

Effect of Strategic Planning Practices on Organizational Performance of The County Government of Kilifi, Kenya

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Abstract

This study examined the influence of strategic planning practices on organizational performance at the County Government of Kilifi, Kenya. Despite the introduction of performance contracting in Kenya's public sector in 2003, county governments continue to experience challenges such as underutilization of allocated funds and delayed implementation of development projects. The study sought to assess how strategic planning practices contribute to improved county performance within the devolved governance framework. Grounded in the Theory of Goal Formulation, Systems Theory, the Results-Based Management Model, and the Resource-Based View, the study adopted a descriptive survey and correlational research design. A census of 130 respondents from 13 administrative departments was conducted, with 121 valid responses returned, representing a 93.1% response rate. Data were collected through structured questionnaires, and reliability and validity tests confirmed the adequacy of the instruments. Descriptive statistics revealed that strategic planning practices were well institutionalized in Kilifi County, with departments operating under structured strategic plans aligned with the County Integrated Development Plan. Respondents indicated high levels of familiarity with departmental vision statements, regular consultative meetings, time-bound objectives, and robust monitoring and evaluation systems. Correlation analysis revealed a strong and statistically significant positive relationship between strategic planning practices and organizational performance ($r = 0.768$, $p < 0.01$). Regression analysis further showed that strategic planning made a significant positive contribution to performance ($\beta = 0.048$, $p < 0.05$), while the overall model explained 42.9% of performance variation ($R^2 = 0.429$). ANOVA results confirmed the model's overall significance ($F = 8.816$, $p < 0.05$). The study concludes that integrating strategic planning with participatory approaches, budgeting processes, and robust monitoring and evaluation systems enhances organizational performance in county governments. The findings underscore the importance of clear mission and vision statements, stakeholder engagement, and effective resource allocation in promoting accountability, operational efficiency, and service delivery. The study recommends that county governments strengthen strategic planning frameworks, enhance staff capacity in planning processes, and align annual work plans with long-term development objectives to optimize performance outcomes.

Keywords: *Strategic Planning, Organizational Performance, County Government, Service Delivery, Kenya*

1.0 Introduction

Strategic planning is a central pillar of organizational management and plays a critical role in shaping performance outcomes in public sector institutions. Strategic planning provides a structured framework that aligns an organization's mission, vision, objectives, and resource allocation with environmental demands and stakeholder expectations (McKiernan, 2006; Strickland, 2013). It is a deliberate process that integrates administrative, financial, operational, and technological functions to achieve sustainable results and enhance institutional capacity. Strategic planning requires alignment of short-term tactical decisions with long-term strategic intentions, ensuring organizations remain responsive to immediate operational needs while maintaining focus on developmental objectives (Baron, 2010). In the public sector, such alignment is essential to ensure limited resources are directed toward priority areas that generate measurable public value and improve citizen welfare (Oyedijo, 2004).

Globally, decentralization reforms have reinforced the importance of strategic planning in local governance systems by transferring decision-making authority closer to communities. In countries such as the United States, decentralized governance structures have been linked to improved infrastructure development and enhanced local responsiveness through structured planning and coordinated resource management (Kelegama, 2011). Decentralization in Latin America strengthened the role of local institutions in socio-economic transformation, emphasizing planning as a tool for accountability and service delivery improvement (Humphreys, 1998). However, across Africa, weak strategic management and inadequate planning frameworks have often contributed to poor municipal performance, substandard service delivery, and reduced public trust (Ebeclin, 2015; Gwayi, 2010). Strategic planning enables organizations to analyze both internal capabilities such as human resources, financial strength, operational systems, and technological capacity, and external environmental factors that influence performance (Randall, 2009).

In the public sector context, organizational performance is closely tied to the effectiveness and efficiency of service delivery to citizens and stakeholders. Performance has been conceptualized as the extent to which institutions achieve their set objectives through optimal utilization of available resources (Otieno, 2013). It encompasses both financial and non-financial indicators, including service quality, efficiency, responsiveness, accountability, and stakeholder satisfaction

(Oyedijo & Akinlabi, 2008; Saunders, 2002). Strategic planning strengthens performance by clarifying goals, improving coordination across departments, enhancing resource utilization, and fostering proactive leadership that anticipates future trends (Morgan, 2007). It also establishes monitoring and evaluation mechanisms that allow continuous assessment and corrective action to address performance gaps (Kusek & Babrah, 2009).

In Kenya, the adoption of devolved governance under the Constitution of Kenya 2010 significantly transformed public administration by establishing county governments responsible for key service delivery functions. County governments, established in 2013, became responsible for health services, early childhood education, local infrastructure, and revenue generation, among other functions (CGA, 2010). According to Article 203(2) of the Constitution, counties receive at least 15% of nationally collected revenue, distributed using criteria such as population, poverty levels, land area, equal share, and fiscal responsibility (GoK, 2015). Given these fiscal arrangements, counties must engage in effective strategic planning to optimize available resources and achieve development objectives aligned with citizen priorities (Nyandemo, 2010). Strategic planning has become a critical governance instrument for aligning public resources with community needs and ensuring transparency in resource utilization (Obong'o, 2009).

The County Government of Kilifi, one of the 47 devolved units, operates within this strategic governance framework with a mandate to deliver accessible, equitable, and sustainable services. The county has adopted several strategic initiatives to strengthen performance, particularly in revenue mobilization and service delivery enhancement through structured planning processes (CIDP, 2018–2023). These initiatives include digitization of revenue systems, development of comprehensive property databases, updating valuation rolls, enforcement of compliance measures, and introduction of incentives to recover outstanding receivables (CADP, 2010). Such strategic planning interventions demonstrate the county's commitment to improving financial sustainability and operational efficiency by aligning fiscal strategies with long-term development goals (Onyango, 2015). The presence of thirteen administrative departments necessitates coordinated planning to ensure consistency in policy implementation and value maximization across sectors (Mungania & Karanja, 2015).

1.1 Statement of the Problem

The introduction of performance contracting in Kenya's public sector in 2003 marked a significant shift toward strategic management practices traditionally associated with the private sector. County governments were required to institutionalize strategic planning through environmental scanning, strategy formulation, implementation, and performance review to enhance accountability, clarify mandates, promote inter-county collaboration, and improve service delivery outcomes (GoK, 2003). While international studies affirm a strong link between strategic practices and organizational performance, local empirical findings remain inconclusive, creating a contextual knowledge gap particularly within devolved units (Heugens, 2003; Lawal et al., 2012). In Kenya, research has largely focused on external environmental influences and implementation barriers, with limited evidence demonstrating the direct influence of strategic planning practices on county government performance (Kandie, 2010; Machuki & Aosa, 2011; Njau, 2021).

The County Government of Kilifi continues to experience persistent low development budget absorption rates, falling below national expectations despite operating under a performance management framework (Controller of Budget, 2023; Kilifi County ADP, 2021/2023). The imbalance between recurrent and development expenditure signals weaknesses in strategic planning and execution, resulting in suboptimal service delivery outcomes and delayed implementation of critical development projects (Sasaka, 2017). Therefore, there is need to examine how strategic planning practices influence organizational performance in Kilifi County to provide empirical evidence that can guide policy interventions and strengthen governance frameworks in devolved units.

2.0 Methodology

This study adopted a quantitative methodological approach anchored in the positivist research philosophy to examine the influence of strategic planning practices on organizational performance at the County Government of Kilifi. A descriptive survey and correlational research design were integrated to facilitate systematic assessment of strategic planning processes and their relationship with institutional outcomes. The target population comprised 130 respondents drawn from 13 administrative departments, with ten officers selected from each department representing key decision-makers and implementers of strategic plans. Given the relatively small and well-defined

population, a census approach was adopted, incorporating all identified respondents into the study to enhance representativeness and validity of conclusions. Primary data were collected using structured, self-administered questionnaires organized around the study variables and featuring closed-ended items that measured dimensions of strategic planning and organizational performance using standardized Likert scales. Instrument validity was ensured through expert review to confirm content, construct, and face validity, while reliability was tested through a pilot study conducted in Mombasa County with internal consistency assessed using Cronbach's Alpha coefficients exceeding the recommended threshold of 0.7. Statistical analysis was performed using SPSS version 25, employing both descriptive statistics including means and standard deviations, and inferential techniques comprising Pearson correlation and multiple regression analyses conducted at a 95% confidence level to determine the strength and significance of relationships between strategic planning practices and performance indicators.

3.0 Results

This section presents the findings from the analysis of data collected from 121 respondents across 13 departments of the County Government of Kilifi. The results are organized into three subsections covering descriptive statistics, correlation analysis, and regression analysis to comprehensively examine the influence of strategic planning practices on organizational performance.

3.1 Descriptive Statistics

Respondents were asked to indicate their level of agreement with statements relating to strategic planning practices within their departments using a five-point Likert scale. Table 1 presents the descriptive statistics, showing mean scores and standard deviations for each strategic planning practice assessed in the study.

Table 1: Descriptive Statistics on Strategic Planning Practices

Statement	Mean	Std. Dev.
Our department operates under an active and well-structured strategic plan.	4.145	0.652
I am familiar with and can recall our department's vision statement.	4.369	0.722
The initiatives I oversee are aligned with the broader mission of the county.	4.351	0.767
Our team regularly convenes to exchange insights and organize upcoming programs.	4.345	0.692
The department establishes specific timelines for achieving set objectives.	4.273	0.689
We carry out routine assessments and evaluations of our programs.	4.396	0.723
The department's annual operational plans are formulated based on the CIDP.	3.869	1.023
Aggregate	4.267	0.769

The findings indicate that strategic planning practices within the County Government of Kilifi are strongly institutionalized and widely embraced across departments. A majority of respondents confirmed the existence of active and well-structured strategic plans with a mean score of 4.145 and standard deviation of 0.652, demonstrating that departmental operations are guided by formal planning frameworks. High levels of familiarity with departmental vision statements recorded the highest mean score of 4.369 and standard deviation of 0.722, suggesting that strategic intent is clearly communicated and internalized among staff. Project alignment with county strategic directions, particularly the County Integrated Development Plan, recorded strong agreement with a mean of 4.351 and standard deviation of 0.767, indicating coherence between departmental initiatives and long-term development goals. Regular consultative meetings scored a mean of 4.345 with standard deviation of 0.692, while establishment of time-bound objectives recorded a mean of 4.273 and standard deviation of 0.689, reflecting structured coordination and results-oriented management. Monitoring and evaluation practices were notably strong with the highest mean of 4.396 and standard deviation of 0.723, underscoring commitment to performance tracking and corrective action. Although alignment of annual work plans to the CIDP showed slightly lower mean of 3.869 with higher variation indicated by standard deviation of 1.023, overall strategic planning practices were robust with an aggregate mean of 4.267 and standard deviation of 0.769.

3.2 Correlation Analysis

Pearson correlation analysis was conducted to examine the relationship between strategic planning practices and organizational performance of the County Government of Kilifi. Table 2 presents

the correlation coefficients showing the strength and direction of relationships between strategic planning and performance indicators.

Table 2: Correlation Analysis

	Strategic Planning	Performance
Strategic Planning	1	
Pearson Correlation		0.768**
Sig. (2-tailed)		0.000
N	121	121
Performance	0.768**	1
Pearson Correlation		
Sig. (2-tailed)	0.000	
N	121	121

The findings indicate a positive and statistically significant association between strategic planning practices and organizational performance of the County Government of Kilifi. The Pearson correlation coefficient of $r = 0.768$ with significance level of $p < 0.01$ demonstrates that effective planning frameworks enhance organizational outcomes through improved coordination, resource allocation, and goal clarity. The strong positive correlation suggests that as strategic planning practices become more robust and institutionalized within departments, organizational performance indicators including service delivery, accountability, and resource utilization improve correspondingly. The statistical significance at the 0.01 level confirms that this relationship is not due to chance and provides strong evidence of the critical role strategic planning plays in enhancing county government performance.

3.3 Regression Analysis

Multiple regression analysis was conducted to determine the extent to which strategic planning practices predict organizational performance at the County Government of Kilifi. Table 3 presents the model summary, ANOVA results, and regression coefficients showing the contribution of strategic planning to performance variation.

Table 3: Regression Analysis Results

Model Summary	R	R²	Adjusted R²		Std. Error		
	0.655	0.429	0.380		0.488		
ANOVA	Sum of Squares		df	Mean Square	F	Sig.	
Regression	8.413		4	2.103	8.816	0.000	
Residual	11.212		117	0.239			
Total	19.625		121				
Coefficients		B	Std. Error		Beta	t	Sig.
(Constant)		1.420	0.448			3.166	0.000
Strategic Planning		0.037	0.158		0.048	1.234	0.000

The regression results reveal that strategic planning practices significantly influence organizational performance at the County Government of Kilifi. The model summary shows a correlation coefficient of $R = 0.655$ and coefficient of determination of $R^2 = 0.429$, indicating that strategic planning practices explain 42.9% of the variation in organizational performance. The adjusted R^2 of 0.380 accounts for the number of predictors in the model and confirms the explanatory power of strategic planning. ANOVA results demonstrate that the regression model is statistically significant with F-statistic of 8.816 and p-value less than 0.05, confirming that strategic planning practices collectively have a significant effect on county government performance. The regression coefficients show that strategic planning makes a positive contribution to performance with beta coefficient of $\beta = 0.048$, standard error of 0.158, t-value of 1.234, and significance level of $p < 0.05$. The positive beta coefficient indicates that an increase in strategic planning practices leads to improved organizational performance, while the constant term of 1.420 represents baseline performance level. These findings underscore the critical importance of institutionalizing robust

strategic planning frameworks within county governments to enhance service delivery, accountability, and developmental outcomes.

4.0 Conclusion

This study established that robust strategic planning practices significantly enhance organizational performance of the County Government of Kilifi through structured goal-setting, resource optimization, and coordinated implementation. Key practices including clear mission and vision statements, stakeholder engagement, and effective resource allocation promote responsible resource use, improve citizen satisfaction, and facilitate successful project delivery. The strong positive correlation between strategic planning and performance demonstrates that departments operating under well-structured strategic plans aligned with the County Integrated Development Plan achieve better outcomes in service delivery and accountability. Coupled with strategic leadership, effective execution, and continuous monitoring, these practices strengthen operational efficiency and service quality across county departments. The findings highlight that integrated strategic management encompassing planning, leadership, implementation, and control is critical for improving transparency and sustainability in devolved governance systems. Strategic planning provides the framework for aligning short-term operational decisions with long-term developmental objectives, ensuring optimal utilization of limited public resources.

5.0 Recommendations

Based on the study findings, county governments should strengthen strategic planning frameworks by ensuring all departments operate under active and well-structured strategic plans that are regularly reviewed and updated to reflect changing environmental conditions. There is need to enhance staff capacity in strategic planning processes through continuous training and development programs that build technical competencies in environmental scanning, strategy formulation, and performance measurement. County governments should institutionalize participatory planning approaches that engage key stakeholders including community members, development partners, and civil society organizations to enhance transparency, accountability, and ownership of development initiatives. Annual work plans should be systematically aligned with the County Integrated Development Plan to ensure consistency between short-term operational activities and long-term strategic objectives. Finally, monitoring and evaluation systems should be

strengthened through establishment of clear performance indicators, regular progress reviews, and timely corrective actions to address implementation gaps and optimize resource utilization.

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