

RESOURCE ALLOCATION AND STRATEGY IMPLEMENTATION IN PRESBYTERIAN CHURCH OF EAST AFRICA IN NAIROBI COUNTY

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ABSTRACT

In as much as churches have their basis on spiritual matters, they still need growth and continuity, which calls for well-structured strategies and better methods of strategy implementation. Many studies have focused on strategy implementation for profit or business organizations; very few studies have examined strategy implementation on not-for-profit organizations such as churches. This study therefore sought to evaluate factors influencing the implementation of strategies in the Presbyterian Church of East Africa in Nairobi county. The study investigated how resource allocations as a key determinant affect the implementation of strategies in Nairobi County. The study adopted a descriptive study design and random sampling technique to identify the respondents. The study used primary data collected from 472 Kirk session members (elders) from PCEA churches within Nairobi County using semi-structured

questionnaires. The study received a response rate of 65.25% from the questionnaires, which was sufficient for analysis. The findings of the study revealed that resource allocation has significant positive effects on the implementation of strategies in PCEA churches in Nairobi County. The coefficient of determination of 0.865 indicated that there will be a variation of 86.5% in the implementation of strategy due to changes in the resource allocation. The study concluded that resource allocation is paramount to strategy implementation in PCEA church in Nairobi County. The study recommends that management of the PCEA church should create a healthy allocation of adequate resources that will support the implementation of strategic plans.

Key Words: *resource allocation, strategy implementation, Presbyterian Church of East Africa, Nairobi County*

INTRODUCTION

The common denominator between religious, academic and overall business organizations is the desire for growth and diversification. Growth is not an easy process; it involves commitments, sacrifice and most of all strategy. All organizations have a dream to achieve and in doing so they need to have strategies that will propel them to their destination (Kiptoo & Mwirigi, 2014). Strategy can only have meaningful impact if implemented effectively and efficiently to enable the firm be competitive, sustainable and profitable. An organization without a well-structured and effectively implemented strategy has more chances of failure (Kagumu & Njuguna, 2017).

The energy, time and commitment required to implement strategies is often overlooked; this is the biggest source to the failure in strategy implementation (Mutie, 2014). Factors including inappropriate strategies, resistance to change, ineffective leadership, lack of honest communication within management, inadequate resources and lack of control have been cited as impediments to effective strategy implementation. Attention should be given to the implementation stage to avoid common pitfalls by continuously improving on the activities that constitute time, resources and commitment dedicated towards strategy implementation (Kigaka, 2016).

Churches are believed to only strive for spiritual matters and not get distracted by business oriented projects. This does not mean that strategic planning is not done in the churches. The idea of strategy planning and implementation has however faced some skepticism from some church leaders who term the process a formidable exercise and being non-biblical. The auguring point is that churches are not businesses and therefore they must not be managed as such. Instead, churches should be managed through divine intervention and guidance from God. Despite this criticism, many churches especially in the urban have gone an extra mile to develop strategies guided by people who are enlightened in the planning profession and those who know the necessity of strategy development (Kagumu & Njuguna, 2017).

There are many determinants for the success of strategy implementation which can be narrowed down to; the strategy, resource allocation, the organizational structure, organizational culture and involvement of stakeholders in the formulation and implementation of strategies (Rotich & Odero, 2016). This research seeks to explore resource allocation as a determinant in the case of PCEA churches in Nairobi County.

Strategy Implementation

A good strategy is one of the many factors that contribute to implementation success but it is not the only factor (Alali, 2015). Banerjee, Strachan, Boyle, Anand and Oremus (2015) point out that clear understanding of the implementation process is great contributing factor of its success. Understanding the implementation process helps everyone involved appreciate their role in the success of the process. The process entails sharing and understanding the strategic plan, defines the implementation blueprint, formulation of support programs, resource allocation and finally task distribution within the implementation team (Maina, 2015).

Presbyterian Church of East Africa (PCEA)

P.C.E.A. was initially started by British business men William Mackinon and Alexander Low Bruce in 1889 who had a company by the name Imperial British East African Company. They had made plans with a Scottish Mission to do missionary work with the Kamba, Maasai and later Kikuyu communities. The first team of Missionaries that came from London to British East Africa were Thomas Watson, John Linton, John Greig and C.M.A. Rahman.

They arrived in Kibwezi and started a Mission Station later that year. They later opened a Mission Station in Dagorreti in 1898 because Kibwezi was not favourable to them since they were affected so much by tropical diseases. In Dagorreti, they opened the station as Church of Scotland Mission (C.M.S.) under the leadership of John Arthur who also worked with the Alliance of Protestant Missions. The mission work grew faster after the establishment of other stations like Thogoto in Kikuyu, Tumutumu in Nyeri and Chogoria in Meru (P.C.E.A. 2018).

In 1946, the Church of Scotland Mission merged with an American Missionary Group based in Kambui - Kiambu to form the now known Church the Presbyterian Church of East Africa (P.C.E.A.). This merger facilitated faster growth of mission work. The faster growth was catalyzed by the involvement and ordination of Africans as Church Elders and Church Ministers. They were able to penetrate well into the African communities (PCEA, 2018).

The Presbyterian Church of East Africa is now fully led by Africans with a membership of over 4 million, over 1500 congregations, over 500 Parishes and 57 Presbyteries in Kenya, Uganda and Tanzania. It envisions starting other Presbyteries and congregations beyond East Africa. The Church has its headquarters in Nairobi South C (P.C.E.A. 2018). The Presbyterian Church of East Africa got its first African Moderator from Rev. Robert Macpherson in 1961 known as Rev. Charles Kareri. From then, the Church has been under the leadership of Africans. The Church became a member of the World Council of Churches and World Alliance of Reformed churches as early as 1956 (P.C.E.A. 2018).

The church's overall governing body is the General Assembly which consists of representatives from all the individual congregations through the Parishes and has the responsibility of overseeing the operations of various councils and committees. The General Assembly consists of; an elected Moderator who serves as the lead for the General Assembly for a three-year term, ministers, elders representing all the Parishes and delegates from sister churches. The Regional Assembly is a composition of current officers of every Presbytery in a particular region. Presbyteries comprises of all ministers in a single presbytery together with an equal number elders. A Kirk session governs a parish and oversees the congregation. A Kirk session has elders which are led by a minister (PCEA, 2018).

PCEA now maintains a number of health centers around the country, a home for the aged, home for the less privileged children, two schools for the deaf and several colleges. PCEA Kikuyu hospital was started in 1908 by Dr. John Arthur as a first aid center with the aim of training the youth to become health workers. The hospital received a major boost in 1975 when it received medical staff from the government and it witnessed the launch of an Eye Unit that provides patient treatment and training in eye care. PCEA medical college, PCEA Tumutumu nursing school and PCEA medical college offers courses in different professions. Presbyterian church of East Africa has also started a university (The Presbyterian University of East Africa - PUEA) which was started as a theological college but now offers degrees and diplomas from different disciplines. The church runs development projects in rural areas; HIV/AIDS control programs, relief efforts and also community centers (PCEA, 2018).

OBJECTIVE OF THE STUDY

The general objective of the study was to assess the influence of resource allocation on strategy implementation in the Presbyterian Church of East Africa in Nairobi County.

THEORETICAL REVIEW

The resource-based view (RBV) by Barney, 1991 emphasizes the firm's resources as the fundamental determinants of competitive advantage and performance. Different resources, such as, physical resources, human resources, organizational resources give various contributions to the achievement of sustained competitive advantage. A holder of a resource is able to maintain a relative position vis-à-vis other holders as long as these act rationally (Wernerfelt, 1984, Areba & Juma, 2016). In resource based view, there is a distinction between several different categories of resources; such as physical capital, human capital, financial resources, informational resources, technologies, corporate culture and management team.

Resource based view was employed by Kagumu (2016) in an attempt to determine how organizational factors affect strategy implementation within Anglican Church in Kenya. Organizational factors under study included culture, leadership, organizational structure and availability of the necessary resources. According to the findings of this study these factors show a significant positive relationship with strategy implementation in the church. (Kagumu, 2016). PCEA must identify and strategically mobilize its resources, financial and human resources among others for successful strategy implementation.

EMPIRICAL REVIEW

For any organization to function, it will need resources at its disposal. The resources include human skills and experience, funds/budgetary allocation, equipment and facilities. Lack of resources or inadequacy of any resource will lead to failure of the organization (Onyango, 2017). It is important that all the resources that are relevant to a strategy are collaborated and optimized to ensure that the implementation phase of the strategy is a success (Areba & Juma, 2015). The implementation team should have the adequate skills that are needed to successfully implement the proposed strategy. All the necessities of the implementation of a strategy should be gathered to simplify the process. Delay in availability of any requirement means delay in the whole process and reduced motivation along the way (Kigaka, 2016).

According to Onderi (2013), the main challenge facing implementation of church based projects is inadequate finance. While studying church based schools, the researcher discovered that inadequate funding resulted in lack of provisions in the schools which was manifested in low payment for teachers, lack of adequate textbooks, permanent classrooms, transport, recreational facilities, clean sanitation and sports activities. The schools relied on fees with few churches sponsoring the pupils. The money collected was used to run the schools and also finance development projects.

Banerjee, Strachan, Oremus and Kin (2015) examined factors facilitating the implementation of heart health promotion programs for older adults in Anglican, United, and Catholic churches. Participants identified pastor leadership, funding for a parish nurse, community-focused interventions, secured infrastructure, and social support from congregation members as pertinent factors required for implementing health promotion programs in Anglican, United, and Catholic churches.

Kagumu (2016) carried out a research to investigate factors that affect strategy implementation with the Anglican Church in Kenya. Variables under study included resource allocation, culture, leadership, and church structure. From the findings, it was revealed that structure; leadership, resources, organizational structure, and organizational culture have a positive influence on strategy implementation. The study further showed that the availability and allocation of resources has a significant influence on strategy implementation in the Anglican Church of Kenya.

Another study by Suttington (2017) explored the lack of financial literacy and accountability of church leaders within Black Baptist Church in fulfilling their financial stewardship responsibilities in overseeing the church's resources. Prior research revealed that Black Baptist church leaders had minimum skills, education, and experience in dealing with the

financial operations of the church and ineffective financial practices and procedures led to fraudulent activities or misappropriation funds. Inconsistent with prior research, this study revealed that church leaders in Black Baptist Churches in the Mid-Atlantic Region of the U.S. were educated and appeared capable of implementing proper stewardship over the church's resources.

RESEARCH METHODOLOGY

The study used a case study design with particular focus in PCEA churches in Nairobi County with a target of 472 Kirk session members (elders) from PCEA churches within Nairobi County. These individuals are directly involved with the strategy implementation lifecycle and conveniently accessible. The study used discriminatory procedure to select congregations that will participate in the study since only churches with strategic plans were involved in the research. This study conducted a census targeting the entire target population of 472 elders. Primary data was collected using questionnaires delivered to respondent through drop and pick method. This instrument allowed respondents sufficient time to think about their responses thus improving the reliability of the data. It was also very suitable for this research as it allowed the researcher to reach a large number of respondents resulting in a high response rate. The questions were semi structured with the aim of collecting quantitative data (Okoth, 2016). The questionnaire was semi-structured to allow the collection of both qualitative and quantitative data. Secondary data was collected from secondary sources such as journals and official website to support data collected from the primary sources. Data analysis has been done following the standard four phase process, that is, data clean up, data reduction, data differentiation and explanation and coding. The study has utilized Statistical Package for Social Scientists (SPSS) V.23 for analysis.

RESEARCH RESULTS

The objective of this area of study was to analyze effective implementation of strategic plans by investigating the indicators that describe and define the dependent variable. These indicators were designed in the form of specific questions that helped the respondents make reliable conclusions on the effective implementation of strategic plans.

Achievement of Strategic Objectives

The aim of this question was to investigate the extent to which the strategic objectives are achieved according to respondents. This information will shed light and provide useful insight to the attainment of strategic goals in the organizations thus providing evidence whether there are issues with the implementation of strategic plans in the church. The findings indicated that, 75% of the respondents strongly agree that the church achieves its strategic objectives while 20.5% of the respondent agrees to achievement of the desires objectives. Only 4.5% of the respondents feel that PCEA churches in Nairobi County do not achieve the desires goals.

Timely Implementation of Strategic Plans

This question sought to find out whether the implementation of Strategic Plans by PCEA churches in Nairobi County happened within the set timeframe. The results from the study showed that the implementation of the strategic plan does not happen within the stipulated

time. 64.8% of the respondents disagree and 5.8% strongly disagreeing with the time frame of the implementation of the strategic plans. 26.3% of the respondents agree and another 3.2% strongly agree that the implementation of the strategic plans happen within the stipulated time. From the above results, it is clear that not all strategic plans at PCEA churches in Nairobi County happen within the stipulated time frame. These results are similar to the views of other scholars such as (Hrebiniak, 2013) and (Rajasekar, 2014) who discover that most strategy implementation activities were not performed on time due to long processes, insufficient technical input and resources; from the management, poor leadership, poor coordination and unrealistic timelines.

Completion of Projects within Allocated Budget

This question sought to find out whether the implementation of Strategic Plans by PCEA churches in Nairobi County happened within the allocated budget. The findings showed that, 77% of the respondents strongly disagree that the church achieves its strategic projects within the allocated budget while 60.4% of the respondent disagree to achievement of projects within the allocated budget. Only 45% of the respondents were not aware whether or not the PCEA churches in Nairobi County achieve strategic projects within the allocated budget.

Resource Allocation

The study set out to investigate how resource allocation affects strategy implementation in PCEA churches in Nairobi County. To achieve this objective, the results for the variable attributed to resource allocation were tabulated and analysed. The respondents were asked to indicate their rating on factors of resource allocation that affected the implementation of strategic plans using the key (1=Strongly Agree, 2=Agree, 3=Don't know, 4=Disagree 5=Strongly disagree). The study required the respondents to state whether their organizations had a budgetary allocation for the implementation of strategic plan. The unique resources possessed by an organization and how they are utilized affect the implementation of strategic plans. This information is, therefore, useful in pre-determining whether strategic plan implementation will be successful or not. The findings on resource allocation revealed that with a mean of 4.41 and standard deviation of 0.800, 53.2% of the respondents strongly agreed while 40.9% agreed that budgetary allocation is an important aspect of in strategy implementation in PCEA church. 53.9% of the respondents agreed that the PCEA churches in Nairobi Country have sufficient well trained personnel to facilitate the implementing of strategy while 40.3% of the respondents disagreed; indicating that PCEA churches in Nairobi Country do not have sufficient well trained personnel to facilitate the implementing of strategy. On average, majority of the respondents were not aware whether the church has sufficient well trained personnel to facilitate the implementation of strategy with a mean of 3.12 and a standard deviation of 1.211. The high standard deviation indicates that the variation in the views of the respondents was high. The findings also reveal that 69.5% of the respondents agreed that the church is well equipped with proper infrastructure and materials to facilitate the strategy implementation process while 30.5% of the respondents indicated that the church is not well equipped with proper infrastructure and materials to facilitate the strategy implementation process. On average, majority of the respondents felt that the church is well equipped with proper infrastructure and materials to facilitate the strategy

implementation process with a mean of 3.56 and a standard deviation of 1.169. The high standard deviation indicate that the variation in the views of the respondents was high.

From the findings, majority of the respondents wee of the opinion that budgetary allocation has highest influence on strategy implementation in the church, as shown by mean of 4.41, compared to the other attributes of resource allocation which were studied. The respondents also felt that well trained personnel have the lowest influence on strategy implementation with a mean of 3.12. Overall, the respondents agreed that resource allocation affects strategy implementation in the church as indicated by a mean of 3.697 and an average standard deviation of 1.06.

DISCUSSION

The level at which the implementation of strategy in an organization is achieved would be influenced by the availability of organizations resources. Availability of resources like employee skills, funds/budgetary allocation, equipment and facilities would be important to effective implementation of strategic plans since it supports the execution of the strategic plans. The first specific objective of this study was to examine the effect of resource allocation on implementation of strategic plans in PCEA churches in Nairobi County. The regression analysis from the study revealed that allocation of resources has a significant positive effect on the implementation of strategy at PCEA churches in Nairobi County. The finding are in line with the views of Onyango, (2017) who observed that inadequate or lack of resource will lead to failure of the organization's strategy implementation. The allocation of resources should be in line with the strategy implementation plans. The findings from the study also support Kagumu (2016) study that showed a significant effect of availability and allocation of resources on strategy implementation in the Anglican Church of Kenya.

The unique resources possessed by organizations and that those unique resources can improve or reduce the effect of particular goals in the organization if well utilized or underutilized respectively. Onyango (2012) focused on factors influencing implementation of the Kenya Sugar Industry strategic plan (2010-2014) and found out that financial resource and human resources were critical factors as far as implementation of the strategic plan was concerned. These findings, are supported by the results of this study.

The budget for strategy implementation should be considered during the formulation stage and enough allocation made for successful strategic plan implementation. The implementation of strategy in some cases fails due to underestimation of the resources needed to implement the strategy. Majority of the respondents from the study (94.1%) agreed adequate budgetary allocation is an important aspect of effective implementation of strategic plans. The findings are similar to those of Onderi (2013), who found out that the implementation of most church based projects are faced with the inadequate financial resources.

In terms of human resources skills, majority of the respondents from the study (84.8%) agreed that one of the challenges facing implemetnaion of strategies is lack of adequate training and skills from employees. This results support the study by Waihenya (2014) on factors influencing adoption of strategic planning in licensed hardware shops in Nakuru town.

The study had identified human resources management as a critical factor influencing adoption of strategic plan implementation.

A descriptive study by Kamua (2015) on institutional factor which influence the implementation of strategic plans in government hospitals in Kitui Central Sub-County found out that human resource affects strategic plan implementation. The above findings are in line with the current study, which linked human resource to strategic plan implementation at PCEA churches in Nairobi County.

CONCLUSION

The study sought to examine the effects of resource allocation on strategy implementation in Presbyterian Church of East Africa in Nairobi County. Based on the findings, the study concluded that resource allocation has a significant positive influence on strategy implementation in PCEA church in Nairobi County. This means that resource allocation is critical to for implementation of strategic plans since it support the execution part of the implementation process. The available resources for the implantation process which can be a combination of financial, physical, human resources and technological should also be adequate and available on time for timely completion of the desired strategic objectives.

RECOMMENDATIONS

The study has observed that resource is a critical component for effective implementation of strategy and recommends that organizations should allocate enough resources to the implementation of strategic objective through proper planning and budgeting.

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