because the first cooperative was begun in the former rift valley province of Kenya at a place called Lumbwa during the pre-independence period in the year 1908. They continued establishing these movements in other provinces such Nyanza, Eastern and Central with the aim of acquiring high quality Agricultural production including dairy products. These movements were later recognized under the government business laws in 1931 (Chelangat, 2019). These cooperatives were only serving white men and Africans were prohibited from being involved in the cooperative movement. Later, laws were amended and allowed Africans to join the movement (Bwana, & Mwakujonga, 2013). This environment is ever faced with continued variations of policies due new, political developments, economic activities, technological and socio-cultural aspirations in different regions.

1.1.3 The Origin of Sacco's in Kenya

In the year 1955, Africans were allowed by the colonial government to grow and sell cash crops as result the Synertton Plan which allowed the establishment of co-operatives which now were indigenously oriented. Emergence of the cash crops between 1932 and 1969 saw 1,894 societies had been registered when pulling resources on behalf of their members. The Kenya government came up with an economic blueprint for the newly independent state. The Sessional paper No. 10 of 1965 on "African Socialism" prioritized on massive Africanization of Kenyan economy and poverty eradication by adopting principles resembling those of the co-operative movement and spurred the growth of the cooperative sector as a government policy. Towards the end 80s and early stages of 90s, the cooperative movement was facing difficult times due to the collapse of international markets for cash crops, tea, and coffee and most of the cooperatives went into liquidation.

1.1.4 Emergence of SACCOs in Murang'a

Murang'a County has a rich history of nurturing successful cooperative societies that date back to the colonial days. The county has two hundred and fifty (250) SACCOs in key areas of the economy including finance, dairy farming, coffee, tea, horticulture, trade, transport, and housing. Mwangi, Murang'a County's commissioner for co-operatives, the members of these SACCOs are about 300,000.

AMICA SAVINGS AND CREDIT (AMICA)

AMICA has a long history in the cooperative sector more so in Murang'a County. In 1966 Amica formerly Murata Sacco came into operation in the year 1997 after splitting from the giant Mugama Union society mainly dealing with coffee farmers in Murang'a district by then, it was registered and came into operation in the year 1969, being the first pioneer cooperatives in Kenya.. Currently, the Sacco membership is open to the members of the public as customers not necessarily being a coffee farmer (Mbui 2015). In 2006 the Sacco received autonomy by amending its by-laws to deal with all sectors of business as it had been dealing only with coffee farmers which were a competitive strategy to attract more members and revenue similar to mother society. (Cecilia 2009). Amica savings and credit cooperative society was re-branded to propel its future growth. Amica is built on a strong foundation of true friendship as its mission is its commitment to its members in offering a helping hand in planning members live smarter in terms of their savings and credit in the institution. (Nderu, 2014) Amica savings and credit in its strategic plans aims at attract strategic collaborations and partnerships to enable the institution adapt to the current financial market in terms of sourcing cheap funds which would enable lend at an affordable rate to their SMEs. In the past, Amica Sacco has come a long way with its membership whom most of them have been coffee farmers, with low literate levels due to its areas of operation especially in the coffee-growing area of Murang'a County.

MENTOR SACCO

Mentor Sacco society formerly known as Murang'a teacher's savings and credit society came into operation in the year 1977 as purely teachers Sacco however with time and the changes in the financial sector, amended their by-law to include others, customers, in their services to remain competitive in the sector. The customer's literacy levels are higher ranging between Primary Teacher Certificate to Bachelor's degrees, than customers of Amica SACCO. Most of their services are offered to salaried customers whose remittance of their loans and products are checked off the system.

Salaried customers whose remittance of their loans and products are checked off the system.

The Sacco was formed by about three hundred (300) teachers from the then Murang'a District in the year 1977. In the year 2000, through a common vote by the members, it opened its membership to civil servants. The Sacco has risen from small savings and credit co-operative to a formidable lender with a presence beyond Murang'a County. The Sacco has an interactive website through which members can access vital information.

(Ndegwa, 2015)

Strategic planning

A strategic plan is a management tool used to improve the performance of the cooperative organization Sacco. A tool demonstrated in a document outlining the organization's directions and priorities. (Gachau2013). It is a guideline to be used by management in making decisions regarding the allocation of resources. Strategic planning is an approach that enables leaders to align the internal and external organizational environment with the changes in the increasingly volatile business community in which they operate (Okoro 2016). A Sacco's strategic planning brings an end product in the form of a strategic plan which shows Sacco's vision and mission, objectives, and action plans. Strategic plan implementation failures are a result of many barriers in the internal and external environments of organizations. . Generic strategy implementation determinants include leadership and management of the organization, from the employees through resistance to change

and negative perceptions as well as resource constraints (Awin Oetal ,2012).

Strategic implementation determinants

The study has focused on trying to access their impact on the implementation of the strategic plans in our study, Amica and mentor SACCOs these determinants. According Othiambo(2019) , There are several determinants of strategic planning implementation, man power planning to nature human resource is crucial, if an organization has a poor manpower planning, they will be unable to implement their strategic planning, manpower planning involves recruitment of qualified staff, and proper job allocation according to their expertise and talents, the use of more competitive renumeration is significant to motivate the employees, The research focused mainly on leadership, funding, government policy, and efficient monitoring and evaluation.(Edward 2005),The researcher focused on these determinants because, they are directly connected with top management.The top management are the ones to determine if the strategic plan will be implemented or not, they also formulate the strategic plan document. For example without funding ,some of the implementation plan will not be accomplished, because the top leadership are the ones to authorize the funding.

1.2 Statement of the Problem

SACCOs have Strategies that are rarely implemented as opposed on the way, they are developed, in that resources are spent in hiring experts to develop the strategy, expenses incurred in capacity building, and high expenditure while undertaking the process.Studies have shown that implementation process is specific within a certain time period .strategic plan while not implementednot being implemented, organizations incur losses in terms of the cost involved at the onset.SACCOs have rate at which success is measured is low compared to how the strategic plans are developed. Strategic planning is determined by implementation that include leadership, funding of strategies adopted as well as coming up with the plan itself, government policy, and monitoring and evaluation. Co-operatives and SACCOs face low implementation success rates that affect service delivery and

optimization. The study entails the gap between the formulation of the strategic plans and its implementation (Maotwe, 2011). Other studies done by other scholars on the topic of strategic plans have not addressed the determinants of strategic plan implementation in savings and credit societies, comparative studies between Amica and Mentor Sacco in Murang'a thus the reason for the study. The results will be different because, when it comes to funding, different organizations tend to fund their projects differently, some will fully fund their projects and others will underfund their operations, in leadership, different organizations have different leadership structures, and there are several components which affect leadership such as how decisions are made, conflict of interest, hence the results will be different. The two SACCOs were selected because they are the major SACCOs in Murang'a county, Secondly the headquarters are in Murang'a town. The determinants are known, yet there is a low success rate of strategic implementation in SACCOs, Hence the study tends to find out why there is a low success rate of strategic planning implementations in SACCOs.

Hypothesis

There is a relationship between cooperatives/sacco and strategy planning in Amica organizations that should be implemented to increase the outputs of their strategic planning implementation

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of the study was to compare determinants of strategic plan implementation in Amica and Mentor savings and credit cooperative societies

1.3.2 Specific objectives

The specific objectives of the study were to:

1. Assess how leadership affects the implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and mentor SACCOs in Murang'a Town.
2. Establish how funding affects the implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and mentor SACCOs in Murang'a Town.
3. Assess the government policy in the implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and mentor SACCOs in Murang'a Town.
4. Establish how monitoring and evaluation measure the level of implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and mentor SACCOs in Murang'a Town.

1.4 Research Questions

1. How does leadership help in the implementation of strategic plans of Amica and Mentor SACCOs in Murang'a Town?
2. To what extent does funding support the implementation of strategic plans of Amica and Mentor SACCOs within Murang'a Town?
3. How will the government policy affect the implementation of the strategic plan of Amica and Mentor SACCOs within Murang'a Town?
4. How does monitoring and evaluation help in the growth and development of strategic plans of Amica and Mentor in Murang'a Town?

1.5 purpose of the Study

The purpose of the study was to assist SACCOs to be able to have a well-focused strategic plan for its implementation. The study was to assist the institution better its operations in terms of deliveries

that shall increase more revenues for the members and customers in terms of more dividends. This study was to emphasize the importance of using strategic plans in SACCOs. The study seeks to establish a better approach to challenges affecting the implementation of strategic plans in the SACCOs through the determinants discussed. The study will assist Organizations (SACCOs) will add to the existing knowledge, which researchers and scholars might use as a reference for future studies on cooperative management. The study is aimed at providing organizations or SACCOs reach Researchers through the access of information, findings, recommendations, and the outcomes create an avenue of data on the study as new developments arise.

1.6 Scope of the Study

This study was carried out in Murang'a County. The target population included customers and management from various successful Amica SACCOs which are highly rated in Murang'a. This study was a representative sample of SACCOs in Kenya and around the world. These establishments under-investigation experience a high turn over of both local and international customers. This study aimed at comparing the determinants of the strategic plan and implementation in Amica and Mentor SACCOs in Murang'a County. This study adopted a survey design to capture the respondents' perceptions and opinions on the extent to which: existing leadership; funding availability; government policy and monitoring and evaluation, influence the formulation and implementation of strategic plans in a given firm..

1.7 Assumptions of the study

This study assumes that all respondents will co-operate and give reliable information and that they are familiar with the strategic plans in their organizations.

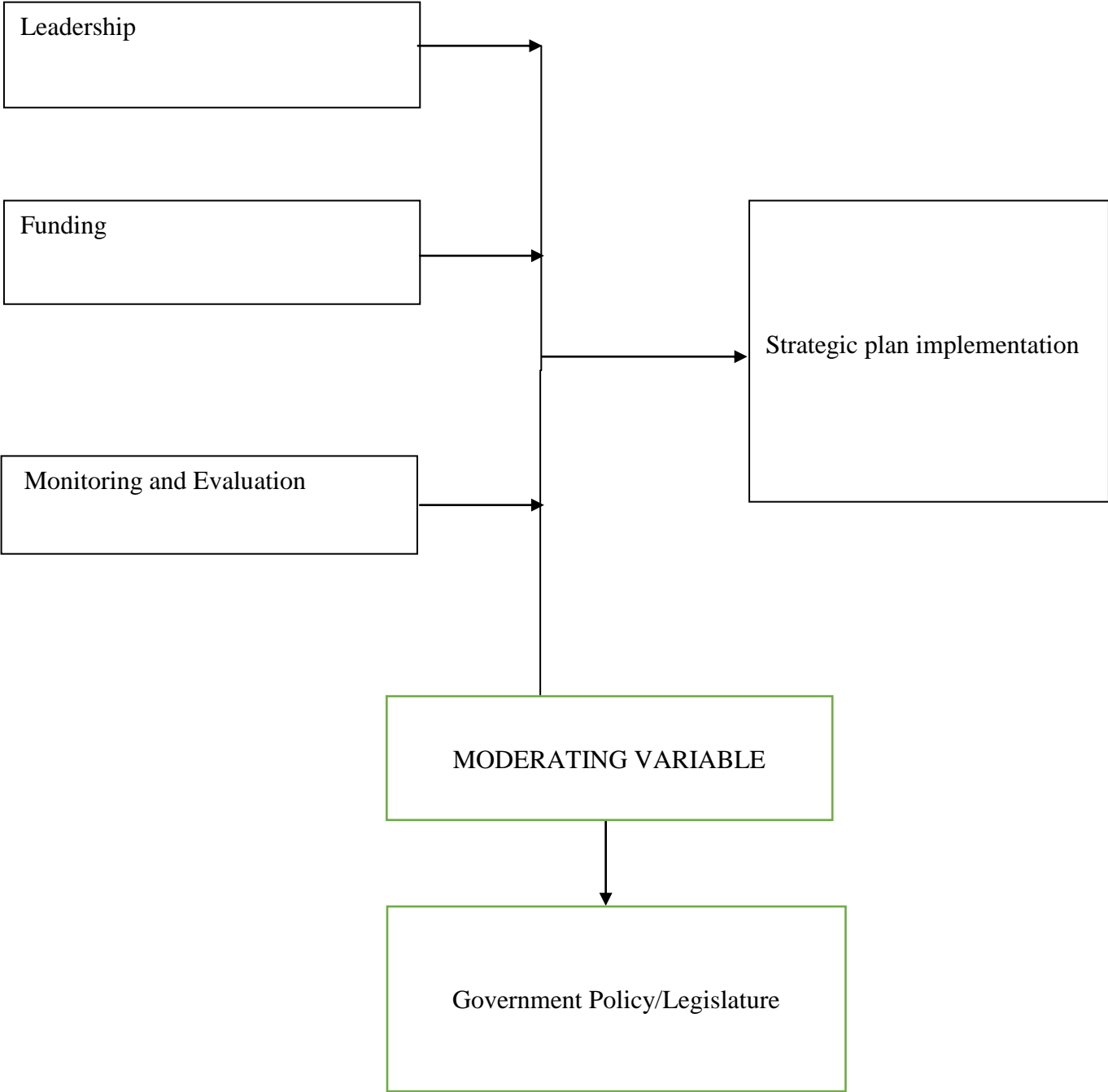
1.8 Limitations of the study

The study was carried out in Murangacounty. Therefore, caution should be exercised while generalizing and interpretation of the presented results to the larger population of classified SACCOsin Kenya.Minorities of the targeted respondents werenot cooperativeinanswering the questions posed to them and therefore the researcher was friendly andpatient with them to ensure they finished filling the questionnaires correctly. The researcherhad to showrespondents the importance of the study to them nd how it will improve the operations of theorganization (SACCOs) if the recommendations were adopted.

Figure 1: Conceptual Framework chart

Independent variable

Dependent variable



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter review theoretical and empirical literature, literature on variables, conceptual, and operational frameworks.

2.2 Theoretical Review

A theory refers to unified definitions and meanings, interrelated concepts, set of ideas that offer the view of specific subject through focusing on the relationship among variables. Its main objective is to explain or predict events. This study focused on three theories to explain the concept of strategy implementation. The three approaches include; Resource-Based View theory, Agency Theory, and Taylor's motivational theory. The resource-based theory was proposed by Barney (1991), Agency Theory was proposed by Ross and Meckling (1970) and Taylor's motivational theory by Fredrick Taylor (1964).

2.2.1 Resource-Based View theory

Resource-based theory, like all theories, is based on several assumptions. Some of these assumptions are mainly linked to persistent superior performance theories. In particular, they focus on how to measure superior performance to evaluate a firm's competitiveness. Resource-based logic, for instance, adopts the assumption that organizations are profit-maximizing entities and that managers in these organizations are bound by that objective (Simon, 1945).

The resource-based theory which states that the ownership of resources is of big value, hard to imitate, not easily found and is impossible to replace. According to this theory, organizations should always capitalize on their areas of strength by maximizing on competitive advantage fronts.

Resources for that would help in strategy implementation (Pearce, & Robinson2007). other studies on challenges of strategy implementation have been done by Kenyan scholars including ‘Challenges of Implementing Strategic decisionsat Kenya Armed Forces Medical Insurance Scheme, based on theresource theory has been used in this study showing the essence of the theory in implementing the decisions at the scheme. Themangement of a given organization normally assumes that attainment of sustainable competitive advantage will allow the firm to remain ahead of others in the market (Ringrose,1985).

2.2.2 Agency Theory

This theory is about two persons entering into a contractual relationship to perform some action or service.This relationship is formed as a result of an agent working on behalf of the principal and is expected to perform and meet the interest of the principal which may not be the case due to differences which come as a result of conflicts of interests. Agency relationship in SACCOs is very visible because the members elect delegates who later elect the board of directors who employ the Chief executive officer and managers who are expected to serve the shareholders interests at all times. The managers are expected to run the organizations prudently to ensure profitability as they are given some authority to make important the decisions.

The primary role of hired workers is to direct their energy towards realization of the set objectives of an organization. Unfortunately, there is increased misconduct in many organizations as the agency relationship

Delegation is the utmost way most of the organization work through, it forms the basis of day to day work through the top to bottom managers in its operations on day to day basis. (Jensen &Meckling, 2014).

, occasionally Amica and Mentor SACCOs delegate certain functions to their members, staff, management, and board of directors. Where communication breakdown from top managers to the low officers in an organization, it's likely that it would affect the implementation of determinants in the

strategic plans. In the same contractual relationship, there is a third party, meaning no contract can be made on his behalf (Wright & Cakes, 2015).

2.2.3 Taylor's motivational theory

Taylor's motivational theory explains that people work entirely for money. According to Fredrick Taylor, workers were paid as per the unit of production in the early days in the assembly industry. The approach denied workers an opportunity to come up with innovative ideas and also think further creatively hence leading to limited growth.

.Motivation on top management, coordination, and sharing of responsibilities and corporate culture had a bearing on strategy implementation. Allio, (2005) Thi paying strategy of workers showed good results for the business. SACCOs in terms of implementation of the determinants in the strategic plans, it has the sole responsibility of the implementation tasks that have been lined up for in the strategic plan, therefore understanding the actual work to be done would entirely mean that the staff would play a key role in the implementation (Madegwa, 2014).

It has been noted from the past that once their top managers promise a reward to staff, an element of completion is created which creates positive returns. This is clearly shown by rewarding the employees who meet their targets, increasing their salaries, paying them bonuses, tokens or generally appreciating them by writing to them as a way of motivating them to meet the laid or set target in the strategic plans (Ndegwa, 2015).

2.3. Leadership

According to Hoskisson (2007), Strategic leadership is defined the potential and ability of a leader to foresee, plan, manage change and strengthen other members of the team to develop strategic goals as necessary. SACCOs are led by management committees elected by members either directly at a general meeting or indirectly through their delegates. Schaik (2009) argues that effective leadership lead by ensuring that people are committed in their tasks and they ensure this is so by assessing the work being done and evaluating progress regularly. A major challenge facing strategy implementation is leadership. Leadership is defined as the process whereby one person influences the other members towards a goal. It is an attempt at influencing the management activities of the staff and stakeholders to willingly cooperate through the communication process towards the attainment of some goals (Wheelan et al 1996). Beer et al. (2000) identify leadership roles during strategy implementation as staying on top of what is happening and how well things are going, building consensus while dealing with the politics of strategy implementation, enforcing ethical standards, taking corrective action to improve strategy execution and overall performance. Therefore, an organization's leader who fails to articulate the organization's mission, objectives, and also is not able to inspire, motivate, and support the firm's members as they work towards implementing strategies is a major stumbling block to effective strategy implementation (Hrebiniak, 2008).

Leadership has a significant impact on the strategic management and implementation process. Especially it helps to determine the vision and mission of the organization. Further, it facilitates the organization to implement effective strategies to achieve that vision (Okwee, 2011). leadership serves as a link between the soul and the body of an organization. For the successful implementation of strategies, the challenge of leadership is to be strong but not rude, be kind but not weak. (Corboy & O'Corrbui, 1999). During the strategic management, process leadership performs the various roles as a determinant, such as an innovator, strategist, caretaker, analyst, guide, organizer,

motivator, developer, change enabler, or change driver, decision-maker, collaborator, risk manager, debtor, and evaluator. In the recipe of the strategic management process, the most important ingredients are leader's responsibility, loyalty, power, motivation, awareness, articulacy (clarity), consistency, and reliability in implementing the objectives in the strategy (Tonelli, & Cristoni, 2018).

Sacco leaders must include adherence to the full and thorough process of strategic planning including a commitment to implement the strategies recommended by the strategic planning committee. (Matthew 2009) argues that leadership influences the whole decision-making process; leadership is a link that relates the engine of the organization with its body hence it is a critical element to formulate and implement strategies. Gopinath (2013) argues that top leadership determines the success or failure of strategy implementation. The Chairman or chief executive officer as leaders of the SACCOs have to ensure that the rest of the Sacco is committed to the strategy implementation, by convincing the employees that the new strategy is important and also create a meaning of strategy by dealing with resistance to change, allocating resources for implementing the strategy and creating strategic consensus in that the lack in strategic consensus inhibits the ability to concentrate its efforts on Implementing the unified set of goals in the Sacco. (Werlin 2000)

Managers can increase commitment with involvement and integration of employees from lower levels which creates a kind of ownership in the new strategy implementation thereby increasing commitment enormously (Aaltonen and Ikavalko. (2002).

Leadership should foster commitment by the Sacco members to key strategic decisions (MacMillan, 1978). If middle-level managers believe that their self-interest is being compromised, they may redirect, cause delay, or cause sabotage of the strategy implementation. (Johnson, Scholes and Whittington, 2008.

Ndegwa (2013) argues that problems of implementation are issues about how leaders influence behavior, put in place working structures, change the course of events, and overcome resistance, a

prerequisite for successful strategic plan implementation is commitment and support from the leadership. Most of the problems bedeviling SACCOs today arise from bad governance and poor economic management (Mutunga, 2009). (Soni & Saluja 2013) argue that the existing organizational design of most SACCOs does not conform to the basic principles of human resource management of a sound institution. SACCOs are generally headed by a committee of elected members, who are not necessarily professionals. SACCOs will have to evolve sound human resource policies encompassing proper manpower planning and assessment.

2.4 Funding

Funding affects the implementation of strategic plans in cooperative societies due to inadequate financial resources of their own. SACCOs require finances to implement their strategic plans. Inadequate funds hinder SACCOs operations (Maorwe, 2011). They need to put in place financing strategies to guide them objectively in the development, monitoring and utilization of capital resources for their growth and sustainability. Kamau (2015) argue that the strategy formulation and implementation team should identify suitable and affordable sources of funds by ensuring a suitable determination of debt and equity proportion in the capital structure as this will lead to uninterrupted execution of strategic plans to completion. Laidlaw (2014) asserts that SACCOs are user-owned, user-controlled business entities that are formed by members for economic growth by pulling resources together.

The “user-owned” principle implies that members are responsible for financing the SACCOs and therefore own the Sacco. The operations of the SACCOs are financed by money generated from members. Such funds include registration fee, fees paid to receive services, shares, deposits by members among other sources. (Freedman 2003). Due to limited resources generated internally, SACCOs in most cases resort to external sources of funds to help boost running their operations. Seeking funds from outside sources such as banks is encouraged when profits expected surpasses the cost of raising such capital (Zeuli and Cropp, 1980).

Birchall (2013), argues that retained earnings maintained as reserves is a major source of capital many Co-operatives and money for lending as loans is mainly generated from savings deposited by shareholders. Mumanyi (2014) argues that by freeing their lending policies, banks have attracted SACCO members who have turned out in big numbers to borrow from commercial banks thereby causing SACCOs to lose on their sources of finance and that the type of funding should vary with the implementation strategy. A critical issue is how to deal with risks both financial and business when while developing different strategies of raising required funds. (Fadun 2013).

Maorwe (2011) argues that historically, SACCOs have mainly employed retained earnings as a primary source income. (Johnson, Scholes and Whittington 2008) argue that the most important resource in all organizations is

of business finance. Cooperatives' potential to develop internal capital is affected by poor business performance and partly by government policies. SACCOs should embrace current innovation methods and implementing strategies of sourcing for funds to supplement members' deposits in funding all projects in SACCOs. If this is not done it makes SACCOs to rely on short-term external borrowing thereby hinders the implementation of strategic plans.

Bibby (2006) as cited by Maorwe (2011) argues that many SACCOs have accumulated debts dating back many years. Manyara (2003) argues that Co-operatives' own source of financing is inadequate due to limiting By-laws which specify low share capital requirements, and due to non-payment of annual contributions; (Henry, 2012) most SACCOs depend on government, donor or borrowed funds for their operations hence, SACCOs should re-examine their By-laws to identify areas where they can exercise flexibility to facilitate capital formation.

Biekpe and Kiweu (2009) argue that commercial sources of financing i.e. debt financing and equity financing play a great role in relaxing financing constraints facing SACCOs. In the scenario that the SACCOs face a challenge in the collection of their debts to members and recoveries, as a strategy of the

collection of debts in their strategic plans, funds must be incurred for this particular exercise, failure to implement the strategy, the exercise will not be a success. Planning, formulation and implementation of strategy is highly dependent on the financial support from the Sacco (Odhiambo, (2019), Financial parameters have been used for a long time to estimate an organizations performance when it comes to the implementation of their strategic plans. This is because availability of funds ensures creation of attainable and measurable financial goals such goals are achieved through observing and borrowing from the best-in-industry (Mengo, 2017). SACCOs operate in a competitive business environment hence they should strive to understand both the existing and probable future technological advances that can affect their productivity (Ndegwa, 2013).

hence, SACCOs must be able to tap the benefits of the knowledge economy, regionalization and globalization to levels seen in larger markets through developing and increasing the use of technology to enable them to acquire networking and innovative opportunities thereby strengthen their niche and competitive advantage (Mumanyi, 2014).

Information communication technology enhances decision making in SACCOs but the uptake of information communication technology in SACCOs is low. This is attributed to low technical skills of staff, inadequate number of staff, small ICT departments, Lack of information communication technology departments in some SACCOs and lack of ICT managers in some SACCOs have rendered the strategic implementation slow (Nkuru 2015),

2.5 Monitoring and Evaluation

Monitoring entails routine checking of information on progress. This is to confirm that development occurs against the defined direction. It is an in-depth process of investigation to determine whether

stated objectives have been reached and to determine the nature of the operations undertaken to realize them (Motingoe, 2013).

Evaluation helps to deduce on five important facets of intervention namely, efficiency, impact, relevance, effectiveness and sustainability.(Michira,&Anyieni2018),Monitoring and Evaluation ensure that Sacco is following

the direction established during strategic planning. Reasons for deviation from the plan should be understood, and the program updated accordingly. Either evaluation should take place periodically or continuously from the time the project is formulated through implementation and the operational phase. Assessment needs to be guided by written evaluation policies for them to perform the signaling role, the success of strategic plan implementation depends on how planned activities and outputs are effectively monitored and evaluated, Cater, &Pucko. (2010)..

Strategy implementation requires the topleaders of the Sacco to develop effective incentives and controls. Strategic control involves tracking, monitoring, and evaluating the effectiveness of the plan under implementation identifying problems in the policy, and making necessary adjustments. To motivate and direct employees on how to perform and execute their duties, it is advisable to avail incentives and control measures which give early signalson the progress being made as far as performance is concerned and how to introduce changes where necessary to ensure success in the plan under consideration (Thompson and Strickland, 2001).

Negative results in SACCO sector, has been as a result of inappropriate monitoring and evaluation measures, by having proper evaluation techniques an organization is able to analyze its potential and capability of implementing the approved strategy and ensures that the firm has enough resources in terms of finance and manpower to execute the plan (Mburu,2010).

Goals, targets and objectives should be established and specified in common and simple terms as a prerequisite to evaluation. Evaluation entails feedback hence;it provides modalities for resolving issues before they reach a level of crisis (Aderson&Kleiner, 2003).

2.6 Government policy

In Kenya, the SACCO Societies Act 2008 requires SACCOs to develop and implement risk management and internal control systems as a precondition for licensing. The SACCO Societies Act 2008 and Regulations 2010, include clear standards regarding capital, liquidity, the extent of external borrowing, asset categorization and provisioning, maximum loan size, insider lending, and annual reporting. A strong supervisory framework for financial institutions is built upon legislation that is predictable, proportional, and prudential and recognizes that financial institutions are run by human beings. Predictable legislation provides a SACCO with the clarity and certainty it needs to plan and invest for the future.

Prudential legislation establishes financial standards to which a SACCO must adhere to protect the institution and safeguard member deposits while proportional legislation recognizes the risks a SACCO presents to depositors and the financial system as a whole and establishes appropriate rules to mitigate those risks Ngaira (2011).Risk-taking is an inherent and unavoidable aspect of financial service provision against which reward in the form of profits is sought.

Sound risk management systems enable managers of SACCOS to take risks knowingly, reduce risks where appropriate, and strive to prepare for an uncertain future (SASRA 2015). Risk management is the capability of doing the right things in the right manner effectively under conditions of uncertainty. Strategy implementation is successful where it is based on the regulatory framework and only where it is aligned to the Government policy. SACCOs are exposed to numerous dynamic risks that require a system of risk management to manage or minimize their impact to conduct SACCOs "business to members" satisfaction (Mwandau, 2014).

Decisions on taking high risk and tolerating the same at unparallel levels is a prerogative of the Sacco's executive management team and board as they intimately understand the Sacco's business drivers and the corresponding impact of not implementing in the business objectives in the strategic plans. SACCOs should moderate risks and reduce levels of tolerance, and create awareness on actions that prevent huge risks that may lead to collapse of an organization. The Sacco's strategy formulation and implementation on risk taking tolerance are inseparable hence should be designed and changed together (Ogola 2017).

This is observed where SACCOs advance customer's loans who are listed with the credit reference bureau (CRB), contrary to the laid down procedure. In the event of nonpayment or default, of the loan, the financial institution will suffer a loss of bad debt contrary to their strategic objectives of financial growth in their respective Sacco's. Currently 176 SACCOs are controlling 80% of the business in the country. They are divided into two categories financial cooperatives and non-financial cooperatives. Financial cooperatives include savings and credit, housing cooperatives, and investment cooperatives. Non-financial cooperatives include dairy, fishing, coffee, tea cooperatives which deal with specific products on behalf of members. All SACCOs are cooperative SACCOs while not all cooperatives are SACCOs. SACCOs collect money from members in form of savings and then lend to members as a way of credit. The capital base of SACCOs that are regulated by Sassa is Kenya shillings Five Hundred Million (Kshs 500,000,000). Amica and Mentor SACCOs are deposit-taking SACCOs which have banking halls, and licensed branches.

They have a board of directors and a supervisory committee elected by delegates who work together to protect the member's funds. Mwaka, (2019). The regulating authority ensures that SACCOs provide monthly returns to the regulator every month as a way of checking whether all is well with member's funds. Baker, (2008) It also ensures that there are audits on their financial status once a year by a reputable Audit firm of auditors. Non-depositing cooperatives Sacco are regulated under the cooperative

act Cap 490 laws of Kenya through the commissioner of cooperatives through the county cooperative officer in each of the 47 counties in the country (Mungai, 2019).

Cooperatives as a function of the government are a devolved function as per schedule 7 of the constitution of Kenya 2010. This is to say that there ought to be county bills in every county in Kenya specific and tailor-made to the needs of the county regulating the sector. Non-financial cooperatives operate from back-office and have non-withdrawal deposits. In both financial and Non-financial cooperatives, the supervisory committee plays a big role in checking the management committee in terms of safeguarding the member's funds. Financial cooperatives have been facing challenges especially in protecting member's funds in terms of non-performing loans which keep the SACCOs down and times become very hard for them to pay dividends to their members (Munuve, 2019).

The regulating authority in the process of gazetting regulations by having investigative mandates to recommend prosecution of directors, managers, members who abuse the member's funds in these SACCOs (Mwaka, 2019).

The cooperative tribunal plays an important role in safeguarding the interest of members and implementing strategic plans in terms of growth and safeguarding the SACCOs from disputes and recovery of their loans advanced to members. This tribunal deals with disputes between the cooperatives and members. The cooperative sector is the vibrant as it is, deems necessary for and when disputes arise, can amicably be ironed out at the tribunal. The tribunal deals with the collection of debts from members and vice versa. Mostly commercial disputes of loans are defaulted by members being the biggest number of cases in the tribunal.

Surcharges from the commissioner of cooperatives on an inquiry on the loss of members' funds are also featured there as a way of implementing the directives of officials to pay the loss while there were in office. A surcharge occurs when Some of the officials of SACCOs abuse their offices in

misappropriating member's funds, an inquiry is conducted by the office of the commissioner of cooperative through the county offices and if it finds the officials to have been culpable in their duties as an official in the SACCOs, however the Sassa Act is being amended to have investigative and prosecutorial powers in their mandate as the regulator of SACCOs in the country (Mwaka et al 2019). This will help in corporate governance and sound management practices in the sector. (Mungai, 2018). Currently, Cooperative matters are devolved yet in Murang'a County; do not have cooperative legislation, with tailor-made areas that affect its growth in the county. This ought to be fast-tracked to facilitate growth and development in the sector (Mwangi, 2017).

2.7 Strategic planning Implementation

Strategy implementation is a repetitive process covering execution of policies, actions plans, strategies, and programs which gives organization an opportunity to use its limited resources in a way which may lead to realization of competitive advantages in the industry. Many SACCOs have embraced strategic planning due to its perceived contribution to organizational effectiveness. Strategic planning intends to offer sound direction, prudent use of resources, develop procedures of merit, adapt to rapid changes in the environment and establish extensive mechanisms of assessment, and control (Koteen, 1989). Strategy implementation is aimed at ensuring that the mission, vision, goals, and objectives of an organization are attainable (Thompson, 2003).

Strategic objectives in not implementing them and therefore strategic plans are rendered valueless by not being implemented (Manyara, 2003).

Many factors influence the implementation of strategic plans. Most strategies accomplish less than half of what their sponsors had hoped will be achieved. For instance, out of 10 strategies only one is usually implemented successfully to completion (Speculand, 2009). If people don't adopt well informed techniques of strategy implementation then good plans may fail (2003). Li, et al., (2008); Zaribaf and Bayrami (2010) and; Speculand (2009) contend that strategy implementation is a big difficult for in

modern organizations. Zaribaf and Bayrami (2010) argue that the effort of everybody is needed to ensure successful strategy implementation; it should not be left on the hands of management alone all the resources available must be coordinated to ensure that the process is followed.

To tell whether there is success in strategy implementation, it is imperative to compare actual performance with what was planned. Any deviation is an indication that something was not properly planned for or lack of adequate resources to ensure success (Njagi&Kombo, 2014). Weak implementation undermines strategy's potential and paves way for shortfalls in firm performance (Rama and Rao, 2011). Strategy implementation envisages a sharing of responsibilities among all levels of management in the organization. However; this shift of roles from executive to the other parts of management may bring duplications and repetitions hence a hindrance to strategy implementation (Tabo, 2013).

Despite the importance of strategy implementation, there are many instances of sound strategic plans failing due to poor standards of execution caused by formidable hurdles that injure the strategy implementation process as discussed earlier. Blahova ,&Knapkova, (2010). Strategy implementation is a notorious and perennial challenge; even at companies that are best at it, just two-thirds of employees agree that important strategic and operational decisions are quickly translated into action. According to the White Paper of Strategy Implementation of Chinese Corporations in 2006, strategy implementation has become "the most significant management challenge which all kinds of firms face at the moment." The Paper indicates that 83% of the surveyed companies failed to implement their strategy smoothly and only 17% felt that they had a consistent strategy implementation process which pinpoints the challenges bedeviling strategy implementation. McCluskey (2002) as cited by Ndegwa (2013) argues that many firms struggle to benefit from strategic planning when the plan is implemented.

SACCOs SACCOs have a significant share in the global banking market (Birchall. 2013). Stiff competition among SACCOs is an everyday activity in the current market. This competition from other

financial service providers has forced SACCOs to improvise their strategy to a business-like aggressive approach rather than a welfare-oriented approach. This is solved through the implementation of a well-oriented strategic plan. (Maorwe 2011). Strategic plans are crucial components in the success of an institution, once implemented, it impacts significantly on an organization's growth and development. Poor implementation would result in poor performance in an organization.

2.7.1 The process of a strategic plan Implementation

Strategic implementation is often seen as something of a craft, rather than a science, and its research history has previously been described as fragmented and eclectic (Noble, 1999). A strategic plan is a management tool used to improve the performance of the organization. A tool demonstrated in a document outlining the organization's directions and priorities. It is a guideline to be used by management in making decisions regarding the allocation of resources (Tregoe2000)

Top management strategy says that a strategic plan is a comprehensive statement about the organization's mission and the future direction, near and long-term performance target, and how the administration intends to produce the desired result and fulfill the purpose given the overall organization situation. It is also a process that an organization undertakes to build commitment from its key stakeholders in a particular direction that will guide the future allocation of the organization resources. A satisfactory strategic plan must be realistic and attainable to allow managers and entrepreneurs to think strategically and act operationally (Manyara2015).

Most organizations are operating in a very competitive environment where each is competing for input necessary to provide the products or services that will satisfy customers' needs. Satisfying customers' needs and having loyal customers will ensure that the organization earns revenue that will enable it to survive and grow. This situation is no exception to cooperative enterprises. SACCOs are competing for customers/ members among themselves and with other business organizations. Members' needs have to be identified, anticipated, and fulfilled. Requirements can be static and such cooperative management

must always seek better ways of identifying, planning, and achieving them. An organization must put in place measures that consist of the pattern of moves and approaches devised by management to produce successful organizational performance. (David & Murungi 2006). Such measures include identifying, anticipating, and fulfilling members' needs as stated and are referred to as strategies. Strategy formulation and implementation in

every organization are core management functions since they chart the organization's future. They set the organization's direction in achieving its objectives (Okola 2016).

Top managers and in particular, the central management committees, in cooperatives, are not just the organization's caretakers or trustees but more importantly, they are organization change agents. They don't have to manage the organization as the way it is but as it should be in the long-term. In a rapidly changing environment, we cannot always do what we did yesterday and expect the same results tomorrow. A strategic plan is, therefore, strategic decisions and issues with well-defined strategic options to be implemented by an organization in a long-term period, say five years. It is a document that focuses on the future by creating it now (Nyaga 2012).

A strategic plan is part of the management function of planning, which involves the following.

Planning includes anticipating problems, devising actions/decisions that will prevent problems or reduce their impact on the organization, regulating/controlling, evaluating, and measuring the performance of the organization. A strategic plan broadly covers measures/strategies to be in place for addressing the following areas in the organization, strengthening the internal capacities of the various management functions/departments in the organization as well as strengthening internal controls and specifying operational procedures in the organization. Expansion of the organization by attracting more customers/members by or providing high-quality customer service while instituting tight cost controls.

It is always a good management policy for those in management to view every decision or action in the best interest of the organization in the context of the activities of the organization's that it undertakes.

In particular, the management must seek to discover the correlation between current actions and their future consequences on the organization. The purpose of the strategic plan is to enable an organization to achieve strategic competitiveness in terms of revenues and future growth. (Dess,&Taylor 2005)Organizations are those businesses that add value and create wealth to both individual customers and the nation. Cooperatives must contribute to the economic gains of individual members and the country at large (Kabue 2013).

There are three phases involves in strategic management ,discussion phase, development phase , and review and updating phase .the goal of strategic planning process is to align everything in the business ,in terms of human resource, finance, leadership, goal and objectives of the business.(George, Walker, & Monster,2019).

Discussion Phase

Its main goal is to gather necessary information and data as much as possible, setting up regular conferences with employees and stakeholders who are involved in strategic management. They make sure they have a clear understanding of their agenda, and what is expected of them, these will keep the conference in track and avoid confusion .in these stage ,the stakeholders can also conduct a SWOT analysis,

Development phase

After the data and necessary information has been collected, it is time for development phase.in these A strategic plan consists of five key components: a vision statement, a mission statement, goals and objectives, an action plan, and details on how often the strategic plan will be reviewed and updated

Review and Updating Phase

According to (Bryson, 2018),A critical part of the strategic plan should address how often it will be reviewed and updated. Designate someone to be responsible for reviewing, updating, and sharing any

changes with the rest of the company. Whether it's you or another employee, you'll want to make sure everyone in the business is aware of the changes and how they affect the overall strategic plan. The strategic plan is meant to be a fluid document; don't fall into the trap of creating the document and letting it sit on a shelf for years. If you developed meaningful objectives and action plans, they should help with regularly checking the strategic plan. For example, if your action plan requires you to put in sales numbers every quarter to track revenue, you could take that time to review the rest of the plan. Bryson, (1995).

2.7.2 Characteristics of a Useful Strategic Plan Implementation

A set of priorities that allow for the project to be adjusted according to changing needs and resources. It should be measurable and time-sensitive. The plan should contain smart goals (specific, measurable, achievable, realistic, and time-bound. It should be flexible and responsive to changing conditions in that the plan is a road map that may contain unforeseen detours such as unexpected crises, new opportunities, or changes in resources. The plan is the process by which it reaches its destination based on a 3 -5 years' period. The strategic plan should be a living document that has a one year drop off and New Year added so that it always covers the same period (Cox, 2017).

2.7.3 Research Gap

AUTHOR	YEAR	RESEARCH GAP
MAORWE	2011	factors influencing implementation of strategic plans in Savings and Credit Cooperative Societies in Imenti North District-Kenya; Ndegwa

		(2013) on factors influencing implementation of strategic plans by SACCOs in Murang'a County;
Jebukosia	2013	challenges of strategy implementation in Savings and Credit Cooperative Societies in Nairobi County, Kenya
Kabue	2013	strategic planning in Co-operative Societies in Nairobi ,Naphtali Maiche ¹ , Dr. Margaret A. Oloko researched on Factors Affecting Implementation of Strategic Plans in Co-operative Societies in Turkana county who all agree on the need to carry out further studies to identify other factors that explain changes in the implementation of strategic plans in SACCOs in different environments.

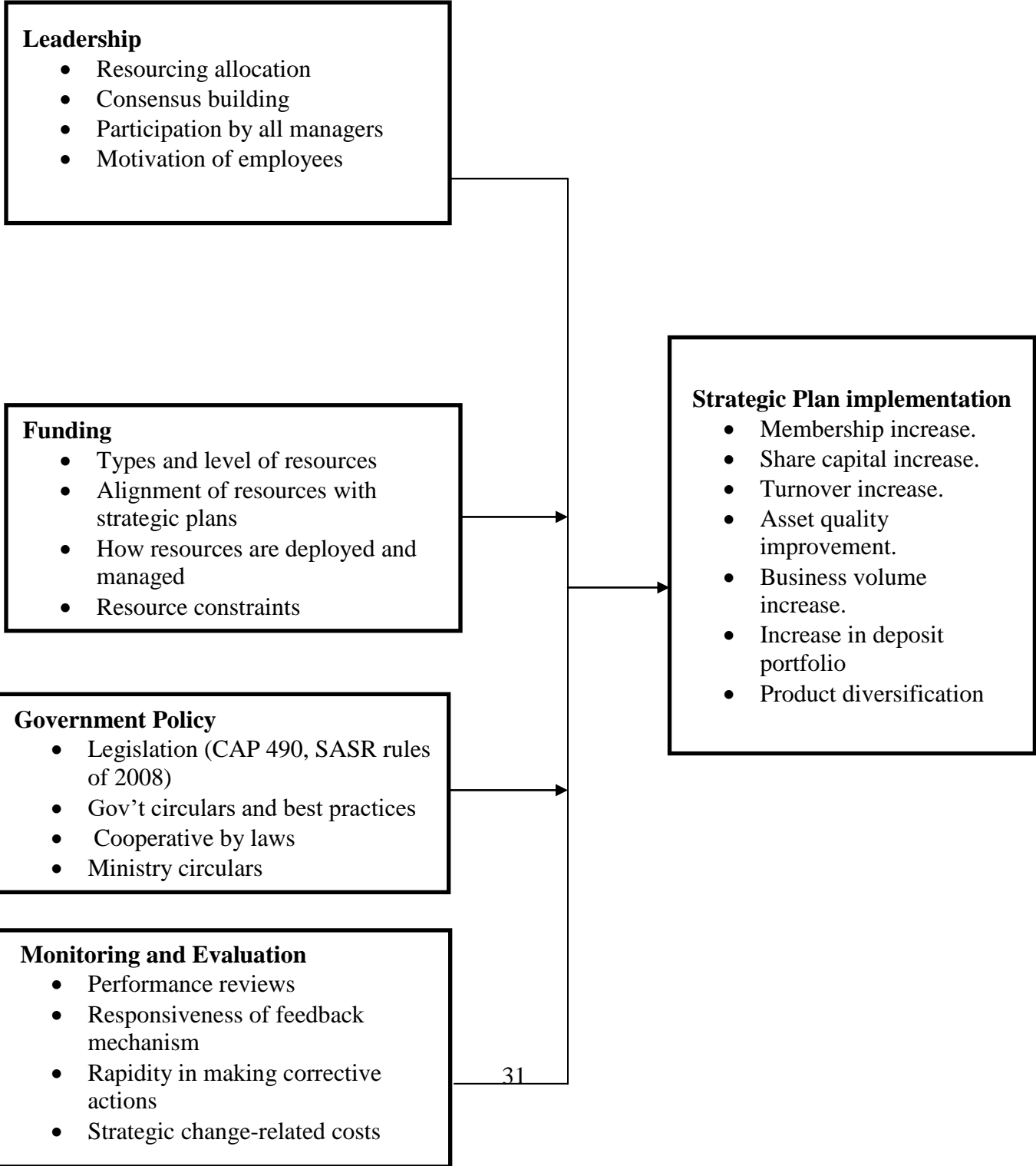
similar previous local studies on factors affecting the implementation of strategic plans in Co-operative Societies namely; (Ndegwa 2013),(Kabue,2013),(Maorwe,2011), and (Jebukosia (2013),Naphtali , (Dr. Margaret &Oloko) failed to address the impact of government policy on the implementation of strategic plans in Co-operative Societies thereby leaving a gap to be pursued by other scholars. No known study has ever been carried out to examine determinants of strategic plan implementation in savings and credit cooperative societies, a comparative study between Amica and Mentor SACCOs hence the need to carry out research.

2.7.4 Conceptual Framework

This assesses the research variables derived from literature to test whether there are significant relationships between the independent variables and the dependent variable. It focuses on the determinant variables identified in the study. The explanatory variables have been classified as leadership, funding, government policy, efficient monitoring. This is explained in Figure below.

Figure 2: Operational framework

Independent variable Dependent variable



2.7.5 Empirical literature

leadership

Zaribaf and Hamid (2010), conducted a study on factors affecting the implementation of strategic plans in the Pasargadae Bank branches in Tehran and inferred that, organizational structure, human resources, information systems, type of leadership and technology affect strategy implementation at different rates. Rajasekar (2014) investigated strategy implementation processes in the service industry in the Sultanate of Oman. The study proposed seven factors that affect strategy implementation as leadership style, information availability and accuracy, uncertainty, organizational structure, organizational culture, and human resource and technology.

Rajaskar(2014) argues that although these factors affect strategy implementation, the impact of each element is at different levels and carries a separate force. Rajaskar(2014) concluded that leadership was the most important factor influencing the successful implementation of strategies in the service sector.

International Journals of Social and Humanities Research Vol.4, pp:(369-398), Month: October-December 2016, Ndegwa (2013) carried out a research on factors influencing the implementation of strategic plans by SACCOs in Murang'a County and targeted one SACCO. Ndegwa (2013) focused on Strategic leadership, human capital(employees); organization structure; information technology, and organizational culture. The study by Ndegwa (2013) was carried out in one SACCO (Murata SACCO); therefore, its findings cannot be generalized to apply to all SACCOs in different environments. The study by Ndegwa (2013) did not consider all factors that explain changes in the implementation of strategic plans in Co-operative Societies.

Kabue (2013) focused on: lack of staff participation in strategy formulation; resistance by staff; limited authority to make decisions by employees; lack of skills; knowledge and experience by employees; lack of adopting current technologies; high attrition of members' straight regulations; government Co-operatives and political interference as factors influencing strategy implementation in Co-operatives.

Kabue (2013) recommends that further study should be carried out to identify the factors affecting strategic planning implementation in Co-operative Societies in other environments.

Maiche&Oloko, carried a research on factors affecting implementation of strategic plans in Co-operative Societies in Turkana County focusing on leadership, availability of funds but did not discuss government policy in terms of legislation, government circulars, cooperative tribunal and another framework that affect the running of SACCOs.

Monitoring and evaluation

Madegwa(2014) carried out a study on factors affecting strategy implementation in government parastatals and focused on top management commitment, coordination of activities, individual responsibilities, and organizational culture. Madengwa (2014) concluded that high management commitment, coordination, and sharing of responsibilities, and corporate culture had a bearing on strategy implementation.

Jebukosia(2013) did research on the study on challenges of strategy implementation in Savings and Credit Co-operative Societies in Nairobi County, Kenya focusing on: time for application; SACCO laws and regulations; strategic planning assumptions; communication process and procedures; resistance and change; monitoring, planning, coordination and sharing of responsibilities; competing activities and crisis; external environment influence; organization structure; organization leadership; information systems; rewards and incentives; allocation of resources; organization culture; strategy formulation; management support; and human resources. Jebukosia (2013) was not able to carry out a detailed review of all issues affecting the implementation of strategic plans in SACCOs and

recommends that similar studies should be carried out in Kenya to assist in the comparison of findings and more so an investigation should be carried out for other SACCOs that are not licensed by Sacco Societies Regulatory Authority (SASRA).

Kabue (2013) researched strategic planning in Co-operative Societies in Nairobi and targeted 98 SACCOs aimed at establishing the extent of strategic planning and implementation in Co-operative Societies in Nairobi.

Funding

Maorwe (2011) made a research on factors influencing the implementation of strategic plans in Savings and Credit Co-operative Societies in Imenti North District -Kenya and targeted 6 SACCOs. Maorwe (2011) focused on: availability of funds; workforce planning, management style, legislation, and organization structure. However, Maorwe (2011) did not indicate the extent to which his variables of study affect the implementation of strategic plans in Co-operatives. Maorwe (2011) argues that there is need to use other theoretical frameworks, to determine factors affecting strategy implementation in Co-operative Societies to achieve more robust results.

CHAPTER 3

RESEARCH METHODOLOGY

Introduction

In this chapter, the research design embraced by the study as provided; the population and sampling procedure as well as the sample size. The section also discusses methods of collecting data and data analysis.

3.1 Research Design

An outline and plan which gives answers to a research problem is known as research design. (Orodho, 2003). Descriptive research was used to carry out this studies with the aim of acquiring relevant messages about the existing state of affairs of a given phenomena targeted at drawing reasonable conclusions from the facts discovered(Kothari, 2004). The staff are part of strategic implementation team since they are directly involved in the day to day operation of the SACCOS,from the drafting of the strategic planning document,funding, research, and monitoring and evaluation

3.2 Population of the study

:Target Population

CATEGORY	MENTOR	AMICA	Total
Board of directors	7	9	16
Supervisory committee	3	3	6
Senior Managers	10	12	22
Middle-level Managers	16	20	36
Staff	16	24	40
Total	52	68	120

Members of the two SACCOs i.e. Amica and Mentor formed the basis of population study. The two firms operate under the Co-operative Societies Act Cap 490 Laws of Kenya, in Murang'a town. The research focused on Co-operatives boards of directors, supervisory committee, top management, Middle and lower managers, and a section of staff members from the two SACCOs under survey since most of these people are normally part of strategic plan formulation and implementation. The categorization of the target population totaling to 120 respondents are shown in the table above.

censored technique was used to get the population, because the staffs were few.

3.3 Data Collection

Open and closed-ended questionnaires were used to collect primary data from the Board of directors, supervisory committee, senior management, middle-level managers, and staff from the two SACCOs. Secondary data was collected from SACCO's records and annual reports, journals, internet, academic works, books, and government publications. The questionnaire gave respondents ample time to provide well thought out responses; it was effective in reaching respondents who

were not easily approachable and saved on costs compared to other instruments (Kothari, 2004). A total of 120 validated questionnaires were administered on a “drop and pick later basis” to the study respondents for filling. Follow-ups were made to ensure timely collection of surveys as well as to assist the study respondents on any difficulties experienced in filling the questionnaires. A total of 88 validated questionnaires were duly returned back successfully administered

3.4 Pilot Test

Piloting helped to identify questions that didn't make sense to respondents, or problems that led to biased answers and assisted in analyzing the time taken to answer questions (Nicod, & Kanavos, 2016). The pilot test for this study was done by administering the questionnaires to 12 respondents who were selected randomly from both SACCOs that were not part of the research to help in gathering accurate judgment that offers consistency and suitability in developing a study that is focused, meaningful and objective in its orientations, practicability, and applicability. Out of 12 respondents, researcher received feedback from 8 respondents. These meant that the questionnaire were fit for the study, Reliability and validity can be tested through the pilot test (Kothari, 2004). The findings were that in one of the SACCOs the subordinate staff were not even aware if there existed strategic plans in their organization, concluding that there was not of importance to administer such questionnaires to such individuals.

3.5: Data Validity and Reliability

3.5.1 Validity of Data

According to (Noble, & Smith, 2015). The extent to which result attained from the assessment of the data represents the phenomenon under consideration is known as validity. Pre-testing on the

questionnaire was done to observe whether the questions were suitable, clear and to ensure the language used was simple. The researcher also applied the research judgment technique by providing the study supervisor with the instruments for developing instrument generated objectives for comparison with the study objectives. (Kothari 2004).

3.5.2 Reliability of Data

According to Cooper & Schindler (2008), the use of Cronbach alpha coefficient, to test whether instruments are reliable by proving internal consistency ranges from 0 to 1. A high value of alpha is an indication that Likert generated scale is very reliable (Cronbach, 1951). 0.7 is an acceptable reliability coefficient with a reliability coefficient of 0.8701, this study questionnaire showed that it was reliable.

3.5.2 Data Analysis Methods

for data analysis methods, mean which was useful in computation of averages of the data collected, standard deviation was significant in determination of the spread of data around the mean, regression helped to explain the relationship between Amica SACCO and Mentor SACCO, it also assisted to compare and determine whether the relationship are strongly agree, mildly agree or strongly disagree, all this data analysis methods helped in analyzing the information.

3.6 Data Processing and Analysis

Polit and Hungler (1997) concluded that data analysis is the eliciting meaning, structure provision, and data organization. Raw data mined through the study questionnaires were thoroughly examined in detail to ensure accomplishment of needed information and achievement of comprehensibility. Data was organized properly through editing, coding, and generation of summaries to facilitate data entry into the SPSS software using spreadsheets in Microsoft Excel Computer Package and

analyzed using descriptive statistics such as frequencies, means, and standard deviations with the aid of the descriptive statistics tool in the SPSS software.

The respondents were assured the information collected, was confidential, acknowledged where the data was collected from and for academic work purposes only. Also ethical values has been acknowledged in the letter from the university for data collection, attached at the appendices

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

INTRODUCTION

The chapter presents the different outputs and interpretations of the data analysis that was performed in this study. This chapter covers response rate, demographic information, and the determinants affecting the implementation of strategic plans in Mentor and Amica SACCOs in Murang'a town.

4.1 Rate of Response

Table 4. 1: Response rate

Response	Frequency	Percent
Responded (Mentor)	38	31
Responded (Amica)	50	42
Total Respondents	88	73
No Response (Mentor)	14	12
No Response (Amica)	18	15
Total Non-responses	32	27
Total Issued	120	100

Source: (2020)

A total of 120 questionnaires were administered and 88 of them were well answered in detail and returned, representing 73% rate of response. This rate was favorable, adequate, and statistically significant for this study as recommended by Mugenda and Mugenda (2008) who observed that a response rate of 50% is adequate, 60% good and above 70% is considered a very good rate.

4.2 Demographic Information

This section covers respondents' Sacco membership, the position held and the level of education attained.

4.2.1 Respondents' Sacco membership

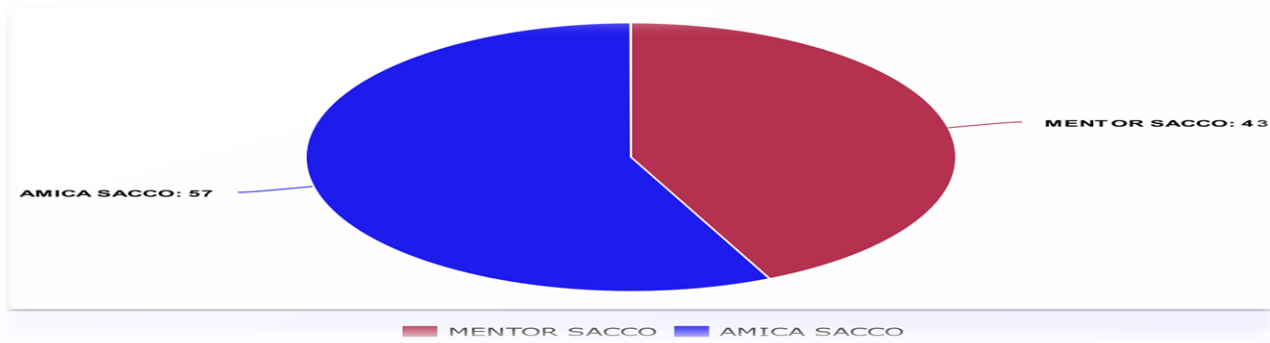


Figure 3: Respondents' Sacco membership

Sample members (57%) were from Amica while the rest that is 43% were members of Mentor SACCO.

In this study, therefore, the majority of the respondents were members of AMICA SACCO.

4.2.2 Respondents' Position held at the SACCO

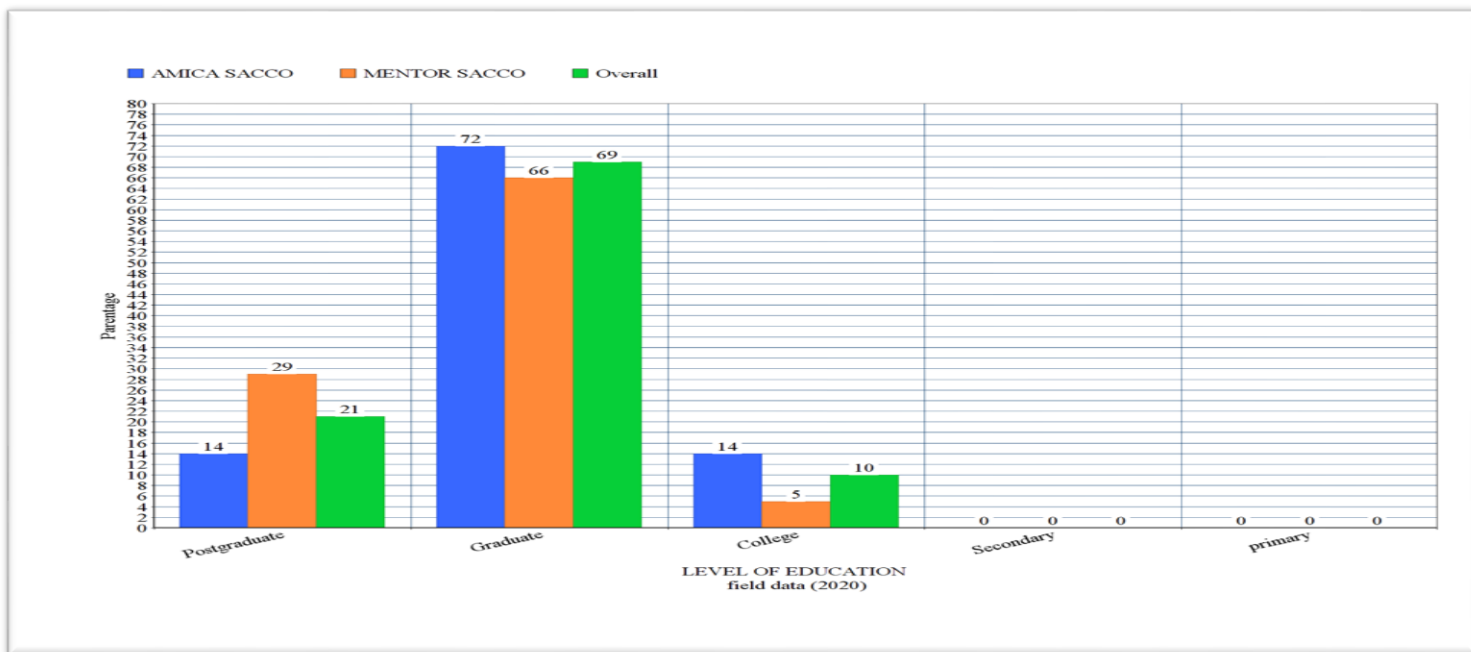
Table 4. 2: Respondents' position held at SACCO

Position held	Amica	Mentor	Total	Percent
Director	2	2	4	5
Supervisory committee	2	2	4	5
Senior manager	10	7	17	19
Middle level manager	16	12	28	32
Staff	20	15	35	39
Total	50	38	88	100

Source:Field Data (2020)Mentor &AmicaInformation on the job groups of members in the organization was also noted, the results and findings on table4.2 aboveshow that 5% had a tie between directors andthe supervisory committee. Senior managers accounted for 19% while middle-level managers had a representation of 32%. The remaining 39% comprised of other members of staff. This is an indication that the information sought from these respondents was reliable because all the participants are people involved in strategic plan formulation and implementation.

4.2.3 Respondents level of education

Figure 4: Respondents level of education



Results on levels of literacy from Amica Sacco revealed that 72% was composed of graduates. The diploma and postgraduate holders tied at 14%, with secondary and primary school recording nil responses. The findings from Mentor Sacco produced a similar trend. Graduate qualification had the highest representation (66%) followed by postgraduate at 29% with diploma holders coming last at 5%. There were no primary or secondary certificate holders from Mentor Sacco as well.

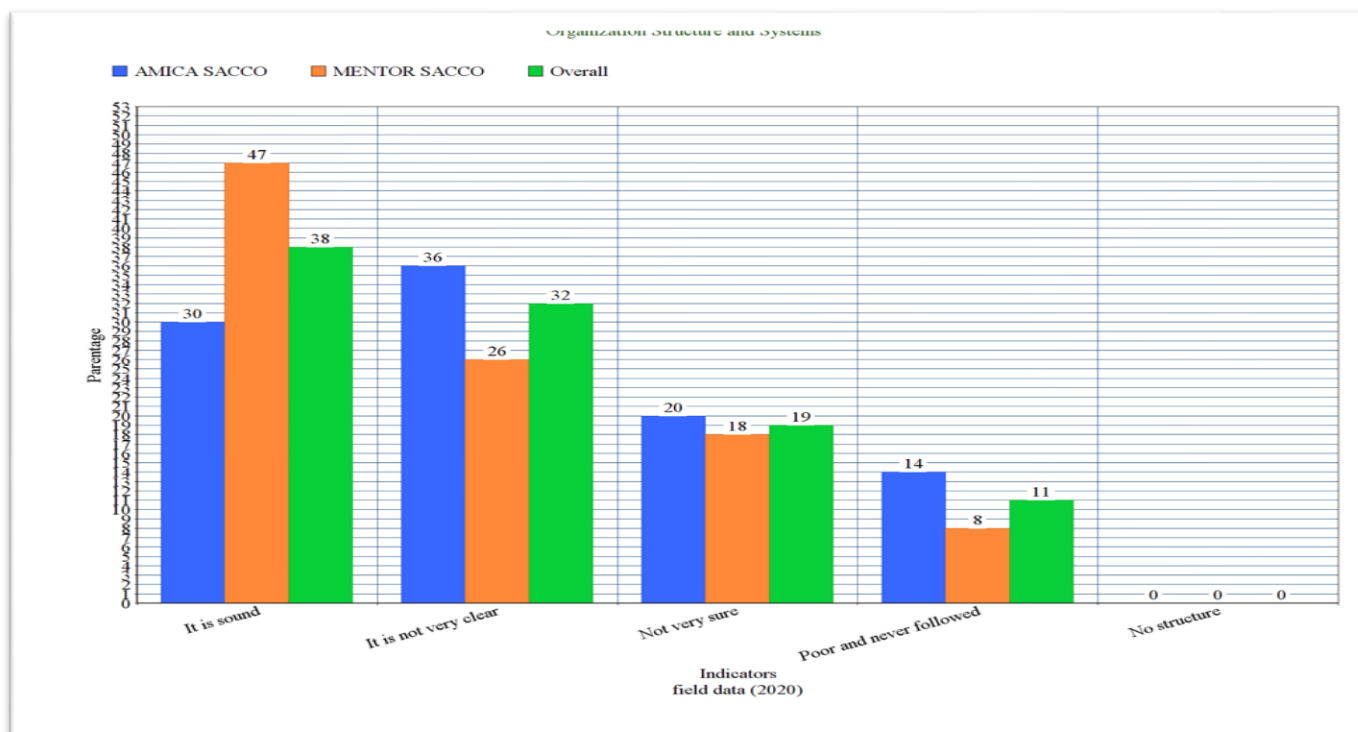
The overall highest level of formal education as observed was the graduate level at 69% followed by 21% with Postgraduate qualification. College diploma holders were at 10%. There were no respondents who possessed a secondary or primary school certificate as the only qualifications. The data shows that in both SACCOs, the employees had high education qualifications as supported by the above data. This is an indication that both SACCOs have put a lot of emphasis on education because it enables the workers to interact with customers professionally and relate well with all the stakeholders leading to successful preparation and implementation of strategic plans.

4.3: Leadership effects on the implementation of strategic plans

A comparison of how leadership affects the implementation of strategic plans in the two SACCOs namely Amica and Mentor SACCOs serving in Murang'a town was the first goal of this study. This section, therefore, sought information about leadership in relation to the implementation of strategic plans in SACCOs.

4.3.1 Organization Structure and systems

Figure 5: Organization Structure and systems



The information from figure 4.3 above shows that 38% of the respondents said that organization structure and systems were sound and had created a smooth working condition. Those who said that the same was not very clear were 32%, respondents (19%) were not sure whether their structure and systems were clear, 11% felt that the systems were poor and never followed, there were no respondents who claimed that the systems and structure were missing in their SACCO.

Comparatively, the results show that Mentor had sound structures and systems at 47% compared to Amica which had 30%. The results further show that workers at Amica felt that the structure and

systems were not very clear at 36% compared to Mentor at 26%. Further 20% of the participants from Amica were not sure about the structure and systems in place compared to Mentor at 18%. The results further revealed that 14% of respondents from Amica felt that their structure and systems were Poor and never followed while the Mentor stood at 8% for the same question.

4.3.2: Summary of Responses concerning leadership effect on strategic plan implementation in SACCOs

The researcher sought to determine the level of an agreement the respondent had on organization structure, policy on delegation of duties, the authority of managers in discharging their duties, and the influence of management committee on the implementation of strategic plans.

Table 4. 3: Summary of Responses concerning leadership effect on strategic plan implementation in Amica and Mentor SACCOs

Item	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Organization structure	2.76	1.0984	3.03	1.1505	2.88	1.1225
Policy on delegation of duties	3.02	1.0971	3.29	0.9273	3.14	1.0303
Manager Authority in discharging duties	3.24	0.9381	3.47	0.7545	3.34	0.8562
Management committee influence	3.46	0.6764	3.68	0.7016	3.56	0.6925

Source: Field Data (2020) Results concerning leadership effect on strategic plan

implementation employing a 4-point Likert scale with point 1 representing strongly disagree, point 2 mildly disagree, point 3 mildly agree, and point 4 strongly agree are presented in the above table.

Respondents from Amica Sacco strongly agreed that the management committee influenced the implementation of strategic plans in the Sacco. This indicator had the highest mean (3.46) and the lowest standard deviation an indication that the management committee plays a key role in ensuring strategic plans is implemented. On whether managers were given enough authority to discharge their duties, Participants agreed as with the statement as indicated by a mean of 3.24 and a standard

deviation of 0.9381. From these findings, it is evident that managers had enough authority and powers to discharge their duties.

On whether the policy on delegation of duties was being followed, the respondents agreed that the policy was being followed as indicated by a mean of 3.02 and a standard deviation of 1.0971. The results further, found out that, members of Amica SACCOs mildly agreed that organization structure influenced the implementation of the strategic plan as shown by a mean of 2.76 and a standard deviation of 1.0984.

The findings from Mentor Sacco were as follows; the management committee had the highest mean (3.68) and the lowest standard deviation (0.7016). Management authority in discharging their duties had a mean of 3.68 and a standard deviation of 0.7545. The results on whether the policy on delegation of duties was being followed produced a mean of 3.29 and a standard deviation of 0.9273. The findings on organization structure had a mean of 3.03 and a standard deviation of 1.1505.

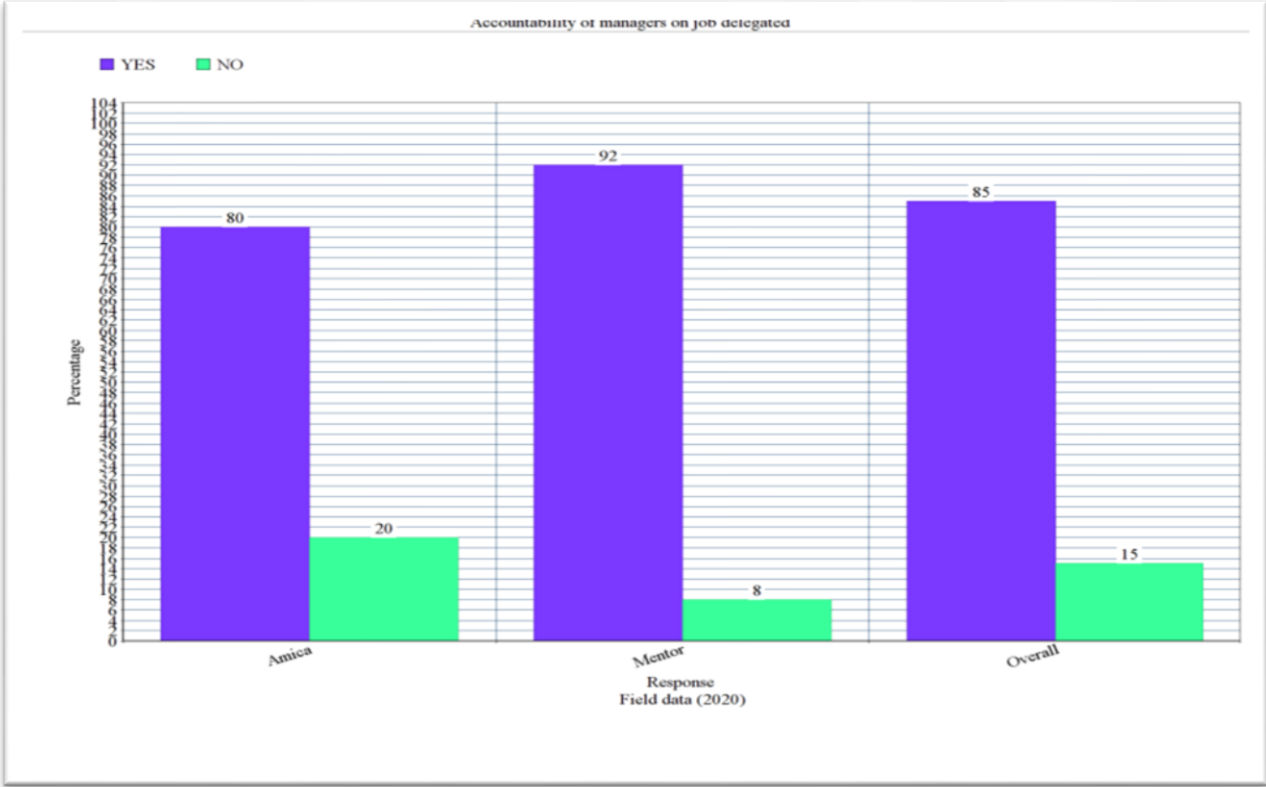
A comparison of the two SACCOs revealed a similar trend as far as leadership is concerned. This is an indication that leadership has a significant influence on the strategic plan implementation. The overall results further indicated the respondents strongly agreed that leadership affected strategic plan implementation. The overall results were as follows, the management committee had a mean of 3.56 and a standard deviation of 0.6925. Management authority in discharging their duties had a mean of 3.34 and a standard deviation of 0.8562. The policy on delegation of duties had a mean of 3.14 and a

standard deviation of 1.0303. This study found out leadership had a significant effect in the implementation of strategic plans in SACCOs.

The result of this study was in agreement with study findings by Maiche & Oloko (2016) in Turkana County SACCOs, who concluded that the commitment and full support of the management and leadership of a given Sacco is needed to ensure successful implementation of strategic plans at any given time.

4.3.3: Accountability of managers on job delegated

Figure 6: Accountability of managers on job delegated



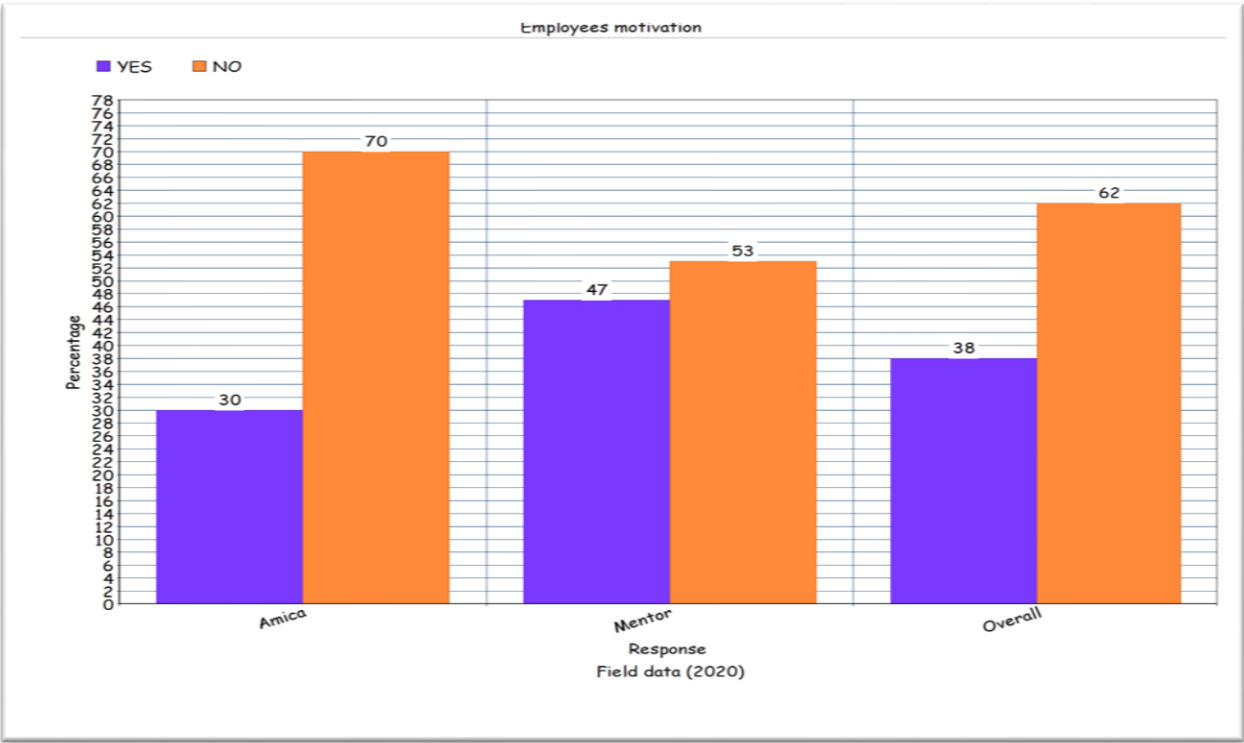
On the accountability of managers, respondents were asked to state whether the manager holds the responsibility of the job delegated. The overall results indicated that 85% of the respondents believed that managers took the responsibility of the jobs delegated. The remaining 15% stated that the

managers were not responsible and accountable for the jobs delegated. From these findings, it can be concluded that managers are taking responsibility for jobs delegated.

Comparatively, fewer respondents from Amica Sacco (80%) believed that the managers took the responsibility of the job delegated compared to their counterpart from Mentor Sacco who stood at 92%. Those who believed the managers were not accountable stood at 20% and 8% respectively for Amica and mentor. This is an indication that in both SACCOs, the management was trusted by the employees that it can take responsibility for jobs delegated.

4.3.4: Employees motivation

Figure 7: Employees motivation



Respondents were asked to state whether employees were motivated in their SACCOs. The results revealed that most (62%) of the respondents felt that they were not motivated at their place of work compared to 38% who felt that there was motivation at the place work. Comparatively, the same

results were achieved from the individual Sacco. Amica Sacco had the highest (70%) number of respondents

who indicated that they were not motivated while in Mentor on 53% of the respondents indicated that there was no motivation at the place of work.

The respondents who claimed there was no motivation were asked to suggest how the staff should be motivated to ensure strategic plans are implemented, the results revealed that members wanted retreats and seminars for training and development, recognition of the employee of the year, salary increments and yearly commissions for good performance.

4.3.5: Employee trust in management committee on the implementation of strategic plans

Table 4. 4:Employee trust in management committee on the implementation of strategic plans

Indicators	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
Strongly agree	30	60	2771	57	64	
Strongly disagree	2	4	1	3	3	4
Mildly agree	15	30	821	23	26	
Mildly disagree	3	6	2	5	5	6
Total	50	100	38	100	88	100

The results revealed that 64% of the participants strongly agreed that the management committee had the trust of employees in the execution of strategic plans. The results further revealed that 26% of the respondents mildly agreed that the management was trusted by the employees, 4% and 6% respectively strongly, and mildly disagreed that the management committee was trusted by the employees.

The results further revealed that Mentor Sacco had the highest trust on the management committee because 71% of the respondents strongly agreed that the management was trusted compared to 60% of their counterparts who gave the same answer from Amica. The results further revealed that 30% of the respondents from Amica mildly agreed that the management committee was trusted by employees compared to 21% of the respondents from Mentor Sacco. In both SACCOs, 10% of the respondents, strongly and mildly disagreed that the management committee influenced the implementation of the strategic plan.

4.3.6: SACCO management comparison in the period not exceeding 3 years

Table 4. 5: SACCO management comparison in the period not exceeding 3 years

	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
It is now better than before	42	84	30	79	72	82
It is the same as before	4	8	4	11	8	9
It is worse than before	1	2	2	5	3	3
Don't know	3	6	2	5	5	6
Total	50	100	38	100	88	100

On comparison of performance of the firms in period of utmost three years, the results revealed that 82% of the members felt that the SACCO was better than before. Those who felt there was no difference stood at 9%. The respondents at 3% felt that the SACCO was worse than before with 6% stating that they didn't know anything as far as the management comparison in different periods is concerned.

Comparatively, the results revealed that 84% of the respondents from Amica felt that their SACCO management was better than before compared to 79% who gave the same answer from Mentor

SACCO. Respondents stated that the management had seen improvement due to regular reports to the supervisory committee of the SACCO, internal audits, external audits, and monthly returns to SASSRA.

4.37: Meritocracy of the management committee

Table 4. 6: Meritocracy of the management committee in SACCOs

	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
Strongly agree	45	90	36	95	81	92
Strongly disagree	0	0	0	0	0	0
Mildly agree	5	10	2	5	7	8
Mildly disagree	0	0	0	0	0	0
Total	50	100	38	100	88	100

On whether management positions were held on merit, 92% of the respondents strongly agreed that their management positions were held on merit, the remaining 8% mildly agreed that the management positions were held on merit. Comparatively, 95% of the respondents from the mentor strongly agreed that the management committee holds their merit position compared to 90% of their counterparts from Amica. This is an indication that the management committee is composed of people having competency. The above discussions confirm that leadership is important in the realization of strategic objectives.

4.4: Funding effects on the implementation of strategic plans in SACCOs

The second objective of this study was to establish how funding affects the implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and mentor SACCOs in Murang'a Town. The findings of this objective are discussed below.

4.4.1: Sources of funds for SACCOs

Table 4. 7:Main sources of funds for the SACCO

Sources of funds	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
Shares	3570		24	63	59	67
Loans from banks	10	20	10	26	20	23
Retained earnings	5	10	4	11	9	10
Total	50	100	38	100	88	100

Respondents were asked to state the main sources of funds in their SACCO. The majority (67%) of the respondents indicated that members’ contribution was the main source of funds followed by loans from banks at 23% and retained earnings at 10%. The comparison indicated that in both SACCOs members contribution was the main source of funds at 70% for Amica and 63% for the mentor.

Loans from banks contributed 20% in Amica and 23% in Mentor Sacco. Retained earnings, as the source of funds for the SACCOs, was very low (10 %) for Amica and (11%) for Mentor Sacco.

4.4.2: Summary of Responses concerning Funding effects on strategic plan implementation

Table 4. 8:Summary of Responses concerning Funding effects on strategic plan implementation

Item	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Alignment of resources to strategic plans	1.58	0.9055	1.18	0.6087	1.41	0.8114
Management of resources	3.5	0.8864	3.92	0.3588	3.68	0.7357
Adequacy of resource mobilization methods	1.52	0.8628	1.611	0.537	1.56	0.9451

Financial status	2.68	0.9134	2.82	0.8005	2.74	0.8643
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The respondents were asked to state whether the resources available in their SACCOs were aligned with the strategic plans under implementation. The following were the results from Amica Sacco. On aligned of resources to strategic plans, the results revealed that the resources were not aligned to the strategic plans under implementation as shown by a mean of 1.58 and a standard deviation of 0.9055. On the management of resources, respondents were asked whether resources were properly managed in their Sacco and they strongly agreed that the resources in their Sacco were properly managed as shown by a mean of 3.5 and a standard deviation of 0.8864.

On the adequacy of resource mobilization methods, respondents stated that the methods were not very adequate as shown by a mean of 1.52 and a standard deviation of 0.8628. Respondents were asked to state whether they were satisfied with the financial position of their Sacco, the result revealed that the respondents were mildly satisfied as shown by a mean of 2.68 and a standard deviation of 0.9134.

The results from mentor Sacco were as follows, on the alignment of resources to the strategic plan, respondents stated that the available resources were not matched with the strategic plans as shown by a mean of 1.18 and a standard deviation of 0.6087. Respondents strongly agreed that the resources in their Sacco were properly managed as shown by a mean of 3.29 and a standard deviation of 0.3588. The results further revealed that resource mobilization methods were not very adequate as shown by a mean of 1.61 and a standard deviation of 1.0537. Respondents from Mentor Sacco stated that their financial position was satisfactory as shown by a mean of 2.82 and a standard deviation of 0.8005.

The overall results for the two SACCOs were as follows; alignment of resources to strategic plans had a mean of 1.41 and a standard deviation of 0.8114, management of resources had a standard deviation of 3.68 and a standard deviation of 0.7357, adequacy of resource mobilization methods had a mean of

1.56 off and a standard deviation of 0.9451 and members satisfaction with the financial position of the Sacco had a mean of 2.74 and a standard deviation of 0.8643, an indication of mild satisfaction in both SACCOs.

The above findings indicate that the availability of funds influences the implementation of strategic plans to a great extent. However, there is a need to align the available resources towards the realization of strategic plans. The results further revealed that the resource mobilization techniques in the two SACCOs were not very adequate; this calls for more aggressive methods to be employed to attract more resources. Respondents were satisfied with the financial position and management of funds in their respective SACCOs, an indication that the only challenge was on matching the available resources to strategic plans.

4.4.3: Challenges faced by SACCOs in raising funds to implement strategic plans

Table 4. 9: Challenges faced by SACCOs in raising funds to implement strategic plans

	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
Yes	36	72	27	71	63	72
No	14	28	11	29	25	28
Total	50	100	38	100	88	100

Respondents were asked to state whether their Sacco experienced challenges in raising funds to finance their strategic plans. The findings revealed that 72 % of the respondents agreed that there existed challenges facing their organization in raising funds. The remaining 28% stated that no challenges were facing their Sacco as far raising of funds to finance their Sacco’s strategic plan was concerned.

Comparatively the same findings were reflected in each Sacco at 72% for Amica and 71% for Mentor. Members stated that the main challenge was that, the budget process in each Sacco gave more priority

to urgent and specific projects due to the limited resources of the Sacco..similarly (Johnson, Scholes and Whittington 2008) argue that the most significant resource in all institutions is of business finance,SACCOs , have the capabilities to develop internal capital is affected by poor business performance ,Amica had a problem with the funding because some of their products were generating low profits as compared with Mentor SACCO

Manyara (2003) argues that Co-operatives“ own source of financing is inadequate due to limiting By-laws which specify low share capital requirements, and due to non-payment of annual contributions; most SACCOs depend on government, donor or borrowed funds for their operations hence, SACCOs should re-examine their By-laws to identify areas where they can exercise flexibility to facilitate capital formation.

4.4.4: Satisfaction on SACCOs financial status

Table 4. 10:Satisfaction on Sacco’s financial status

	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
Extremely satisfied	10	20	7	18	17	19
Satisfied	19	38	10	26	29	33
Neutral	16	32	19	50	35	40
Dissatisfied	3	6	1	3	4	5
Extremely dissatisfied	2	4	1	3	3	3
Total	50	100	38	100	88	100

Respondents were asked to state the level of satisfaction they had concerning the Sacco’s financial position. The majority of the respondents at 33% stated that they were neutral, 33% were satisfied, and 19% were extremely dissatisfied. Those who were dissatisfied stood at 5% and the remaining 3% were extremely dissatisfied.

The comparison results revealed that 38 % from Amica Sacco were satisfied while 26% gave the same answer from Mentor, 50%, and 32 % of the respondents from Mentor and Amica respectively were neutral. Those who were extremely satisfied stood at 20% for Amica and 18% for the Mentor. Few members were dissatisfied at 6% for Amica and 3% for Mentor while 2% and 3% respectively for the twoSACCOs were extremely dissatisfied. The respondents measured the level of satisfaction through auditors report,financial reports and generally the liquidity ratio,further supporting our findings on the SACCOs financial status. Generally the assumption the instition is running daily basis ,year to year ,the finding were in support of financial well-being of institution.

4.5: Government policy effect on the implementation of strategic plans in SACCOs

The third objective of this study was to assess the government policy effect in the implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and mentor SACCOs in Murang’a Town. The results and findings are discussed below.

4.5.1: Summary of Responses concerning Government policy effects on strategic plan implementation

Table 4. 11:Summary of Responses concerning Government policy effects on strategic plan implementation

Item	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Cooperative legislation hindrance to management	1.66	0.8947	1.58	0.8584	1.63	0.8751
Policy on working legislation	3.24	0.9596	2.79	1.0694	3.05	1.0273
By-Laws technical problems	2.78	1.0554	2.89	0.9400	2.83	1.0083
Organization vs.	1.64	0.7762	1.8158	0.9694	1.72	0.8703

ministry's capacities

Respondents were asked to state whether cooperative legislation prevents the management of SACCOs to act faster and give the same services as commercial banks. The results found out that, members of Mentor Sacco strongly disagreed with the statement as shown by a mean of 1.58 and a standard deviation of 0.8751 compared to their counterparts from Amica who also strongly disagreed as revealed by a mean of 1.66 and a standard deviation of 0.8947%. The overall results indicated that respondents strongly disagreed that the legislation prevents the management of SACCOs to act faster and give the same services as the commercial banks as shown by a mean of 1.63 and a standard deviation of 0.8751. This is an indication that cooperative legislation was not a hindrance to strategic plan implementation.

Respondents strongly agreed that policy on working legislation affected the implementation of strategic plans for both SACCOs. The response at Amica Sacco had a mean of 3.24 and a standard deviation of 0.9596 and Mentor Sacco had a mean of 2.79 and a standard deviation of 1.0694. The overall results indicated that policy on working legislation affected the implementation of strategic plans as shown by a mean of 3.05 and a standard deviation of 1.0273. From these findings it is confirmed that the policy on working legislation has an impact on the implementation of strategic plans. It is important to have favorable policies that will ensure strategic plans are implemented in SACCOs.

Respondents were asked whether cooperative by-laws had technical problems addressing the emerging issues in SACCOs. The results from Amica Sacco revealed that the respondents mildly agreed with the statement as shown by a mean of 2.78 and a standard deviation of 1.0554, results from Mentor Sacco had a mean of 2.89 and a standard deviation of 0.9400. The overall results produced a mean of 2.83 and a deviation of 1.0083. This is an indication that the cooperative bylaws had a moderate effect on the implementation of strategic plans.

Respondents were asked to state whether organizations' capacities were outdoing the ministry's existing supervision capacities. The results found out that, members of Amica strongly disagreed with the statement as shown by a mean of 1.64 and a standard deviation of 0.776. Respondents from Mentor Sacco had a mean of 1.8158 and a standard deviation of 0.9694. The overall results gave a mean of 1.72 and a standard deviation of 0.8703. These findings revealed that the existing ministry supervision capacities were not under major threat from the supervision capacity of SACCOs. This means that the supervision capacities from the two parties could not hinder the implementation of the strategic plan. The findings observed government policy, was beyond the control of the SACCOs and acted as a moderating variable.

4.5.2 How legislation of SACCOs should be done to enhance the implementation of strategic plans

Strategic plans should be made mandatory in every Sacco as a way of ensuring the Sacco improves its objectives at least every year.

4.6: Monitoring and evaluation measurement on the implementation of strategic plans in SACCOs

All the respondents agreed that monitoring and evaluation affected the implementation of strategic plans to a great extent

Table 4. 12: Presence of strategic plans in SACCOs

	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Freq	%	Freq	%	Freq	%
Yes	50	100	38	100	88	100
No	0		0	0	0	
Total	50	100	38	100	88	100

100% of the respondents agreed that strategic plans existed in their SACCOs. The results revealed that such plans are prepared by the board of directors the management of SACCOs.

4.6.2. Conduct of performance reviews period in SACCOs

Respondents stated that the performance reviews are normally conducted semi-annually in both SACCOs. This is to ensure the implementation of strategic plans is on track.

4.6.3: Summary of responses concerning monitoring and evaluation effects on strategic plan implementation in SACCOs

Table 4. 13: Summary of Responses concerning monitoring and evaluation effects on strategic plan implementation

Item	<u>Amica</u>		<u>Mentor</u>		<u>Overall</u>	
	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Adequacy of performance review techniques	1.6407762		1.82	0.9824	1.72	0.8703
Adequacy of feedback mechanism	1.44	0.9071	1.39	0.8555	1.42	0.8805
Promptness in taking corrective measures	1.54	0.7879	1.81	0.9694	1.66	0.8826
addition plans Value	1.66	1.0806	1.58	0.7581	1.63	0.9452

Respondents were asked to state whether their organization's techniques of conducting performance reviews were adequate, the results from Mentor Sacco revealed that the techniques were not adequate as shown by a mean of 1.64 and a standard deviation of 0.7762, on the adequacy of feedback mechanisms respondents strongly disagreed that they were adequate as shown by a mean of 1.44 and a standard deviation of 0.9071. The findings further revealed that the respondents felt that, the Sacco did not take corrective measures promptly as shown by a mean of 1.54 and a standard deviation of 0.7879. Respondents were further asked to state whether there were value addition arrangements in strategic plans in case of deviation from expectations during implementation, the findings indicated that such contingency plans were nonexistence as shown by a mean of 1.66 and a standard deviation of 1.0806.

The findings from Mentor Sacco were as follows; on the adequacy of performance review techniques the mean was 1.82 and the standard deviation was 0.9824. The feedback mechanism had a mean of 1.39 and a standard deviation of 0.8555. Promptness in taking corrective measures had a mean of 1.81 and a standard deviation of 0.9694. Value addition plans had a mean of 1.58 and a standard deviation of 0.7581.

The overall results indicated that the monitoring and evaluation factors were not well implemented in SACCOs to ensure the successful implementation of strategic plans. Adequacy of performance review techniques had a mean of 1.72 and a standard deviation of 0.8703. Feedback mechanisms in the play had a mean of 1.42 and a standard deviation of 0.8805. Promptness in taking corrective measures had a mean of 1.66 and a standard deviation of 0.8826. Value addition had a mean of 1.63 and a standard deviation of 0.9454.

The findings indicate that the two SACCOs in Murang'a town had no adequate performance review techniques on the implementation of their strategic plans. A consistent review of the performance of members of staff is important because it will address any variance which may be noted during the

execution phase. Anderson & Kleiner (2003) Performance reviews are important because they assist management in identifying areas of difficulty during the implementation of the strategic plan.

The findings also indicate the SACCO’s feedback mechanism was not adequate in addressing strategic plans. The feedback mechanism is important in ensuring that there is coordination in implementing strategic plans. After performance review, it is good to ensure feedback is given to employees as fast as possible so to ensure areas of weaknesses are addressed and areas of strength capitalized on.

The findings further revealed that the two SACCO in Murang’a town had poor measures of taking corrective actions in their internal operations. Weak methods of implementing corrective measures prevent the SACCOs from the continuous implementation of strategic plans without unnecessary interruptions. There was also a weakness in value addition plans in both SACCOs and this negatively influenced implementation of strategic plans.

4.7: Summary of strategic plan implementation strategies in Amica and Mentor Sacco

Table 4. 14: Strategic plan implementation strategies Summary

Determinant	Mean	Std. Dev
Leadership	12.91	2.8188
Funding	9.39	1.8534
Government Policy	9.22	2.4138
Monitoring and Evaluation	8.15	2.8428

The general results indicated that leadership had the highest influence on strategic plan implementation as shown by a mean of 12.91 and a standard deviation of 2.8188. Funding was the second determinant in this study with a mean of 9.39 and a standard deviation of 1.8534, followed by government policy with a mean of 9.22 and a standard deviation of 2.4138. Monitoring and evaluation had the lowest influence in this study as revealed by a mean of 8.15 and a standard deviation of 2.8428. leadership

proved to be very influential because all the determinants depended on it for the successful implementation of strategic plans in Sacco.

4.8: Effect of strategic plan implementation

Table 4. 15: Summary of Responses concerning monitoring and evaluation effects on strategic plan implementation

Statement	<u>Amica</u> Mean	Std. Dev.	<u>Mentor</u> Mean	Std. Dev.	Mean	<u>Overall</u> Std. Dev.
Implementation of the strategic plan has led to membership increase the Sacco	3.48	0.8628	3.24	0.8833	3.38	0.8751
The implementation of the strategic plan has led to Share capital increase in Sacco	3.06	1.0382	2.92	0.9968	3.00	1.0171
There has been an increase in turnover as a result of strategic plans implementation	3.36	0.7762	2.89	0.9526	3.16	0.8827
Asset quality improvement has been achieved due to the implementation of the strategic plan	3.48	0.7887	2.92	1.1942	3.17	1.0419
The business volume increase has been achieved due to the implementation of the strategic plan	3.32	0.9261	2.91	1.2386	3.15	1.0884
The implementation of the strategic plan led to an increase in deposit portfolio	2.98	1.0293	3.13	1.1193	2.91	1.1104
Product diversification has been achieved in your due to the implementation of the strategic plan	2.26	1.0461	3.34	0.9255	2.73	1.1318

As presented in Table 4.14 above, the respondents from Amica Sacco indicated with a mean of 3.48 and a standard deviation of 0.8628 that there was an increase in membership as a result of strategic plan implementation; Share capital increase had a mean of 3.06 and standard deviation of 1.0382, Increase in

turnover had a mean 3.36 and a standard deviation of 0.7762, asset quality improvement had a mean 3.48 and a standard deviation of 0.7887, business volume increase had a mean 3.32 and a standard deviation of 0.9261, increase in deposit portfolio had a mean 2.98 and a standard deviation of 1.0293, product diversification had a mean of 2.26 and a standard deviation of 1.0461.

The results from Mentor Sacco was also positive as shown in the above table; membership increase had a mean of 3.24 and a standard deviation of 0.8833, Share capital increase had a mean of 2.92 and standard deviation of 0.9968, Increase in turnover had a mean 2.89 and a standard deviation of 0.9526, asset quality improvement had a mean 2.92 and a standard deviation of 1.1942, business volume increase had a mean 2.91 and a standard deviation of 1.2386, increase in deposit portfolio had a mean 3.13 and a standard deviation of 1.1193, product diversification had a mean of 3.34 and a standard deviation of 0.9255. These findings revealed that strategic plan implementation had a positive effect on the growth of SACCOs as shown by the results above.

The overall results were as follows; membership increase had a mean of 3.38 and a standard deviation of 0.8751, Share capital increase had a mean of 3.00 and standard deviation of 1.0171, Increase in turnover had a mean 3.16 and a standard deviation of 0.8827, asset quality improvement had a mean 3.17 and a standard deviation of 1.0419, business volume increase had a mean 3.15 and a standard deviation of 1.0884, increase in deposit portfolio had a mean 2.91 and a standard deviation of 1.1104, product diversification had a mean of 2.73 and a standard deviation of 1.1318. These findings revealed that strategic plan implementation had a positive effect on the growth of SACCOs as shown by the results above.

4.9: Regression analysis

Table 4. 16: Amica Sacco Model Summery

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.742 ^a	.551	.536	.2508

The model summary above produced an R squared of 0.551. This shows a good fit of the data in the model. The study had an adjusted R square of 0.536 implying that leadership, funding, government policy, monitoring, and evaluation accounted for 53.6% of the factors affecting the implementation of strategic plans in Amica Sacco of Murang'a town. This study concludes that there is a positive relationship between strategic plans and implementation determinants discussed above. However, other factors contributed to the implementation of strategic plans as revealed by this model.

Table 4. 17: Mentor Sacco Model Summery

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.907 ^a	.823	.808	.5547

The model summary above for Mentor Sacco produced an R squared of 0.823 an indication of a very strong fit of the data in the model. The study had an adjusted R square of 0.808 implying that leadership, funding, government policy, monitoring and evaluation accounted for 80.8% of the factors affecting the implementation of strategic plans in Mentor Sacco of Murang'a town. This study concludes that there is a very strong positive relationship between strategic plans and the

implementation of determinants under study. In Mentor Sacco, the determinants under investigation played a key role in the execution of strategic plans that are revealed by the above data.

Table 4. 18: Amica Sacco coefficients

Model		Unstandardized coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig
1	Constant	1.604	.847		5.65	0.000375
X1	Leadership	.672	.251	.618	3.06	0.000813
X2	Funding	.745	.133	.515	2.87	0.000531
X3	Government policy	.493	.345	.273	4.06	0.00046
X4	Monitoring and evaluation	.456	.107	.169	2.67	0.000172

The regression equation was: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$
 After regression it becomes:

$$Y = 1.604 + 0.672X_1 + 0.745X_2 + 0.493X_3 + 0.456X_4$$

Where Y is the dependent variable – Implementation of strategic plans

X1 – Leadership

X2 – Funding

X3 – Government policy

X4 – Monitoring and evaluation

The regression equation above has established that taking all implementation determinants i.e. leadership, funding, government policy, monitoring, and evaluation into constant at zero strategic plan

implementation at Amica Sacco in Murang'a will be 1.604. The results further indicate that taking all other independent variables at zero, a unit increase in the leadership factors would lead to a 0.672 increase in the implementation of the strategic plan at Amica Sacco and a unit increase in funding factors would lead to a 0.745 increase in the implementation of the strategic plan at Amica Sacco. The results also show that a unit increase in the factors of government policy would result in a 0.493 increase in the implementation of the strategic plan at Amica Sacco. The study finally found out that a unit increase in the monitoring and evaluation parameters would lead to a 0.493 increase in the scores of implementations of the strategic plan at Amica Sacco. The findings from Amica Sacco indicate that funding had the greatest effect on the implementation of strategic plans.

Table 4. 19: Mentor Sacco coefficients

Model		Unstandardized coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig
1	Constant	1.568	.987		5.78	0.000375
	Leadership	.785	.431	.718	4.18	0.000813
	Funding	.743	.145	.709	2.46	0.000531
	Government policy	.578	.367	.346	4.78	0.00046
	Monitoring and evaluation	.563	.118	.187	2.98	0.000172

The regression equation was: $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$

After regression it becomes:

$$Y = 1.568 + 0.785X_1 + 0.743X_2 + 0.578X_3 + 0.563X_4$$

Where Y is the dependent variable – Implementation of strategic plans

X1 – Leadership

X2 – Funding

X3 – Government policy

X4 – Monitoring and evaluation

The regression equation above has established that taking all implementation into constant at zero strategic plan implementation at Mentor Sacco in Murang'a will be 1.568. The results further indicate that taking all other independent variables at zero, a unit increase in the leadership factors would lead to a 0.785 increase in the implementation of the strategic plan at Mentor Sacco and a unit increase in funding factors would lead to a 0.743 increase in the implementation of the strategic plan at Mentor Sacco. The results also show that a unit increase in the factors of government policy would result in 0.578 increase in the implementation of the strategic plan at Mentor Sacco. The study finally found out that a unit increase in the monitoring and evaluation parameters would lead to a 0.563 increase in the scores of implementations of the strategic plan at Mentor Sacco. The findings from Mentor Sacco indicate that funding had the greatest effect on the implementation of strategic plans. However, the overall results show leadership had more influence in strategic plan implementation in SACCOs. There is a need to have a leadership that supports the strategic plans from formulation to final execution.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the research findings on the questions and objectives outlined in chapter one which is to assess determinants of strategic plan implementation in savings and credit cooperative societies (a comparative study between Amica and Mentor SACCOs). It also covers the limitations of the study, conclusion, recommendations, and suggestions for further research.

5.2. Summary

The findings of this study can be summarized as follows;

Leadership

A comparison of the two SACCOs i.e. Amica and Mentor revealed that leadership has a significant influence in the strategic plan implementation. The overall results further indicated the respondents strongly agreed that leadership affected strategic plan implementation. The overall results were as follows, the management committee had a mean of 3.56 and a standard deviation of 0.6925. Management authority in discharging their duties had a mean of 3.34 and a standard deviation of 0.8562. The policy on delegation of duties had a mean of 3.14 and a standard deviation of 1.0303. This study found out leadership had a significant effect on the implementation of strategic plans in SACCOs. In conclusion, leadership is key to the driving of SACCOs' goals, it faced challenges in both Amica and Mentor SACCOs. Members did not have access to participate in decision making as only top leaders were only involved. On the other hand, other respondents also mentioned that the SACCOs should cascade or delegate the different functions downwards to more specific departments where such

functions apply. Leadership has a significant impact on the strategic management and implementation process. During the strategic management process leadership performs the various roles as a determinant, such as an innovator, strategist, caretaker, analyst, guide, organizer, motivator, developer, change enabler, or change driver, decision-maker, collaborator, risk manager, debtor, and evaluator. In the recipe of the strategic management process, the most important ingredients are leader's responsibility, loyalty, power, motivation, awareness, articulacy (clarity), consistency, and reliability in implementing the objectives in the strategy (Squibb 2018). Our study also concurred with his findings, similarly Madegwa (2014) carried out a study on factors affecting strategy implementation in government parastatals and focused on top management commitment, coordination of activities, individual responsibilities, and organizational culture. Madengwa (2014) concluded that high management commitment, coordination, and sharing of responsibilities, and corporate culture had a bearing on strategy implementation and the findings were equally true.

Availability of Funds

The overall results for the two SACCOs were as follows; alignment of resources to strategic plans had a mean of 1.41 and a standard deviation of 0.8114, management of resources had a mean of 3.68 and a standard deviation of 0.7357, adequacy of resource mobilization methods had a mean of 1.56 and a standard deviation of 0.9451 and financial position had a mean of 2.74 and a standard deviation of 0.8643.

The above findings imply that the availability of funds influences the implementation of strategic plans to a great extent. However, there is a need to align the available resources towards the realization of strategic plans. The results further revealed that the resource mobilization techniques in the two SACCOs were not very adequate; this calls for more aggressive methods to be employed to attract more resources. Respondents were satisfied with the financial position and management of funds in

their respective SACCOs, an indication that the only challenge was on matching the available resources to strategic plans.

The respondents agreed that the availability of resources influences the implementation of strategic plans to a great extent. The study established that the levels of technology in Amica SACCO were still low in comparison with Mentor SACCO and did not support the implementation of strategic plans. Nkuru (2015) argues that the uptake of ICT in SACCOs is low. Low levels of technology impede the realization of Sacco's strategies. The study also established that the SACCOs did not have the requisite funds needed to implement their strategic plans and funded their strategic plans using their funds which, according to the study findings, were not adequate. Manyara (2015) argues that there is inadequate financing of Co-operatives from own sources due to limiting By-laws which specify low share capital requirements, and also due to non-payment of annual contributions. Strategic

Planning, formulation and implementation of strategy is highly dependent on the financial support from the Sacco (Ndegwa, 2013).further we agreeing with our findings, similarly (Ndegwa, 2013)confirms that Financial parameters have been used for a long time to estimate an organizations performance when it comes to the implementation of their strategic plans. This is because availability of funds ensures creation of attainable and measurable financial goals such goals are achieved through observing and borrowing from the best-in-industry which further confirms that availability of funds are important in formulation and implementation of strategic plans.

Government policy and legislation.

findings from the study it was observed that the objective was more of a moderating variable, where the SACCOs had no control over government it.The overall results indicated that respondents strongly disagreed that the legislation prevents the management of SACCOs to act faster and give the same services as the commercial banks as shown by a mean of 1.63 and a standard deviation of 0.8751.This is an indication that cooperative legislation was not a hindrance to strategic plan implementation.

The further indicated that policy on working legislation affected the implementation of strategic plans as shown by a mean of 3.05 and a standard deviation of 1.0273. From these findings, it is confirmed that the policy on working legislation has an impact on the implementation of Strategic Plans. It is important to have favorable policies that will ensure strategic plans are implemented in SACCOs.

Respondents were asked whether cooperative by-laws had technical problems addressing the emerging. The overall results produced a mean of 2.83 and a deviation of 1.0083. This is an indication that the cooperative bylaws had a moderate effect on the implementation of strategic plans. Respondents were also asked to state whether organizations' capacities were outdoing the ministry's existing supervision capacities. The results gave a mean of 1.72 and a standard deviation of 0.8703. These findings revealed that the existing ministry supervision capacities were not under major threat from the supervision capacity of SACCOs. This means that the supervision capacities from the two parties could not hinder the implementation of the strategic plan.

Concerning the functions of the legislations, therefore, members strongly agreed that they felt that the working legislation in place enabled the SACCOs to operate smoothly. There was a tie between those who said that they strongly disagree and those who mildly agree that the feeling that the working legislation in place enables their SACCOs to operate smoothly. Therefore, it was noted that the set legislation was able to influence the operations of the SACCOs.

Monitoring and evaluation

The overall results indicated that the monitoring and evaluation factors were not well implemented in SACCOs to ensure the successful implementation of strategic plans. Adequacy of performance review techniques had a mean of 1.72 and a standard deviation of 0.8703. Feedback mechanisms in the play had a mean of 1.42 and a standard deviation of 0.8805. Promptness in taking corrective measures had a mean of 1.66 and a standard deviation of 0.8826. Value addition had a mean of 1.63 and a standard deviation of 0.9454.

The findings indicate that the two SACCOs in Murang'a town had no adequate performance review techniques on the implementation of their strategic plans. Consistent review of the performance of members of staff is important because it will address any variance which may be noted during the execution phase. Performance reviews are important because they assist management in identifying areas of difficulty during the implementation of the strategic plan.

The findings also indicate the SACCO's feedback mechanism was not adequate in addressing strategic plans. The feedback mechanism is important in ensuring that there is coordination in implementing strategic plans. After performance review, it is good to ensure feedback is given to employees as fast as possible so to ensure areas of weaknesses are addressed and areas of strength capitalized on.

The findings further revealed that the two SACCO in Murang'a town had poor measures of taking corrective actions in their internal operations. Weak methods of implementing corrective measures prevent the SACCOs from the continuous implementation of strategic plans without unnecessary interruptions. There was also a weakness in value addition plans in both SACCOs and this negatively influenced implementation of strategic plans.

The respondents agreed that monitoring and evaluation influence the implementation of strategic plans to a great extent. The study established that the two SACCOs in Murang'a town did not conduct regular training on Monitoring and evaluation of the implementation process of their strategic plans. The study also established that the SACCOs had a low frequency of Monitoring and evaluation of the implementation process of their strategic plans. Kamau (2015) argues that Monitoring and evaluation need to be done regularly and consistently with major strategies being reviewed at least once a year. Monitoring and evaluation should also be aligned with the business strategy for it to be a valuable tool for effective strategy implementation. Čater & Pučko (2010). Goals, targets and objectives should be established and specified in common and simple terms as a pre-requisite to evaluation. Evaluation entails feedback that provides modalities for resolving issues before they reach a level of crisis

(Aderson&Kleiner, 2003 ,Our findings also revealed SACCOs had weak monitoring and avaluationsystems.which needed to be upgraded in order to fit the implementation strategy in the SACCOs.

Effect strategic plan implementation

The respondents from Amica Sacco indicated with a mean of 3.48 and a standard deviation of 0.8628 that there was an increase in membership as a result of strategic plan implementation; Share capital increase had a mean of 3.06 and standard deviation of 1.0382, Increase in turnoverhad a mean 3.36 and a standard deviation of 0.7762,asset quality improvement had a mean 3.48and a standard deviation of 0.7887, business volume increasehad a mean 3.32and a standard deviation of 0. 9261,increase in deposit portfolio had a mean 2.98and a standard deviation of 1.0293,product diversificationhad a mean of 2.26 and a standard deviation of 1.0461.

The results from Mentor Sacco was also positive as shown in the above table; membership increase had a mean of 3.24 and a standard deviation of 0.8833,Share capital increase had a mean of 2.92 and standard deviation of 0.9968,Increase in turnoverhad a mean 2.89 and a standard deviation of 0.9526,asset quality improvementhad a mean 2.92 and a standard deviation of 1.1942,business volume increasehad a mean 2.91 and a standard deviation of 1.2386,increase in deposit portfolio had a mean 3.13 and a standard deviation of 1.1193,product diversificationhad a mean of 3.34 and a standard deviation of 0.9255.These findings revealed that strategic plan implementation had a positive effect on the growth of SACCOs as shown by the results above.

5.3 Conclusions

The first objective of this study was to compare how leadership affects the implementation of strategic plans in savings and credit cooperative societies, a comparative study between Amica and Mentor SACCOs in Murang'a Town. This study examined the influence of top leadership commitment and support; availability of funds; monitoring and evaluation, on the implementation of strategic plans

in Mentor and Amica SACCOs. The study concluded that top leadership commitment and support affect the implementation of strategic plans. Top leadership commitment and support factors include: delegation of duties; establishment of staff training programs; adherence to Co-operative policies, guidelines, and governance; prioritization of activities in the strategic plan; maintaining membership consensus on strategic decisions; the decision-making process; competencies of the board and senior executives; communication of strategic changes; involving lower-level managers in the formulation and implementation of strategic plans; gaining employees' buy-in of board's ideas on the strategic plan; linking rewards and incentives to strategic relevant performance outcomes, and; adequacy of resource allocation

From the second objective, the study also concluded that the availability of funds affects the implementation of strategic plans. Funding factors include adequacy of funds allocated; financial position and adequacy of resource mobilization. All these factors need to be addressed properly to ensure the successful implementation of strategic plans.

From the third objective, the study concludes that government policy acted as a moderating factor, SACCOs had no control over it, they only aligned their strategic plans with the government policy.

Respondents strongly agreed that policy on working legislation affected the implementation of strategic plans for both SACCOs. The response at Amica Sacco had a mean of 3.24 and a standard deviation of 0.9596 and Mentor Sacco had a mean of 2.79 and a standard deviation of 1.0694. The overall results indicated that policy on working legislation affected the implementation of strategic plans as shown by a mean of 3.05 and a standard deviation of 1.0273. From these findings it is confirmed that the policy on working legislation has an impact on the implementation of strategic plans. It is important to have favorable policies that will ensure strategic plans are implemented in SACCOs.

The study also concluded that monitoring and evaluation affect the implementation of strategic plans. Monitoring and evaluation factors include strategic business changes after feedback, decision making, communication of strategic changes, and regular training on monitoring and evaluation strategic plans. The study also concluded that among the four variables studied namely: leadership, availability of funds, and monitoring and evaluation; top leadership commitment and support influences implementation of strategic plans more than the other three variables

5.4 Recommendations

Based on the study findings, the study proposes the following recommendations:

The study found out funding plays a key role in the formulation and execution of strategic plans, therefore, the management of SACCOs should release funds for the implementation of the strategies formulated rather than not implementing them as they have already consumed other resources in coming up with the strategies.

The results confirmed that that monitoring and evaluation strategies were not well established in both SACCOs. Therefore, monitoring and evaluation of strategy implementation should be regularized. Major strategies should be reviewed annually with implementation feedback mechanism being made highly responsive to inform on strategy performance thereby enable SACCOs to take prompt action to guarantee the realization of organizational strategies.

SACCOs to include the different department and workers in the organization to ensure that the people can own the process. They should ensure that the organization can establish the department and field officers to follow up on the plan implementation. Sacco's management and administrators should involve all the stakeholders in decision making and the changes in the SACCOs. They should also cascade or delegate the different functions downwards to the more specific departments where such functions apply.

5.5 Areas of further research

This study was limited to Mentor and Amica SACCOs in Murang'a town only and examined determinants of strategic plan implementation. The researcher recommends that similar studies be carried out in other SACCOs in Kenya to assist in the comparison of the findings.

recommends that further study should be carried out to identify other factors affecting strategic planning implementation in Co-operative Societies in other counties with different environments within Kenya..

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APPENDIX 1: LETTER OF INTRODUCTION

Dear Sir/ Madam,

I am a postgraduate student in the Business School of Murang'a University of Technology undertaking a research study on **COMPARATIVE STUDY ON DETERMINANTS OF STRATEGIC PLAN IMPLEMENTATION IN SAVINGS AND CREDIT COOPERATIVE SOCIETIES OF AMICA AND MENTOR SACCOs**

To undertake this research, you have been selected to form part of the study. This letter is, therefore, to request your assistance in collecting information to enable me to carry out the research.

The information you give will be treated with strict confidentiality and is needed purely for academic purposes. A copy of the final report will be available to you upon request.

Your assistance and cooperation will be highly appreciated.

Yours sincerely

Mbogo Jonathan Ngumo

MBA student

Cc;

Prof. Clifford Machogu

Supervisor

School of Business and Economics

Dr. Richard Juma

Supervisor

School of Business and Economics.

APPENDIX 2: QUESTIONNAIRE

Please tick/fill appropriately

Part I

Section 1.0 Demographic information

1. In which Sacco is you a member?

Amica []

Mentor []

2. What position do you hold in the SACCO?

a) Director []

b) Manager []

e) Others (specify)

.....

3. What is the highest level of education attained?

a) Primary []

b) Secondary []

c) College []

d) Graduate []

e) postgraduate []

.....

Part II

A comparative analysis of the determinants affecting the implementation of strategic plans in Mentor and Amica SACCOs in Murang'a.

(Rating on a scale of strongly agree=4, mildly agree =3, mildly disagree = 2, strongly disagree =1)

Section 2.0: How leadership affects the implementation of strategic plans

1. How do you find the organization structure and systems in your Sacco?

- a) It is sound and has created a smooth working condition []
- b) It is not very clear, and it's hard to follow []
- c) Not very sure []
- d) Poor and never followed []
- e) There is no structure []

2. Do you feel that the organization structure has influenced the way strategic plans are implemented in your SACCOs?

- 1) strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

3. Do you agree that the policy on delegation of duties in your Sacco is followed?

- 1) strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

4. Our managers are given enough authority to discharge their duties

- 1) strongly agree []

2) Strongly disagree []

3) Moderately agree []

4) Mildly disagree []

5. Does the Manager hold the responsibility of the jobs delegated?

Yes []

No []

6. Are employees well-motivated in your Sacco?

Yes []

No []

If no, kindly suggest how the staff should be motivated to improve the implementation of strategic plans in your SACCO.

.....

.....

.....

.....

.....

7. In your organization, does the management committee influences the Implementation of the strategic plan?

1) strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

8. Do you feel that the management committee trusted by the employees in your Sacco?

1) strongly agree []

2) Strongly disagree []

3) Moderately agree []

4) Mildly disagree []

9. How would you compare the management of your Sacco currently to the last few years (say three years?)

a) It's now better than before []

b) It's the same as before []

d) It's worse than before [].)

e) Don't know []

Why do you say so?

.....

10. Does the management committee hold their position on merit?

1) strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

Section 3.0: How funding affects the implementation of strategic plans SACCOs

1. What are the sources of funds, which are mostly used to finance the strategic plan in your SACCO? (Tick appropriately)

Shares []

Loans from banks []

Retained earnings []

Others

.....
.....
.....

2. Do you think the resources available are aligned with the strategic plan of your SACCO?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

3. Do you feel that the resources are properly managed in your SACCO?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

4. Do you think that capital mobilization methods are adequate in your SACCO?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

5. How satisfied are you with your SACCOs financial status

(Please tick inside the box)

- a) Extremely satisfied []
- b) Satisfied []
- c) Neutral []
- d) Dissatisfied []

5. Do your SACCO encounter challenges and constraints in raising funds to implement the strategic plan?

- 1) YES []
- 2) NO []

If yes, kindly explain

.....

.....

.....

.....

Section 4.0: Government policy effect on the implementation of strategic plans in SACCOs

1. Do you think that cooperative legislation prevents the management of the SACCOs to act faster and give the same services as the commercial banks do?

- 1) strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

2. Do you feel that the working legislation in place enables your Sacco to operate smoothly?

- 1) strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

3. Do you agree that cooperative by-laws have technical problems addressing the emerging issues in your Sacco?

- 1) strongly agree []
- 2) Strongly disagree []

- 3) Mildly agree []
- 4) Mildly disagree []

4. Do you think that your organization's capacities are out doing the ministry's existing supervision capacities?

- 1) Strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

5. Suggest what you would want the legislation of SACCOs to be done to enhance the implementation of the strategic plan.

.....

.....
.....
.....

5.0: How monitoring and evaluation measure the level of implementation of strategic plans in savings and credit cooperative societies

1. Does your Sacco has or has ever had a strategic plan?

Yes []

No []

If yes, when was it prepared, and by whom?

.....

2. Do you think that your organization's techniques of conducting performance reviews are adequate?

1) strongly agree []

2)Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

3. How often do you conduct performance reviews in your Sacco?

Monthly []

Quarterly []

Semi-annually []

Annually []

4. Are the feedback mechanisms in your SACCO responsive and adequate?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

5. Does your SACCO take corrective measures promptly?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

6. Does your SACCO have the value addition in the strategic plan?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

Section 6.0 strategic plan implementation

1. Has the implementation of the strategic plan led to a membership increase in your SACCO?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

2. Has the implementation of the strategic plan led to the Share capital increase in your SACCO?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

3. Do you feel that there has been an increase in turnover as a result of strategic plans implementation in your SACCOs?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

4. Do you agree that asset quality improvement has been achieved in your SACCO due to the implementation of strategic plans?

1) Strongly agree []

2) Strongly disagree []

3) Mildly agree []

4) Mildly disagree []

5. Do you agree that business volume increase has been achieved in your SACCO due to the implementation of strategic plans?

- 1) Strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

6. Has the implementation of the strategic plan led to an increase in the deposit portfolio in your SACCO?

- 1) Strongly agree []
- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

7. Do you agree that Product diversification has been achieved in your SACCO due to the implementation of strategic plans?

- 1) Strongly agree []

- 2) Strongly disagree []
- 3) Mildly agree []
- 4) Mildly disagree []

Thank you very much for your participation.


APPENDIX 3: STUDY WORK PLAN


Month / Activity	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Drafting Concept paper	█	█										
Defending Concept Paper			█	█	█							
Drafting Proposal						█	█	█	█			
Correction from my supervisor									█			
Data collection and Data analysis										█		
Report writing and corrections by the supervisor, binding and handing over											█	█

APPENDIX 4: RESEARCH PROPOSAL BUDGET
BUDGET

Particulars	Quantity	Unit Price (Ksh)	Total (KSH)
Photocopy paper	100 reams	500	50 000
Research permit	-	1000	1000
Bic point pens	100 pieces	25	2500
Envelopes	500 pieces	10	5000
Typesetting and printing	30 000	-	165,900
Travel and lunch	3 months	10 000	90 000
Total			314 400

APPENDIX 5: NACOSTI RESEARCH LICENSE


REPUBLIC OF KENYA


**NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY & INNOVATION**

RefNo: **900088** Date of Issue: **03/February/2020**

RESEARCH LICENSE



This is to Certify that Mr. Jonathan Mboya of Murang'a University of Technology, has been licensed to conduct research in Muranga on the topic: Strategic Plan Implementation Determinants in Savings and Credit Cooperative Societies (A comparative Study of AMICA and Mentor SACCO) for the period ending : 03/February/2021.

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