

## Original Research Article

## Strategic Planning and Performance of Savings and Credit Cooperative Societies in Nairobi City County, Kenya

Elizabeth Wairimu Karuoya<sup>1\*</sup>, Paul Waithaka<sup>2</sup><sup>1</sup>MBA Student, School of Business, Economics and Tourism, Kenyatta University, Kenya<sup>2</sup>Lecturer, Department of Business Administration, School of Business, Economics and Tourism, Kenyatta University, Kenya**Article History****Received:** 14.05.2023**Accepted:** 11.06.2023**Published:** 19.06.2023**Journal homepage:**<https://www.easpublisher.com>**Quick Response Code**

**Abstract:** SACCOs play a crucial role in granting access to sustainable fiscal assistance and are identified as most effective models in enhancing productivity with over 80% of the population in Kenya, deriving their livelihood directly or indirectly from the cooperative sector. However, SACCOs are facing challenges in performance as a result of stiff competition from other financial institutions, modern technology, problems in financial management, poor leadership, and governance issues. This review narrows the gap by evaluating the impact of strategic planning on SACCO performance in Nairobi City County, Kenya. A descriptive survey research design was utilized. The research targeted 47 licensed SACCOs in Nairobi City County using a census sampling method. Results revealed that all independent variables comprise environment analysis, strategy formulation and strategy selection, were significant and had a positive relationship with SACCO performance. Therefore, it was concluded that strategy planning delivers positive results in a firm, with strategy selection contributing most to the performance of SACCOs, followed by strategy formulation and then environmental analysis. The study recommends that SACCOs should review its strategic plan every quarter of the year for continuous improvement of performance as well as that the top management of SACCOs ought to incorporate the other strategic planning practices in order to improve their performance and competitiveness. SACCOs should acquire a steady improvement in performance by reviewing its strategic plan every quarter of the year. This will enable SACCOs to develop a better strategy. Based on the research results, top management ought to play the key role on ensuring the strategic plan process is success in SACCOs and it is a critical factor in the SACCO performance in NCC. There is need to embrace good leadership structure to ensure improvement on strategic plan implementation.

**Keywords:** Environment Analysis, Strategy formulation, strategy selection, Strategic Planning, Organization performance.

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### INTRODUCTION

Savings and Credit Cooperative Societies (SACCOs) are globally acknowledged as imperative avenues of economic progression. A dynamic and vibrant cooperative sector has significantly contributed to the growth and economic expansion of many countries. There are more than 57,000 credit unions operating in a total of 105 countries worldwide. Credit unions are enabling people to access affordable and high-quality financial services and as a result, changing millions of lives in the world, stabilizing economies, and reducing poverty (Crear, 2009). In the recent times, the significance of SACCOs has been achieved worldwide.

McKillop, French, Quinn, Sobiech and Wilson (2020) as well as Crear (2009) state that other than commercial banks, cooperative finance increases the chance for the poor to access credit by offering fairly lower fees and reduces the cost of remittance transfers. In developed countries, cooperative finance is stable and less responsive to market rates and monetary policy. Generally, SACCOs are regarded as favorable in providing loan terms to the community, both in case of social groups or work-based situations in countries such as Rwanda, Malawi, Cameroon, and the African diaspora. SACCOs are more cost effective in the provision of credit to low-income sections of communities when funds and assets are pooled at the

\*Corresponding Author: Elizabeth Wairimu Karuoya

MBA Student, School of Business, Economics and Tourism, Kenyatta University, Kenya

community level. Essentially, this economic model is perceived as efficient in unblocking bottlenecks and combating poverty particularly in Africa's rural areas.

Cheng, Kadir and Bohari (2014) observes that the environment is rapidly changing today, resulting to plans to become obsolete in a little while, thus making it difficult for organization to do strategic planning. Some organizations have sort for short-term plans that quickly respond to customer requests and needs, with an aim of flexibility and responsiveness to the market. Strategic planning is requisite in situations where the environment is volatile and should be considered as crucial by all organizations.

In Kenya, 45% of its Gross Domestic Product (GDP) is contributed by SACCOs and according to Hezron and Muturi (2015), the sector has effectively managed to mobilize assets worthy Shilling (KES) 210 billion and KES 200 billion deposits. The Government of Kenya (GOK) has seized the initiative to govern cooperative proceeds by law to acquire the vision 2030 objectives and Millennium Development Goals (MDGs) for economic development. SACCOs are presently the main source of cooperative credit for socio-economic development in Kenya. The national concern to do strategic planning is still positively perceived because of its importance. Practically, SACCOs in Kenya have adopted strategic planning by possessing strategic plans. If used appropriately, strategic planning is likely to aid SACCOs in reducing costs and saving time. Therefore, this study investigated the effect of strategy planning on SACCO performance in the Nairobi City County (NCC) of Kenya.

### **Strategic Planning**

By planning strategically, an organization goes through a process of defining its course and apportioning its resources to attain strategic goals. Drucker (1974) defines the term strategic planning as an analytical process of managing by strategies and is focused in making optimal decisions. Most decisions facing a business are strategic and therefore deserve strategic planning attention. In strategic planning, there is a procedure observed for the firm to have a secure and feasible strategy.

A mission statement is a succinct explanation of the reason why an organization exists, its overall intention and purpose in the society. Ciulla and Ciulla (2020) observes the significance of a practical mission statement that is straightforward, easy to relate to and simple to recall for provision of direction to all members of the firm in every organizational level. Bart, Bontis and Taggar (2001) articulates that a business mission should be grounded on the firm's current customers, cautious scrutiny of the benefits and scanning of both the existing and predicted environment situations.

Environmental analysis helps the firm in identifying the elements of both internal and external business surrounding that can positively or negatively impact the organization's performance. When an organization undertakes a study to identify its internal weaknesses and strengths, it similarly examines its external threats and opportunities (Madsen & Stenheim, 2022). In conducting an environmental scanning, the organization not only tracks the ongoing occurrences and trends for the internal environment, but also the external environment, and uses the information in determining what can affect implementation of strategies as well success of the firm.

Strategy formulation is defined by Thompson and Strickland (2003) as a process of strategic management where an organization generates a plan to pursue, create direction and determine its objectives. A firm is able to align its opportunities with internal resources as well as threats with the external environment through a strategic formulation process. The emergent school of thought acknowledges the significance for positioning an organization internal process to its external situation, regarding strategy formulation as a continuous practice, on-going and flexible process of readjusting a firm to its changing environment.

Tushman and Romanelli (1985) claim that the choice of viable strategies is defined by the perception of the firm's executives on environment changes. An organization's top management identifies creativity and innovation as crucial aspects in choice of strategies. Strategic choices should be aligned with the changing environment for an organization to remain competitive and viable. This argument is supported by Machuki and Aosa (2011) in confirming that the performance of an organization is depended on the way an organization positions itself with the environment changes.

### **Organizational Performance**

Organizational achievement is the final output measured against the expected outcome of an organization. Richard, Devinney, Yip and Johnson (2009) summarize organizational accomplishments in three key outcome parts namely product performance, fiscal performance and shareholder return. Similarly, Richard (2009) states market share, product performance, profitability and customer satisfaction as key indicators to organization performance. Another measure of organization performance is through attaining success by carefully utilizing resources, leading to customer satisfaction and cost differentiation. Evidence is provided by Haber and Reichel (2005), of an optimistic relationship amid financial control and planning to an effective financial achievement of SACCOs. Mbonyane (2006) asserts that non-performance of SACCOs in a certain country has a huge effect on economic development and can result to a decrease in financial value of assets as well as

economic distress. SACCOs in Kenya are steadily embracing new techniques to the SACCO model and responding to abrupt changes in the financial atmosphere. For instance, the advancement of products not linked to the long-established model of the SACCO, depends on the secured shares deposit. Nevertheless, it is prudent that SACCOs stay abreast with evolving needs, deliver quality services and continuously stay liquid.

In Kenya, SACCOs practically experience intense competition from their opponents within its fiscal sector such as investment groups, micro-finance institutions, commercial banks and shylocks (Motompa, 2016). Still, a considerable 51% of SACCOs remained non-functional in spite of the government drive to assist cooperative activities via regulation of laws. The high-rate failure of SACCOs continually circumvents the MDGs and Vision 2030 objectives for growing fiscal presence (Pollet, 2013). Also, it is projected that under 50% of the earmarked SACCO initiatives contribute to SACCO enterprises as a result of the extreme failures. Based on these corresponding aspects, this study examined strategic planning practices that impacted SACCOs' performance within the NCC in Kenya.

### **SACCOs in Nairobi City County, Kenya**

The research was administered in NCC of Kenya and targeted all registered SACCOs in the county. NCC was initially named Nairobi Province until the year 2013 when the eight provinces in Kenya were split through a devolution process to 47 counties. NCC lies on the same administrative boundaries as Nairobi Province which spreads over a scope of 696 square kilometers. NCC borders Machakos towards East, Kiambu towards North and West and Kajiado towards South. The results for the Kenya Population and Housing census held in the year 2019 confirm that a population of 4.4 million people resides in NCC. The county has a total of eighty-five wards and is split into seventeen sub-counties. The sub-counties include Lang'ata, Kibra, North, Dagoretti, Westlands, Dagoretti South, Embakasi North, Makadara, Roysambu, Mathare, Kasarani, Kamukunji, Starehe, Ruaraka, Embakasi South, East, Central and West.

Compared to other counties, NCC has the most registered SACCOs totaling to 47, due to a considerable number of both employed and self-employed people. These persons need financial intermediation to address their needs, and mainly prefer SACCOs which are considered as a cheaper source of financing. The SACCOs are facing challenges in performance as a result of stiff competition from other financial institutions, modern technology, problems in financial management, poor leadership and governance issues. Currently, strategic planning is important as it allows the firm to put business challenges into perspective and is positively recognized. As a result, there is a growing demand for well-established and stable SACCOs. The

ability of SACCOs to withstand these competitors depends on their strategy planning practices that aims to give them a competitive edge.

### **Statement of the Problem**

As part of fiscal structures, SACCOs contribute to the economic growth, and they exist in most sectors of Kenyan economy. An approximate of 63% of Kenyan natives are benefitting from the SACCO initiative (Mumanyi, 2014). Most SACCOs in Kenya have faced performance challenges with some of them experiencing operational risk associated with rapid adoption of technology in delivery of services (Kenya Financial Sector Stability Report, 2018). There is a high rate in growing demand for well-established and stable SACCOs. KUSCCO is authorized to assist SACCOs in addressing issues related to designing and implementing strategic plans. A report by SASRA (2013), indicates that SACCOs are key in economic development and their importance is significant for the general soundness of the financial sector. To a greater extent, SACCOs play a vital role in delivery of credit services, collection of savings and provision of insurance services to a huge population of the country.

The impact of strategy planning process to performance of firms has been conducted in various studies both locally and worldwide. Designing of strategic plans is recognized positively for its significance to Kenya's economic growth. The researcher therefore seeks to assess the NCC SACCOs' strategic planning practices and how they influence their performance, thereby enhancing a steady and sustainable growth. Studies imply existence of a favorable impact on organizational achievement through strategic planning (George, Walker & Monster, 2019).

A study by Jayawarna and Dissanayake (2019) concluded that strategic planning and performance have mixed outcomes. No significant relationship was found amid strategic planning and organization performance.

The empirical review of these studies revealed numerous disparities that required fastening for better proof and knowledge advancement. There were limited studies on strategic planning practices among SACCOs, a case in point where a survey by Nguta (2009) acknowledged that there were various challenges faced by SACCOs in strategic planning, without explaining the chief reasons and effects on SACCO performance. The research recommended further research to find out whether the performance of SACCOs practicing strategic planning was better than that of SACCOs not practicing strategic planning. This study thus endeavored to fill these contextual and conceptual gaps concentrating on the effect of strategy formulation, strategy selection, and environment analysis in connection to strategic planning and SACCO performance in NCC.

## RESEARCH OBJECTIVES

This research pursued the subsequent specific objectives:

- i) To examine the effect of environment analysis to SACCO performance in NCC.
- ii) To establish the impact of strategy formulation in SACCO performance in NCC.
- iii) To determine the relationship between strategy selection and SACCO performance in NCC.

## EMPIRICAL REVIEW

This part covers dissertations undertaken previously. As captured in the review, the connection between organization performance and strategic planning has been established in numerous studies with supportive conclusions.

### Environment Analysis and Performance

Gitonga (2019) administered a dissertation titled impact of Industry environmental factors on security firms' performance within NCC. By using a descriptive design method, the research selected 135 managers. A questionnaire was the instrument used to collect primary information. In its findings, the study established that a substantial positive connection exists, linking new entrants as well as buyers bargaining power with performance. Rivalry among competitors is essential for increased productivity in an industry. The study concluded that new entrants and buyers bargaining power influences profitability of a company, and rivalry enhances quality among organizations.

Research in MSMEs of Batu City, Rizal, Suhadak and Kholid (2017) dwelt with analysis of the food and beverage sector's internal and external environmental factors on business performance. Using explanatory research, the raw information was gathered by use of a questionnaire, from a sample of 108 respondents. Data analysis suggests that a definite and remarkable influence exists amid internal and external environment forces as well as on business performance. The study concluded that human resource capacity, access to external funding and legal and regulatory framework were main factors that shape business performance.

### Strategy Formulation and Performance

Research by Maina, Munga and Njeru (2020) was conducted on strategy formulation in Kenya state corporations' performance. Using descriptive research design, data was collected using a questionnaire from a sample of 77 managers. For data analysis, a descriptive statistic was used. The study found major aspects affecting strategy formulation in operation of state corporations as vision, mission, firm resources, leadership and environment scanning. A conclusion was reached that more emphasis should be put by state corporations on leadership and environment scanning, which are key pointers in strategy formulation and have highest impact on performance.

Research on manufacturing firms in Sri Lanka was undertaken by Wijetunge (2014) and pursued to link strategic formulation and organization performance. 275 SMEs provided response. The research discovered that general performance of an organization has a positive moderate correlation with strategy formulation. A positive correlation was also found amid annual sales, annual profitability, employee growth, strategic planning and investment to business in the last three years. Additionally, the study found direct relationship between the general performance of the firm and scanning of macro-environment, review of key obstacles and strategic preference.

Kanano and Wanjira (2021) conducted research in strategy management processes and achievement of supermarkets' in Nakuru County. The study targeted 12 supermarkets and 100 managers by use of a descriptive research design. In its findings, the research concluded that strategic formulation, strategic implementation and strategic evaluation have a positive connection over the functioning of the supermarket. The research concluded and recommended that strategy formulation can promote an advanced achievement, and there is need to mitigate risks related to investments for supermarkets to successfully implement formulated strategies.

### Strategy Selection and Performance

A study in Italian food SMEs was conducted by Carraresi, Mamaqi, Albisu and Banterle (2011) and sought for the connection between strategic choice and performance. A survey was done, and primary data gathered in a sample of 69 firms using questionnaires. The study found and discovered that a direct connection exists amid performance and strategic choice through chain relationship development, product positioning and innovation. Therefore, attention should be paid to developing strategy choice which is obtained from particular capabilities and resources in the food SMEs.

Research targeting the humanitarian Non-Governmental Organizations (NGOs) in NCC was undertaken by Nyambariga (2018), seeking the influence of strategic choice on organizational performance. By adopting an explanatory cross-sectional survey design, 31 respondents were engaged in collection of primary data using questionnaires. The research found and concluded that a close association exists amid strategic choices and performance. The research proposes to the leadership of humanitarian NGOs to do additional financing in formulation and implementation of strategies, since they influence organizational performance positively and in a significant manner.

Mbithi (2016) dwelt on impact of strategy choice in Kenya's sugar companies' performance. The research employed a mixed approach survey design through structured questionnaires and interviews to

obtain primary data. The study concluded that a cost reduction, boost in sales, improved reputation, stronger customer loyalty and motivated employees in sugar companies was achieved due to adopting Corporate Social Responsibility (CSR) activities. The research recommended that an expansion of product base, improved procedures, exploration of unrelated products,

exploit idle capacity, and adoption of CSR in sugar companies would help to improve on returns, increase sustainability, manage competition, boost returns and build strong image.

### Conceptual Framework

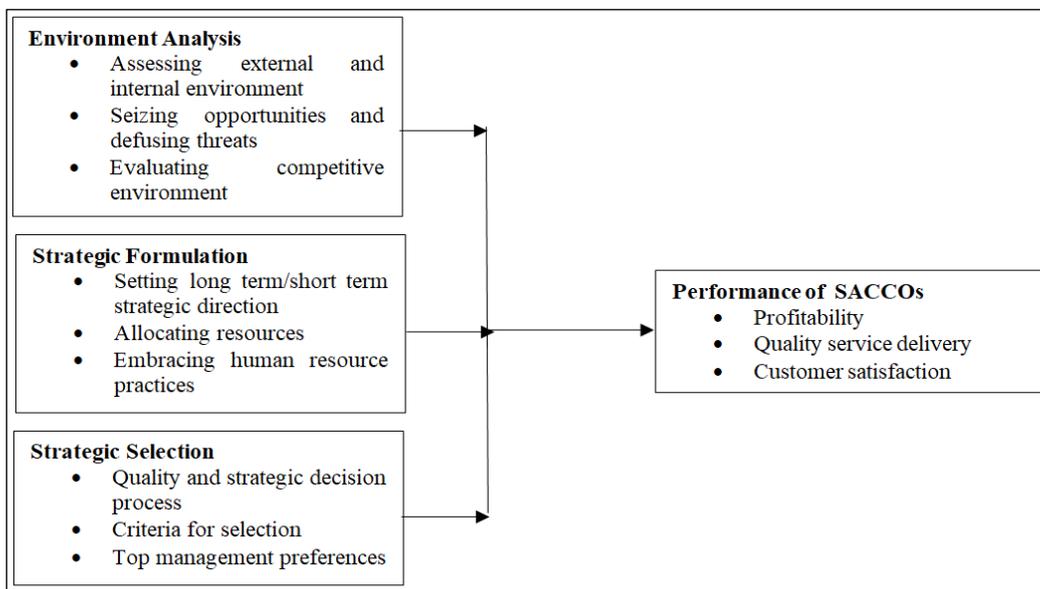


Figure 1: Conceptual Framework

## RESEARCH METHODOLOGY

This research adopted a descriptive survey research design to establish impact that strategy planning practices has in SACCO performance within NCC. The descriptive survey research design was most suitable in this study since it granted a researcher to gather sufficient data at a certain period of time and help generalize results in a wider populace in an explicit manner. According to SASRA (2021) report on list of SACCOs, there are 175 licensed SACCOs authorized to operate business in Kenya that form the populace for this research. In essence, the 47 registered SACCOs in NCC form the target populace. Furthermore, Census sampling method was employed in this research. The sample size of 47 registered SACCOs in NCC allowed a substantive amount of information to be gathered

from a suitable population using the most economical method. The study targeted three respondents from each firm comprising accounting, operations and human resource department, summing to 141 informants. Multiple linear regression was used to analyze the effect of independent variables on the performance of SACCOs.

## RESULTS

The research endeavored to evaluate the effect of strategic planning on SACCO performance in NCC of Kenya. Inferential analysis was used to assess environment analysis, strategy formulation and strategy selection in relation to SACCOs performance as presented in Table 1.

Table 1: Correlation Analysis

		Performance	Environment Analysis	Strategy Formulation	Strategy Selection
Environment Analysis	Pearson Correlation	.616**	1		
	Sig. (2-tailed)	.000			
	N	115	115		
Strategy Formulation	Pearson Correlation	.656**	.385**	1	
	Sig. (2-tailed)	.000	.000		
	N	115	115	115	
Strategy Selection	Pearson Correlation	.675**	.236*	.695**	1
	Sig. (2-tailed)	.000	.013	.000	
	N	115	115	115	115

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

Table 1 shows the correlation analysis determining the link connecting the dependent and independent variables. The Pearson Correlation for environment analysis is 0.616 implying a strong direct connection. The Sig. (2-tailed) was  $0.000 < p\text{-value} (0.05)$ , failed to accept null hypothesis and concluded that environment analysis has a statistically major impact on the SACCOs.

Strategy formulation on SACCOs performance has a direct connection as indicated by Pearson Correlation (0.656), since Sig. (2-tailed) is  $0.000 < P\text{-value} (0.05)$  null hypothesis is rejected and concluded

that the strategy formulation has a major impact on the SACCOs performance. The strategy selection has a direct impact on the SACCOs performance as revealed by the Pearson Correlation (0.675) with sig-value of 0.000. Null hypothesis is rejected and concluded that the impact of strategy selection on SACCOs performance is significant.

**REGRESSION ANALYSIS**

The research endeavored to establish the impact of all variables on SACCOs performance in NCC of Kenya.

**Table 2: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.905 <sup>a</sup>	.820	.813	.16526

a. Predictors: (Constant), environment analysis, Strategy formulation and Strategy selection  
 b. Dependent Variable: SACCOs performance

As per the model summary, a Correlation value of .905 denotes a strong linear association between predicted and explanatory variables. Owing to R-square values of 0.820, which was adjusted for errors to 0.16526, the model was found to be strong. This

denotes that 90.5% of shifts in SACCO performance is determined by the independent variables. The R, value signifies the level of correlation and where  $R = 0.905$ , this implies that there is a strong direct linkage between predicted and explanatory variables.

**Table 3: ANOVA**

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	12.907	4	3.227	118.155	.000 <sup>b</sup>
Residual	2.840	110	.0258		
<b>Total</b>	<b>15.747</b>	<b>114</b>			

a. Dependent Variable: SACCOs performance  
 b. Predictors: (Constant), environment analysis, strategy formulation and strategy selection

Table 3 above reveals that the model was significant owing to F-test value of 118.155 at significance value of 0.000 ( $p < .05$ ) which attributed to the rejection of null hypothesis and a conclusion was

made that the there is a significant relationship between the combined variables and SACCOs performance. Thus, environment analysis, strategy formulation and strategy selection enhance SACCOs performance.

**Table 4: Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.462	.367		3.981	.000
Environmental Analysis	.343	.089	.200	3.852	.000
Strategy formulation	.397	.092	.165	2.806	.000
Strategy selection	.744	.078	.647	9.521	.000

a. Dependent Variable: SACCOs performance

Holding (strategy formulation and strategy selection) constant, a unit increase in environment analysis leads to a 0.343 increase in SACCOs performance. Thus, environment analysis has positive and significant effect on SACCO performance. The findings agree with Pulaj and Pulaj (2015) who in a case addressed the impact of strategic environmental analysis on organization performance involving all the construction companies in Vlora region in Albania.

A unit increase in strategy formulation leads to a 0.398 increase in SACCOs performance. Strategy formulation was found to have a significant effect on SACCO performance. The findings concur with research by Maina, Munga and Njeru (2020) was conducted on strategy formulation in Kenya state corporations' performance that found strategy formulation as a key pointer and has highest impact on performance.

Strategy selection was found to have a positive and significant effect on SACCOs performance. These findings concur with a study in Italian food SMEs was conducted by Carraresi, Mamaqi, Albisu and Banterle (2011) and sought for the connection between strategic choice and performance. The study found and discovered that a direct connection exists amid performance and strategic choice through chain relationship development, product positioning and innovation.

The relationships between the strategic practices (environment analysis, strategy formulation and strategy selection) employed by various organization in NCC and performance, is strong at 95% and 5% level of confidence and significance respectively. Strategic selection contributed most to the SACCOS performance in NCC, Kenya, followed by strategic formulation and lastly environment analysis. The findings show that independent variables had statistically significant predictive capacity as indicated by  $p < 0.05$ . Therefore, all factors notably environment analysis, strategy formulation and strategy selection influence the performance SACCOs in NCC, Kenya. The research therefore concluded that through effective strategic planning, performance of SACCOS can be improved. This further indicates that environment analysis, strategy formulation and strategy selection are critical factors to improvement performance of SACCOs. As displayed in Table 4 above, the regression equation below was formed:

$$\text{SACCOs performance} = 1.462 + 0.343 \text{ Environmental Analysis} + 0.397 \text{ Strategy formulation} + 0.744 \text{ Strategy selection.}$$

## CONCLUSION

The study results found that environmental analysis was statistically significant hence played a vital role in performance of SACCOs in NCC. It has set up a structure that enables SACCOs to comply with legal and regulatory obligations, ensure top management makes informed decisions in a timely and effective manner. Also periodically conducts Strengths, Weaknesses, Opportunities and Threats analysis, and seizes its opportunities and strengths for benefit of the SACCO. Further, the management selects attractive options that complement the SACCO resources and the external environment to attain a competitive advantage; Conducts a value chain and competitor analysis to assist the management to establish the SACCOs competence Environment analysis provides quality products and services that are priced competitively. The research concludes that environment analysis is a crucial factor in improving the performance of SACCOs in NCC.

The study further concludes that strategy formulation positively and significantly affects the performance of SACCOs. The study revealed that the SACCOs possess a vision and mission statement that is pertinent to the firm's goals and directive. The mission

and vision are often reviewed as per the SACCOs' needs. There is an organized and transparent resource allocation, the SACCO activities are well budgeted for to support firm's activities and resources are managed effectively to support strategic goals. The employees' ideas are considered in strategy planning and decision-making process of the SACCO. This implies that all employees are involved in decision making process. Majority of the SACCOs and the training program are applicable for all employees and a performance evaluation for employees is measured on objective quantifiable results basis.

On Strategy selection, the study concludes that there is a positive and significant relationship with performance of SACCOs. The study findings showed that the top management has created enabling environment for decision-making; management finds comprehensive alternatives to generate more information to select strategies from, and management engages stakeholders' ideas, proactively considering their needs and desires before making a decision. The SACCOs' Strategic plan decisions are communicated to all stakeholders on a timely basis and SACCOs has a selection criterion for selecting strategies that help to tackle problems faced by the firm. The management of SACCOs selects the best alternative for decision making. This implies that majority of SACCOs have its selection criteria which greatly influences performance of the SACCOs. The top management participates in the strategy planning process and top managers consider a broad range of options before accepting strategic choices making conclusion that top management plays the biggest role on strategic planning management. Based on the research results, strategy selection a is a critical concept in the SACCO performance in NCC. Therefore, there is need to embrace it.

With reference to the regression analysis conducted, the research finally concludes that strategy selection contributes most to the performance of SACCOs, followed by strategy formulation and lastly environmental analysis.

## RECOMMENDATIONS

As per the study findings and conclusions, the study recommends that there is need for the top management of SACCOs to incorporate the other strategic planning practices apart from the ones discussed in this study, into their system in order to improve their performance and competitiveness. This can be done through investing more resources devoted to strategic planning practices through identifying other major threats that could deter the SACCOs from gaining a competitive advantage. Once identified, SACCOs should obtain critical information, verify and adjust the strategy to include the newfound practice.

The study also recommends that for SACCOs to acquire a steady improvement in performance, they need to review its strategic plan every quarter of the year. This will enable SACCOs to continuously scan the environment, identify risks and opportunities, and have a comprehensive understanding of the competitive situation in the business environment. This will enable the SACCOs to develop a better strategy that will improve the firm's competitive advantage thus improving the competitive position in the industry.

Based on the research results, top management has played the key role on ensuring the strategic plan process is success in SACCOs and it is a critical factor in the SACCO performance in NCC. The top management has carefully analyzed the competition that exists within the industry and made the best decisions among the available alternatives. The research recommended that there is need to embrace good leadership structure, encourage training, knowledge sharing among employees and sensitize them about their products and services to ensure improvement on strategic plan implementation as well as keep track of the trends in the industry.

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