Strategy Implementation Practices and Performance of Selected Evangelical Churches in Nairobi City County, Kenya

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ABSTRACT

Every entity seeks accomplish its set goals, mandate and the reason for which it is established. The concept of organizational performance refers to the degree of achievement of the organization’s objectives, which is critical to its success and sustainability. The manner in which an organization implements its strategic plan largely determines the resultant success in the achievement of its strategic objectives. The primary objective of this study was to determine the influence of strategy implementation practices on the performance of select evangelical churches within Nairobi County. The specific objectives of the study were to investigate how organizational structure influences performance; examine the influence of resource allocation on overall performance; to establish the extent to which top management commitment affects performance and; to assess the influence of organizational culture on the performance of select evangelical churches in Nairobi City County. The variables of strategy implementation studied were organizational structure, resource allocation, top management commitment and organizational culture. The study was anchored on Burke and Litwin causal model and the Seven-S Model. The study adopted a descriptive research design and focused on a variety of respondents drawn from select evangelical churches within Nairobi City County - Christ is the Answer Ministries, Nairobi Baptist Church, Nairobi Chapel, and Parklands Baptist Church. The study targeted a population of 400 comprising of pastors, employees, church leaders, volunteers and members. A sample of 20% was applied generating a sample size of 80. Relevant data was gathered using structured questionnaires with both open and closed-ended questions. Qualitative data analysis involved explanation of information obtained from the empirical literature and required the use of numeric measures to the scores of the various responses. This was done with the aid of SPSS. The output of the analysis was presented in tables and charts, and interpretations made based on the research objectives. Generalizations of the results were made. The study established that organizational structure, resource allocation, top management commitment and organizational culture have a significant influence on the performance of evangelical churches. The study recommended that churches should develop organizational structures supportive of strategy implementation. It further recommended that the resources available should be focused on priority activities for optimum performance. In addition, the management should have a supportive and committed attitude towards strategy implementation to promote organizational success. It further recommended that churches create and uphold a positive institutional culture that supports high performance and effective implementation of the strategy.

Key Words: Organizational Structure, Resource Allocation, Top Management Commitment, Organizational Culture, Strategy Implementation, Performance of Evangelical Churches in Nairobi City County, Kenya

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1. Introduction

Strategy is defined as a coordinated series of actions, which involve the deployment of resources to which one has access for the achievement of a given purpose as cited by White (2012). It involves the translation of perceived opportunity into successful outcomes, by means of purposive action sustained over a significant period of time. A company’s strategy is the management’s action plan for running the business and conducting operations (Thompson, Strickland & Gamble, 2008). It is all about how management intends to grow the business, build a loyal clientele and outcompete rivals, how each functional piece of the business will be operated and how performance will be boosted. deWit & Meyer (1998) posited that strategy is any course of action for achieving an organization’s purpose(s) (as cited in White, 2012). Strategic management has its history in military activities and business as well as both communist and capitalist economies. There are varying approaches and schools of thoughts on strategy. Strategic planning and execution requires careful thought, allocation of resources and sustained follow through to achieve intended objectives. According to Myer (2014), strategic planning has always been viewed with scepticism by many church leaders who find formal planning a formidable exercise for which most of them are not trained (Kagumu, 2016). Further, Myer cites a view that planning is not biblical as some pastors have felt that because churches are not business, they must not be managed as such. To them, spiritual management is required for spiritual organizations. According to this view, church leaders are supposed to manage through God’s perfect guidance and direction, waiting patiently for God to make things happen rather than “forcing things to happen”. Churches have long been admonished to strive for truly spiritual goals, not the numerical or quantifiable goals emphasized in business or secular contexts. In his book on Church leadership, Addington (2010) examines the continuum that portrays Church leaders and pastors on opposing extremes as either shepherd or leaders. In this leadership spectrum, he refers to the one as spiritualist and the other as a strategist. Noting that individuals are differently gifted by God, Addington proposes that there exists need for prayerful dependence on God as well as strategic thinking for the advancement of God’s Kingdom. When it is understood that both approaches are biblical and that it is in the balance of deep dependence and ferocious resolve that the best ministry happens, then it is possible to embrace both and denigrate neither. The scriptures show that by principle and by example, God works in a strategic way. God empowered and guided various leaders at different times to think and act strategically.

1.1 Strategy Implementation Practices

Strategy implementation can be said to involve the allocation of resources to support the strategies that are chosen. Various management activities required to get strategy in motion, put in place strategic controls for monitoring of progress and consequently achieve organizational goals are included. Steiner (2013) has indicated that the process of implementation covers the whole managerial activities which also includes issues like compensation, motivation, control processes and management appraisal. Higgins (2010) indicates that nearly all the functions of management – planning, controlling, organizing, motivating, leading, directing, integrating, communicating, and innovation – are applied in the process of strategy implementation. Strategy implementation is the process of putting into action the strategies formulated so that the performance can be moved from the existing position to a future desired position (Johnson & Scholes, 2008). According to Aladwani (2015) strategy implementation means putting the results of planning into a real activity. This involves operationalization of the day to day activities so that an organization can achieve its competitiveness. In order to align the operations of an organization to the changing operating environment, it is important that the organization adapts according to remain competitive.
(Olson, Slater & Hult, 2010). Through strategic management, organizations are able to align their operations to push its competition above the industry peers.

The success of a strategy depends upon the efficacy of implementation and therefore top priority of strategy implementation is building a capable organization. It involves developing a responsive internal organization structure, building and nurturing skills and competencies and selecting people for key positions (Aladwani, 2015). Globalization of the world has meant that organizations can sale to a wide market even from a local setting. Organizations need to rethink their strategies to drive the performance to a future desired position (Olson, Slater & Hult, 2010). Some of the factors that are critical to the strategy implementation process include mechanisms like information systems, styles of leadership, key managers’ assignment, budgeting, rewards and systems of control (Pierce and Robinson, 2009). Organizations have been seeking to have greater flexibility within the organization as a response to turbulence within the organization by changing from hierarchical structures to those that are more modular (Balogun & Johnson, 2012). Decentralization has been witnessed through responsibility within the organization, firm resources and power. In a competitive environment, it is assumed that the crucial determining factor in the success and survival of the organization is successfully implementing marketing strategies (Chebat, 2009). Close scrutiny is given to the employees in these new restructured organizations, the mid-level managers, who are charged with duties of strategy implementation.

Strategic Management researches have given a huge level of importance to the process of strategy formulation while viewing the implementation of strategy as just a byproduct or end result of the planning process (Wind and Robertson, 2015). This area has seen insights been achieved which have an effect of interfering with our strategy development knowledge with the reality of execution of what has already been crafted (Olson et al., 2010). Valuable insights in strategy implementation are generated by taking a broad view, regardless of the multifaceted and complex organizational process of this stage of strategic management process. Strategy Implementation creates a problem due to the success rate of the strategies that are intended. Studies that have been researched indicate that it is at 10% (Judson, 2012). Despite of having this record, strategy implementation does not appear like a popular topic. Sometimes implementation is mistaken as a strategic afterthought and an approach that is purely top-down. Management seems to focus all its energies on strategy formulation. Bourgeois and Brodwin (2012) have classified research emphasizing strategy implementation as being part of studies that are proposing structural views as being enabler’s that are critical for strategy implementation success. Noble & Mokwa (2009) indicated that interactive procedures and issues are necessary to any market implementation of strategy effort. Generalizations have hence been advanced by encouraging firm members to involve themselves early in the strategy process (Hambrick Cannella, 2009); perform an identification of adaptation and adjustment processes (Drazin and Howard, 2012) and do an observation of style and structure of leadership (Bourgeois and Brodwin, 2012). Overall reduced organizational performance is brought about by poor strategy implementation. Therefore apart from developing strategies, every organization must ensure that such strategies are effectively implemented for it to remain competitive in the current era where competitiveness is very high. In a nutshell therefore, it can be stated that, strategic intentions are connected with strategy implementation and facilitate its existence.

Effective implementation results when organizational resources and actions are tied to the identified strategic priorities. In most organizations, everyone is expected to participate to some degree in the execution of strategy despite the common fact that only a handful of senior leaders are tasked with its formulation. This in itself already poses a challenge to the process of implementation – resistance by those that are not involved in crafting the strategy,
who feel alienated from it. Many organizations encounter similar challenges as they begin to implement and it is therefore little wonder that poor implementation has been blamed for a number of strategic failures. Despite the many benefits of strategic management, many leaders do acknowledge that implementation poses one of the biggest business challenges they face according to Pfeiffer (1996). Neilson & Pasternack (2010) discuss the four building blocks that managers can use to improve strategy execution: decision rights, information, structure, and motivators – which they argue are inextricably linked. Execution is a notorious and perennial challenge. Even at the companies that are best at it what is called ‘resilient organizations’ just two thirds of employees agree that important strategic and operational decisions are quickly translated into action. It is important to ensure that employees truly understand what they are responsible for and who makes which decisions and then giving them the information they need to fulfil their responsibilities.

1.2 Organizational Performance

Organizational performance refers to the overall outputs or results of an organization as measured against its intended outputs, goals or objectives according to Johnson, Scholes, & Whittington (2008). It involves the recurring activities to make organizational goals, monitor progress towards the goals and make adjustments to achieve those goals more effectively and efficiently. Haberberg & Rieple (2008) propose two broad ways of assessing organizational performance – qualitative and quantitative. The qualitative assessment focuses on such questions as strategic fit, favourable comparison with strategic choices across industry or in line with theoretical recommendations. The quantitative assessment uses various measures of financial and operational nature. Three steps in performance assessment involve the determination of what is to be observed and measured, establishing performance measurement standards and drawing conclusions. It is important to note how well the organization is performing in comparison with its competitors as well as meeting key stakeholder requirements. Comparing the performance of different business units enables the firm to identify particular elements of the value chain or specific strategic resources that are critical to the organization’s success or failure. Operational performance measures help in assessing the efficiency and effectiveness of particular parts of the strategy and provide insights into the quality of the organization’s management. These standards can further be guided by industry norms as well as the firm’s own established standards, for instance, the aim to become a leader in product innovation.

An organization’s performance standards are best gauged externally against competitors or peers, and can be compared against the firm’s own past performance. Objective interpretation of organizational performance depends on quantitative analysis and qualitative evidence for insightful conclusions to be drawn. Various measures of financial performance exist, and different organizations use combinations of these according to the nature of business or industry they operate in. Examples of financial measures focus on profits, cash flow, interest cover and financial strength. Some profit measuring techniques include ROE (Return on Equity), ROCE (Return on Capital Employed), ROA (Return on Assets), EBIT (Earnings Before Interest and Tax), share prices, earnings per share, dividend per share among others. Measures of size and growth are also important performance considerations. Non-financial measures such as production and sales volumes, market share, number of customers, outlets/branches are quite resourceful. Different kinds of measures are needed for the public sector and not for profit organizations, where for instance, focus may be more on meeting budgetary targets than commercial style financial ratios. Kaplan and Norton’s balanced scorecard includes financial measures that measure past performance as well as operational measures that drive future financial performance. The balanced scorecard is unique in that it links the various performance measures. Trend analysis is also a useful strategic evaluation.
tool that can be used to measure performance over a specified period of time. Benchmarking within a firm’s strategic group or a wider market offers the firm an opportunity to establish stretch goals and identify potential problem areas. Changes in stakeholder requirements and nature of organizations must be taken into account when measuring performance. Some changes spur a change in strategy to accommodate new requirements and expectations.

1.3 Evangelical Churches in Kenya

Parklands Baptist Church (PBC) is a Great Commission church that is focused on proclaiming the gospel of the Kingdom of God. It is a growing church community which was launched in 1967 and believes God is calling her to magnify His name, mature our congregants, care for His children, minister and reach out to the world. It was started in 1976 at Ojijo Road with 45 members. Parklands Baptist Church is registered under the Societies Act of Kenya (Cap 108) and is in compliance with all statutory requirements. Anchored on the polity of the Southern Baptist Convention, the operations of the church are guided by its constitution that is operationalized through policies, procedures, plans and a supporting organizational structure. The main facilities of the church are the Westlands and Eastgate church campuses, Parklands Baptist School and four mission stations in Baringo, Uasin Gishu, Murang’a and Turkana counties. PBC developed its very first strategic plan in the year 2000, and this strategic plan served the church from the year 2000 to 2010. This was in response to the realization that the church needed to be proactive instead of reacting to issues as emergencies. Subsequent Strategic Plans have been developed in the years 2006 to 2010, 2011 to 2015 and currently 2016 to 2020. PBC is presently in its third year of implementing the current strategic plan. Within the scope of this strategic plan, the church will focus on six Key Result Areas, namely: deepened spiritual growth and prayer; transformative missions and outreach; responsive member care; strategic leadership development; expanding infrastructure, facilities and resource development and excellent service delivery. Alongside implementation of the current strategic plan, the church has envisioned a greater plan dubbed “Vision 2040”, which was birthed in the year 2016 when Parklands Baptist Church celebrated its fortieth anniversary since it came into existence. This new vision is based on seven strategic pillars that will guide the focus areas the church intends to pursue. PBC is at present conducting its mid-term strategic plan review and also conducting a baseline survey for purposes of aligning its current strategic plan with the new Vision 2040 strategy which has since been launched and adopted as the guiding roadmap for the next twenty-two years.

Christ is the Answer Ministries (CITAM) was founded in 1959 as Nairobi Pentecostal Church (NPC), which was a multi-racial church. It was established as a ministry of the Pentecostal Assemblies of Canada. In 2015, NPC changed its name to CITAM and was registered as an autonomous, independent entity under the Societies Act of Kenya. CITAM is a congregational church whose mission is to impact the world through the empowerment of the Holy Spirit. The church has grown over the years, establishing assemblies (branches), mission stations, academic institutions and media enterprises. Presently, it has over 20 assemblies across Kenya, Africa, Romania and the USA. It runs 7 primary schools, a secondary school, a university and children’s centre. It runs three mission stations reaching the marginalized communities in North Eastern Kenya. It also runs a TV and radio station. CITAM’s first strategic plan was conceived in 2012 and is presently implementing its third strategic plan since inception in 1959. The church leadership bases its success on their total obedience to God. The membership of the church has grown from about 20 persons in 1959 to more than 45,000 in June 2015. Its annual income has risen from 399 Million in 2016 to 1.05 Billion in 2015.
Nairobi Chapel is an evangelical church that was founded in 1952 and is presently located on Ngong Road, next to the Nairobi Showgrounds in Jamhuri. It is among Nairobi’s fastest-growing churches and is anchored on the Bible as God’s word and seeks to align its vision, structure and ministries according to the scriptures. Nairobi Chapel’s mission is to help its members “Grow D.E.E.P. to reach W.I.D.E”. Nairobi Chapel has a ten-year strategic plan (2010-2020) which highlights the ten targets they are focused on. Multi-racial persons from the Baptist background established Nairobi Baptist Church (NBC) in 1958. The church has grown in leaps and bounds, from a founding membership of 20 in 1956 to thousands presently. A Christ-centered church focuses on strong families and transformed nations. NBC’s strategic priorities entail worship, prayer and teaching; discipleship, mentoring and leadership; evangelism, outreach and Church planting; rebuilding the ministry to children, youth and young adults; and streamlining governance and management structures. NBC is situated along Ngong Road, Nairobi.

2. Statement of the Problem

Implementation of strategic plans involves translating the strategies into actions. This is said to be the most challenging aspect of strategic management process. Effective implementation of strategic plans does not guarantee getting results as planned. Traditionally, churches have been known to be non-profit making but this perception is greatly changing. Churches have ventured into profit making businesses that is used for outreach services to the community as well as for endowment. They have ventured into building schools, colleges, universities, guesthouses, hospitals, restaurants as well as financial institutions (Kenas, 2012). The activities of the church are considered to be of a spiritual nature where most of its membership expects acts of faith. But the trend has changed where churches are embracing proper management practices even in actualizing their faith. Churches are quickly adopting corporate systems and structures enabling their members to participate in policy making. Churches elect to their parish council or church boards, members who are formally trained as well as professionals in respective fields. For example, lawyers or architects or auditors. They are also employing staff who are specialized in different fields for more effective implementation of spiritual services. Churches are therefore taking up strategic management processes as a way of fulfilling the ir spiritual mandates (Obwoge, 2006).

A number of scholars have done research in the field of strategic planning and strategic management process in general. (For example Awino, 2011; Ochanda, 2013; Karuri, 2010; Sesi 2009). However, a few have written on implementation of strategic plans (Awino, 2011; Karuri, 2010, and Ochanda, 2013, Sesi, 2009) looked at the challenges of strategy implementation mostly focused on government, state corporations and public entities. They all recommended further in-depth study to be carried out on the influence of strategy implementation practices on organizational performance. Muturi (2010) did a study to determine the strategic responses of Christian churches in Kenya to changes in the external environment, basing the survey on evangelical churches in Nairobi. This study focused on a related context but the different concept from what the current study seeks to cover. Kagumu (2016) researched on organizational factors influencing strategy implementation in the Anglican Church of Kenya, focusing on the Kirinyaga Diocese. This study seeks to closely follow on Kagumu’s case but focusing on evangelical rather than mainstream or ecumenical churches. Particularly, no specific study has been done on the institutionalization of strategy on performance in faith-based organizations. It is in view that this study sought to determine the influence of strategy implementation practices on the performance of select evangelical churches within Nairobi County.
3. Research Objectives

The primary objective of this study was to determine the influence of strategy implementation practices on the performance of select evangelical churches within Nairobi County.

Specific objectives were:

i. To investigate how organizational structure influences performance at select evangelical churches in Nairobi City County.

ii. To examine the influence of resource allocation on overall performance at select evangelical churches in Nairobi City County.

iii. To establish the extent to which top management commitment affects performance at select evangelical churches in Nairobi City County.

iv. To assess the influence of organizational culture on the performance of select evangelical churches in Nairobi City County.

4. Theoretical Review

The study was anchored to Burke and Litwin causal model and the Seven-S Model.

4.1 The Burke & Litwin Causal model

The Burke and Litwin causal model of performance and change suggests linkages that hypothesize how performance is affected by internal and external factors. It provides a framework to assess organizational and environmental dimensions that are keys to successful change and it demonstrates how these dimensions should be linked causally to achieve a change in performance (Litwin, 1992). It discusses how different dimensions link with each other as well as how the external environment affects the different dimensions in an organization, providing a guide for organizational diagnosis and change that show cause-and-effect relationships.

4.2 The Seven-S Model

The Seven-S Model, also known as the McKinsey 7-S framework was developed in the early 1980s by Tom Peters and Robert Waterman, then consultants at the McKinsey & Company consulting firm. McKinsey’s 7S model provides a better description of the key variables that can realize effective strategy implementation. The model shows interconnections among seven variables and how they facilitate organizational change and progress. The framework shows how the seven variables affect the firm’s ability to implement the formulated strategies (Kaplan, 2010). According to Waterman et al (1980) structure entails how activities are divided, the mechanisms of integration and coordination in the organization. Strategy defines what the business seeks to achieve and the way it intends to achieve its competitive advantage. Systems are operating procedures on how issues such as implementation process measurement, resource allocation, communication routines, and conflict resolution. Staff entails the organization’s human resources, including demographic and educational characteristics. Style is how key groups and other professionals of influence behave in the organization. Skills are the organization’s core competencies and distinctive capabilities. Shared values form core beliefs of an organization and how they influence the way an organization views its stakeholders.

4.3 Theories of Strategy and Strategy Implementation Practices

According to Johnson and Scholes (1993), a strategy is the direction and scope of an organization over the long term, which achieves advantage for the organization through its
configuration of resources within a changing environment, to meet the needs of markets and
to fulfil stakeholder expectations. Hodgkinson & Sparrow (2012) further build on the above
definition, arguing that strategic management is concerned with three broad sets of issues:
analysis, choice and implementation. Strategic analysis refers to understanding the strategic
positioning of the organization, its environment, resources, values and objectives. Strategic
choice is about formulation of possible courses of action/options, evaluation of their
suitability or fit and selection of the strategy to be followed, while strategic implementation
relates to the translation of strategy into action, resource planning, designing the
organizational structure to carry through the strategy and adapting the people and the systems
used to manage the organization.

The strategic management process does not end when top management decides how the firm
is going to achieve its objectives. There is still a need to set goals, establish policies and
allocate resources. Successful strategy formulation does not guarantee successful strategy
implementation; formulation and implementation activities are fundamentally different.
Strategy formulation is largely intellectual – requiring good conceptual, integrative and
analytic skills while implementation is more operational – requiring special skills in
motivating and managing others. Implementation permeates all hierarchical levels and
requires coordination among many individuals. It is always more difficult to do something
(strategy implementation) than to say you are going to do it (strategy formulation) (David,
1986). The strategy implementation process can vary considerably among different types and
sizes of organizations. However, the three fundamental strategy implementation activities are
goal establishment, policies establishment and resource allocation. Often, the implementers
have not participated in the strategy formulation process and therefore may not appreciate,
understand or even accept the research, analysis and decision-making that went into the
formulation process. There may be some foot-dragging or resistance on their part. In some
cases, managers and employees may even attempt to sabotage the process in hopes that the
organization will return to its old ways.

Barney (1991) discusses the Resource-Based View (RBV) theory of strategic management as
a tool that has been used to determine the strategic resources available to an organization It
stems from the principle that the source of a firm’s competitive advantage lies in its internal
resources rather than its positioning in the external environment. Grant (1991) sees RBV as
an ‘inside-out’ approach to strategy formulation, in which the strategies are developed to
maximize value for the company based on the available resources.

Effective strategy implementation also calls for a number of interventions and guidelines.
David (1986) suggests the early and direct involvement of managers in both strategy
formulation and implementation processes in order to win their commitment and support
upon implementation. Top management support – encouragement and enthusiasm - is also
key in motivating middle and lower-level managers to support strategy implementation
efforts. It has been estimated that less than 10% of the business strategies that are formulated
are successfully implemented. It is therefore imperative that business researchers and
managers identify the salient causes of these widely noted failures. Henry Mintzberg suggests
that the traditional way of thinking about strategy implementation focuses only on deliberate
strategies. Mintzberg claims that some organizations begin implementing strategies before
they clearly articulate missions, goals, or objectives. In this case, strategy implementation
actually precedes strategy formulation. Mintzberg calls strategies that unfold in this way
emergent strategies. Implementation of emergent strategies involves the allocation of
resources even though an organization has not explicitly chosen its strategies. Most
organizations make use of both deliberate and emergent strategies. Whether deliberate or
emergent, however, strategy has little effect on an organization’s performance until it is implemented.

Two theories postulate the process of strategy - prescriptive and emergent theories. The prescriptive strategy is one whose objective is defined in progress and whose main elements have been developed before the strategy commences. The approach starts with an analysis of the external environment and the company’s resources. The company’s objectives and strategic options are chosen and implemented. On the other hand, an emergent strategy is one whose final objective is undecided and whose elements are developed at the strategy proceeds. Several theories and models of strategy implementation have been put forth by researchers. Process models describe and guide the process of translating research into practice. Theories that explain the influencers of implementation outcomes are determinant frameworks, classic theories and implementation theories. Evaluation theories are based on evaluation of strategy implementation (Nilsen, 2015).

5. **Empirical Review**

This section review empirical evidence from various studies done on organization structure, leadership, change management and culture.

5.1 **Organizational Structure and Performance**

Organization structure is the relatively stable arrangement of responsibilities, tasks, and people within an organization. It is the framework designed by managers to divide tasks, deploy resources and coordinate departments. It provides a way for information to flow efficiently from the people and department who generate it to those who need it. It spells out decision rights – policies that tell people who are responsible for generating particular information and who is authorized to act on it. According to Heide, Gronhaug and Johannessen’s (2012) organization structure plays an important role in the strategy implementation. Drazin and Howard (1984) see a proper strategy-structure alignment as a necessary precursor to the successful implementation of new business strategies. The structure should be changed to allow room for implementation strategy. A transformational strategy may require a transformation structure. Does the structure of the organization allow a strategy to cascade across and down the organization in a way that meaningfully and efficiently delivers the strategy?

Bushardt, Glascoff, and Doty (2011) studied the relationship between organizational culture and organizational reward structure and found that they are positively correlated. Feurer and Chaharbaghi’s (1995) article investigated the strategic implementation process at leading computer giant Hewlett-Packard and proposed that support structures in the form of formal organizational structures are necessary for employees to act readily on the knowledge developed to craft and implement a strategy. The organizational structure provides a visual explanation of two main things: the decision-making process and resource allocation. In a strategy structure study, Chandler (1962) suggested that organizational structure has been influenced by the organization’s strategies (structure follows strategy). Concurring with Chandler’s (1962) study, Zaribaf and Bayrami (2010) revealed that strategy is formulated by top management exclusively and middle-level managers only implement the strategy unless a wide range of changes is required before implementation (structure alignment with strategy). In contrast, Lorange (1998) presented a concern with business restructuring and proposed that it has to be outweighed by the anticipated gains of the new strategy. He said that too often the restructuring/right-sizing efforts lead to the unintentional discarding of know-how that could have been used for future growth in another context. Many studies have addressed the link between organizational strategy and structure by pointing out that one of the challenges in
strategy implementation is weak coordination of activities. Similarly, Miller, Wilson, and Hickson (2009) proposed turning poor coordination into teamwork by realigning roles, responsibilities, and accountabilities with strategy. In contrast, Brache (1992) proposed that from an implementation perspective, it is more valuable for an organization to apply cross-functional processes to enforce strategy implementation than to change the organizational structure.

Bhimani and Longfield-Smith (2009) focused their study on how organizational structure influences strategy implementation and found the process of strategy implementation to be structured and formal. They also concluded that during the strategy development process greater emphasis is placed on financial information, but during the implementation phase, both financial and non-financial information is emphasized. In an exploratory study involving corporate communication and strategy implementation, Forman and Argenti (2010) found that the internal communication within a company has an overarching hand not only in making strategy but also in successfully implementing a strategy. Funk (1993) explored the process of product development and implementation strategies in large Japanese and American companies and concluded that Japanese firms, in contrast to American firms, implement strategies using a combination of organic and mechanistic structures. Similarly, Markiewicz’s (2011) study also reflected the importance of processes and structures in the successful implementation of strategies and proposed that creativity, innovation, and perception of an organization as processes are very important in implementing strategies. In addition to the research described above, Matanda and Ewing (2012) studied multinational personal healthcare company Kimberly-Clark’s implementation strategies and found that brand planning processes, global branding and marketing capabilities, and processes contributed to the company’s success. In line with the above studies, Slater, Olson, and Hult (2010) investigated six types of generic strategies and their implementation and concluded that the most influential perspective needed for business success requires a fit between strategy and organizational architecture. Organizational structure and design are important as they entail decisions related to resource allocation for various units and activities within the business ecosystem (Brenes, Mena & Molina, 2008).

In a study on diversification strategy in FBOs, Ndegwa (2016) found out that the system and structure of the organization should ensure that there is a clear line of command where an employee reports to one boss in order to ensure learning within the organization. Onono (2018) also observed that the type of organizational structure embraced in an institution affected the speed and accuracy of decision-making and directly influenced learning and growth culture and efficiency of information exchange within the organization. The organization structure should also ensure that all performance metrics, roles and responsibilities are clearly outlined to ensure accountability on performance outcomes and expectations.

### 5.2 Resource Allocation and Performance

According to Viseras, et al (2010), strategy implementation success depends largely on people management. Thus the selection and development of key managers in an organization should be carefully carried out. People who have been with the organization for an extended period of time continue to reinforce and perpetuate the current culture, they are empowered by it and go to considerable lengths to reinforce it as a key element in sustaining continued success. Their association with the organization is usually strongly entrenched, emphasize key themes or dominant values, encourage dissemination of stories and legends about core values in the organization and help institutionalize practices that reinforce desired beliefs and values.
Abok (2015) investigated the factors affecting organizational performance with reference to resource allocation. Her study revealed that strategic resource allocation measures were slowly being adopted by organizations, inhibiting the optimum performance of these organizations. The study focused on the financial factors affecting effective implementation of strategies. The effect of non-financial factors on resource allocation during strategy implementation on organization performance were not highlighted in this study. Ouma and Kilonzo (2013) investigated how resource allocation planning influences performance in public financial institutions in Kenya. The study focused on the procurement departments of these institutions revealing that resource allocation significantly affects performance in the financial institutions. It did not show how the balance of overall resource allocation and allocation of funds to specific departments can improve the overall performance from low level to corporate-wide unit. Gaya (2013) in his assessment of the determinants of strategy implementation at the Kenya Sugar Board found out that lack of proper strategy planning affected resource allocation at the Board. This was manifested by planning several strategies at once, which caused a strain in allocated resources leading to poor implementation of strategies. The study also revealed that the Board focused much on allocation of financial resources at the strategy planning stage, neglecting the role of non-financial resources such as human resources in strategy implementation resulting to underperformance of the organization. The current study aimed at finding out how balancing all types of resources during allocation to all departments and activities in the organization affected its performance.

5.3 Top Management Commitment and Performance

The most challenging thing when implementing the strategy is the top management’s commitment to the strategic direction itself. This is undoubtedly a prerequisite for strategy implementation. In some cases top managers may demonstrate unwillingness to give energy and loyalty to the implementation process. This demonstrable lack of commitment becomes, at the same time, a negative signal for all the affected organizational members (Rapa and Kauffman, 2010). Overall though, it is increasingly acknowledged that the traditionally recognized problems of inappropriate organizational structure and lack of top management backing are the main inhibiting factors to effective strategy implementation (Aaltonen and Ikävalko, 2012).

Bartlett and Goshal (2006) talk about middle managers as threatened silent resisters whose role needs to change more towards that of a “coach”, building capabilities, providing support and guidance through the encouragement of entrepreneurial attributes. So if they are not committed to performing their roles, the lower ranks of employees will not be provided with support and guidance through the encouragement of entrepreneurial attributes.

Mapeter et al. (2012) stated that the reasons which cause the failure of the strategies and despite having the best strategies, they could not bring forth results in Zimbabwe was only on account of negative leadership behaviour which shows the strategy executive people were not liable, they were less committed to the strategy. Lack of creative strategic vision in the organization they could not motivate and boost up morals of staff to obtain the determined objectives, communication among the middle-level management and high-level management in organization remained very low.

According to Cater & Pucko (2010), while a well-formulated strategy, a strong and effective pool of skills, and human capital are extremely important resources for strategy success, poor leadership is one of the main obstacles in successful strategy implementation. Lorange (1998) argued that the chief executive officer (CEO) and top management must emphasize the various interfaces within the organization. One key challenge in successful strategy...
implementation is ensuring employees’ buy-in and directing their capabilities and business understanding toward the new strategy. Therefore, the need for effective leadership outweighs any other factor. Beer and Eisenstat (2000) addressed this issue from a different perspective; they suggested that in the absence of effective leadership, conflicting priorities will result in poor coordination because employees will suspect that top management prefers to avoid potentially threatening and embarrassing circumstances.

Zaribaf & Bayrami (2010) categorized the leadership’s importance into three key roles: managing the strategic process, managing relationships, and managing manager training. Similarly, Ansari’s (1986) study on just-in-time purchasing concluded that the commitment and leadership of top-level management are essential in strategy implementation. In a study involving Zimbabwe’s state-owned enterprises, Mapetere, Mavhiki, Tonderai, Sikomwe, and Mhonde (2012) found that relatively low leadership involvement in strategy implementation led to partial strategy success in the organization studied. Researchers have also examined the influence of hierarchical leadership in implementing strategies. O’Reilly, Caldwell, Chatman, Lapiz, Self, and William’s (2010) study concluded that it was only when leaders’ effectiveness at different levels (hierarchies) was considered in the aggregate that significant performance improvement occurred while implementing strategies. Implementation incorporates a number of aspects, some of which can be changed directly and some of which can only be changed indirectly. The latter aspects are more difficult for strategic leadership to control and change. While studying how the implementation of competitive strategies affects business units’ performance, Menguc, Auh, and Shih (2016) argued that managers’ use of transformational leadership skills results in the best competitive strategies, including innovation differentiation, marketing differentiation, and low cost of the product.

In addition to the above, another inhibitor to successful strategy implementation that has been receiving a considerable amount of attention is the impact of an organization’s existing management controls (Langfield-Smith, 2016) and particularly its budgeting systems (Marginson, 2012). To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perceptions of the strategy and its implementation, of its underlying rationale, and its urgency. Instead, they must believe the exact opposite. They must not spare any effort to persuade the employees of their ideas (Rapa and Kauffman, 2010).

5.4 Organizational Culture and Performance

Organizational culture refers to the basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously and define an organization’s view of itself and its environment as defined by Johnson et al., (2009). It is about the things that are often taken for granted yet significantly contribute to the way groups of people respond and behave in relation to the issues they face, thereby influencing the development and change of organizational strategy. One of the major challenges in strategy implementation appears to be more cultural and behavioural in nature, including the impact of poor integration of activities and diminished feelings of ownership and commitment (Aaltonen and Ikavalko, 2012). Corboy and O’Corrbui (2009), meanwhile, identify the deadly sins of strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; difficulties and obstacles not acknowledged, recognized or acted upon; and ignoring the day-to-day business imperatives.

Marginson, (2012) contend that strategy implementation evolves either from a process of winning group commitment through a coalitional form of decision-making or as a result of complete coalitional involvement of implementation staff through a strong corporate culture. Organizational culture refers to the leadership style of managers – how they spend their time,
what they focus attention on, what questions they ask of employees, how they make decisions; also the organizational culture (the dominant values and beliefs, the norms, the conscious and unconscious symbolic acts taken by leaders (job titles, dress codes, executive dining rooms, corporate jets, informal meetings with employees).

In Collaborative Model of strategy implementation, organizations have both a strong culture and deep-rooted traditions. The challenge of successful implementation results from lack of cultivation of strong cultural values to meet the changing organizational needs. The distinction between “thinkers” and “doers” begins to blur but does not totally disappear. In organizations adopting the cultural model that emphasizes lower-level employee participation in both strategy formulation and implementation there is separation of “thinkers” and “doers”. It seeks to implement strategy through the infusion of corporate culture throughout the firm. The cultural model contradicts and challenges the basic objectives from the economic perspective of a firm (Parsa, 2009). A “clan-like” (Ouchi, 2010) organization is expected to prevail, where a powerful culture results in employees aligning their individual goals and behaviours with those of the firm. However, a high level of organizational slack is needed to instil and maintain a cultural model. This model has several limitations: it assumes well-informed and intelligent participants; firms with this model tend to drift and lose focus; the cost of change in culture often comes at a high price; increased homogeneity can lead to a loss of diversity, and creativity consequently (Parsa, 2009).

Every organization has a corporate culture – shared values, beliefs, norms, attitudes, customs, personalities or heroes that describe a firm. Peter Drucker famously said “culture eats strategy for breakfast”; a statement often interpreted as culture being more important than strategy. Strategists are beginning to realize that an organizational culture can represent a major obstacle or contributor to successful strategy implementation. It is top management’s concern to ensure that culture is a positive force in the strategy implementation process.

Culture sets the foundation for strategy. For successful implementation, a strategy must fully align with organizational culture and thus, initiatives and goals must be established within an organization to have a culture that embraces the organization’s strategy over time. A stable culture can unify members; it can foster partnership, unity, teamwork, and cooperation among staff. It enhances commitment and focuses on productivity within the organization rather than resistance and regulations or external factors that prohibit success. On a cross-cultural note, differences in attitudes towards work, authority, equality among other factors vary from one culture to another. These concerns are of greater importance to organizations that operate internationally, for purposes of manifesting different standards, values and expectations in various countries, according to Johnson et al., (2009). They further posit that aligning strategic positioning and organizational culture is a critical feature of successful organizations. This is because the culture is largely an unintended driver of strategy. Onono (2018) opines that the type of organizational structure embraced in an institution directly influenced learning and growth culture within the organization.

6. Conceptual Framework

A conceptual framework is a set of broad ideas and principles that demonstrate the interface between the dependent and independent variables in a particular study.
In this study, the dependent variable was organizational performance while the independent variables were organizational structure, resource allocation, top management commitment and organizational culture as shown in figure 1.

7. Research Methodology

The study adopted a descriptive research design. This design is used where the research problem has been specifically defined and the researcher has certain issues to be described by the respondents about the problem. This method is appropriate for collecting both descriptive and explanatory data concerning strategy implementation practices and organizational performance. The target population for this study consisted of Church leaders, employees and volunteers as well as members of the congregation in the four selected churches - CITAM, PBC, NBC and Nairobi Chapel. It targeted 400 respondents from the said groups and their proportions were studied. This study used a formula by Yamane (2011) which provides a simplified formula to calculate sample sizes. This formula was used to calculate the sample sizes, using a 90% confidence level. Sample size, \( n = \frac{N}{1 + N(e)^2} \) Where \( e \) = Margin of error (0.1) and \( N \) is the population (400) = 80 respondents. In this study, data was collected mainly by use of questionnaire method. This was due to the size of the sample which was relatively large.
The researcher made use of drop and pick method were the research tools were dropped and collected after being filled. In order to access respondents more conveniently, the researcher utilized online tools to disseminate the questionnaire as well as to receive feedback. The questionnaire had both open-ended and closed-ended questions. Questionnaires are appropriate for studies since they collect information that is not directly observable as they inquire about motivations, feelings, attitudes, perceptions as well as experiences of individual respondents. Once collected, data was chronologically arranged with respect to the questionnaire outline to ensure that the correct code was entered for the correct variable, cleaned and tabulated. The data were analyzed by use of descriptive, correlation and regression statistics using SPSS and Microsoft Excel tools. It also considered measures of central tendency especially mean, median and mode and measures of dispersion, especially standard deviation. Multiple regression statistics were used to establish the relationship between strategy implementation practices and organizational performance.

8. Data Analysis Results

In this study, a multiple regression analysis was conducted to test the influence among predictor variables.

**Table 1: Regression Analysis Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted Square</th>
<th>R Std Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.793</td>
<td>0.726</td>
<td>0.678</td>
<td>0.2076</td>
</tr>
</tbody>
</table>

*Predictors: (Constant), organizational structure, resource allocation, top management commitment, organizational structure*

*Source: Field Data (2019)*

R-Square (coefficient of determination) is a commonly used statistic to evaluate model fit. R-Square is 1 minus the ratio of residual variability. The adjusted R\(^2\), also called the coefficient of multiple determinations, is the percent of the variance in the dependent variable explained uniquely or jointly by the independent variables. 67.8% of the changes in the dependent variable could be attributed to the combined effect of the predictor variables.

**Table 2: ANOVA results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>12.223</td>
<td>4</td>
<td>3.112</td>
<td>3.971</td>
<td>0.001</td>
</tr>
<tr>
<td>Residual</td>
<td>92.876</td>
<td>66</td>
<td>0.641</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>115.099</td>
<td>70</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Predictors: Organizational Structure, Resource Allocation, Top Management Commitment, Organizational Culture*

*b. Dependent Variable: Performance of Evangelical Churches*

*Source: Field Data (2019)*

The probability value of 0.001 indicates that the regression relationship was highly significant in organizational structure, resource allocation, top management commitment and organizational culture influenced the performance of evangelical churches. The F critical at 5% level of significance was 3.971 since F calculated is greater than the F critical (value = 2.830), this shows that the overall model was significant.
Table 3: Regression Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std Error</td>
</tr>
<tr>
<td>Constant</td>
<td>2.770</td>
<td>0.451</td>
</tr>
<tr>
<td>Organizational Structure</td>
<td>0.332</td>
<td>0.121</td>
</tr>
<tr>
<td>Resource Allocation</td>
<td>0.433</td>
<td>0.079</td>
</tr>
<tr>
<td>Top Management Commitment</td>
<td>0.248</td>
<td>0.073</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>0.142</td>
<td>0.073</td>
</tr>
</tbody>
</table>

Source: Field Data (2019)

The regression equation above has established that taking all factors into account (organizational structure, resource allocation, top management commitment and organizational structure) constant at zero, the performance of churches will be 2.770. The findings presented also show that taking all other independent variables at zero, a unit increase in resource allocation would lead to a 0.433 increase in the performance of churches. Further, the findings show that a unit increases in organizational structure would lead to a 0.332 increase in performance of churches. In addition, the findings show that a unit increase in top management commitment would lead to a 0.248 increase in performance of churches. The study also found that a unit increase in the organizational culture would lead to a 0.142 increase in performance of churches. Overall, organizational culture had the least effect on the performance of churches while resource allocation had the highest effect.

9. Conclusion of the Study

The results reveal that organizational structure, resource allocation, top management commitment and organizational culture are among the major factors that influence the performance of evangelical churches. As the findings highlight, the coefficient of organizational structure was 0.332, the t-statistic and corresponding p-value were 3.333 and 0.025 respectively implying that organizational structure an institution improves the general performance of that organization. The churches, therefore, need to form clear governing structures with clear communication channels and organizational structures which allows for coordination of activities for overall performance. The positive influence of resource allocation on organizational performance of churches as implied by the coefficient 0.433, the t-statistic 3.214 and p-value 0.025, indicated that the allocation of resources was vital to the performance of churches. Proper allocation of resources both physical and financial should be applied by the churches for optimal performance.

The top management commitment indicated a statistically significant influence on performance; coefficient of 0.248, with the t-statistic of 3.329 and p-value of 0.032 implying that top management which created a clear picture of the future and encouraged the employees to achieve the set goals effectively translating to improved performance of the churches. This is because top management comprises leaders of organizations and their commitment toward service provision, which supports overall performance, is vital. The positive influence of organizational culture on organizational performance as shown by the coefficient of organizational culture that was 0.142, t-statistic of 3.425 and p-value of 0.021, implied that the overall culture of the church influences how it performs. This was important because it determined whether the set objectives were being achieved through teamwork, shared core values and focus on organizational goals.
10. Recommendations of the Study

To begin with, it is recommended that the churches develop organizational structures that support implementation of strategies to enhance performance. These structures should have elements of open-door policy and open communication so as to allow for smooth operations leading to increased performance. Also, the structures should allow for efficient coordination of activities leading to effective strategy implementation. In addition, it is recommended that the church’s top management should consider adopting practices such as allocating more physical and human resources proportionate to the existing activities for superior performance. The management should draw up efficient budgets which reduce unnecessary spending so as to ensure optimum use of the available financial resources.

The management should demonstrate support and commitment towards strategy implementation to promote organizational success. Reward employees based on their performance and cultivate a healthier relationship with all the stakeholders of the churches to promote organizational success. Finally, the management should build positive relations with the staff members and volunteers to strengthen work output and thereby improve the general performance of the churches. Additionally, it is recommended that the churches create and uphold a culture that supports the effective delivery of ministry strategy, which leads to increased church performance. A culture among employees and volunteers that are focused on strong customer service that strengthens the reach and impact of the ministry work is highly recommended. Lastly, it is recommended to develop shared values and beliefs that strengthen institutional performance.

REFERENCES


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