

THE ROLE OF STRATEGIC PLANNING PRACTICES ON PERFORMANCE OF PUBLIC INSTITUTIONS IN RWANDA (A CASE STUDY KICUKIRO DISTRICT)

MWIZERWA VINCENT, DR. PATRICK MULYUNGI, GERARD RURANGWA

Abstract: Public organizations serve social interest, to provide public services with an aim to meet the interests and needs of citizens and business entities. Every organization wants to survive and grow in a constantly changing and competitive environment. To do so, it must respond and adjust to the social, economic and political environmental changes that occur. In most public organizations, especially in the Kicukiro District, strategic plans are not carried out and implemented properly. Some public organizations do not attach any importance to strategic planning and therefore do not have strategic plans practices for their organizations. This could be borne out of lack of appreciation and knowledge of the relevance of strategic planning to organizational performance. The purpose of this research was to examine the role of strategic planning practices in the performance of public organizations in Rwanda. This study was used a descriptive research design, where qualitative and quantitative approach was used in order to describe the role of strategic planning practices in the performance of Kicukiro District. The target population for this study is 102 employees of Kicukiro District and sample size is 81 employees. The Simple random sampling was applied within each stratum. Researcher questionnaires technique as data collection instrument and has used Statistical Package for Social Sciences (SPSS) for data analysis. The performance has an overall correlation with strategic practices of 0.743 which is strong and positive. Analysis of Variance shows that f -calculated is greater than f – critical that is $6.301 > 0.01$. This implies that the regression equation was well specified and therefore the co-efficient of the regression shows that there is a strong relationship between strategic planning practices and district performance. Pearson correlation coefficient, ($r=0.754$) shows that there is a positive and high correlation relationship between strategic planning practices and district performance where the P-value ($0.000 < 0.05$). The conducted study confirmed that application of strategic planning in public organizations in helps staffs of district to manage public organizations in a more responsible manner. Based on the results of the empirical study, researcher concluded that the research objectives are well achieved and three sub variables define the performance measurement. All public sector organizations must adopt the culture of strategically planning their operations and the Government and for that matter the governing authority should be part of the exercise and ensure timely approval and release of resources for the formulation and implementation of strategic plans.

1. BACKGROUND TO THE STUDY

Every organization wants to survive and grow in a constantly changing and competitive environment. To do so, it must respond and adjust to the social, economic and political environmental changes that occur. A strategy is designed to help organization to achieve competitive advantage. In the broadest sense, competitive advantage is what allows organization to gain an edge over its rivals. Competitive advantage enables organization to achieve high performance over an extended period of time (Ansoff et al., 2011). Strategic planning therefore is part of the contemporary managerial tool kits not only for dealing with the inevitable uncertainty in the management environment but also, for stimulating organizational performance.

Strategic planning can help leaders and managers of public organizations to think, learn and act strategically, (Bryson, 2004). The idea of strategic planning emerged in corporations that wanted to have a strategy as to how to maximize their profits. Today, the motivation is manifold and differs according to the type of organization. Strategic planning practices is a way and approach to the work of public organizations which has been successfully applied in a private sector for a long time. In this way, public organizations can make timely decisions, with an aim to manage limited resources in a more rational manner, to increase and improve services and achieve a greater satisfaction of citizens and business entities.

Public organizations serve social interest, i.e. provide public services with an aim to meet the interests and needs of citizens and business entities. Until recently public organizations were poorly organized and their operations have been developed in an unstructured manner, without any serious plans (Evered, 2008). That resulted in inefficiency and ineffectiveness, which ultimately led to a decline in the quality of public services and increased dissatisfaction of all stakeholders. That very modus operandi of public organizations has long-term consequences, because public organizations create environment for the development of economy and create ambiance for social entrepreneurship, as a special aspect of strategic practices entrepreneurship. Accordingly, public organizations have a great social responsibility and implications on the economic development of a certain country.

According to (Kukalis, 2009) strategic planning is a tool for finding the best future for your organization and the best path to reach that destination. Quite often, an organization's strategic planners already know much of what will go into a strategic plan. However, development of the strategic plan greatly helps to clarify the organization's plan document is the strategic planning process itself. The strategic planning process begins with an assessment of the current economic situation. First, examining factors outside of the government institution that can affect the institution performance.

Strategic planning is a concept that has already shown remarkable results in market operations. Today, it is almost impossible to find a serious profit organization which does not apply the methods and approaches of strategic planning in their business. Public organizations that have a clearly defined concept of strategic planning are more likely to achieve their goals. Public organizations that do not apply strategic planning in their business have little chance of achieving its goals (Smith, 2014). A formulated strategy takes into account the external factors that have a significant impact on the public institutions, analyses the internal strengths and weaknesses of the institution, defines the institution goals and ways to achieve the set goals, the strategy implementation method, as well as the means for the measurement and evaluation of the implementation of goals. It is very difficult for an institution which does not apply strategic planning to measure a degree of implementation of the goals as well as work efficiency to achieve its performance. Such institution run their activities in an unstructured manner, without serious plans and that often leads to high costs and produces very little results.

In Bosnia and Herzegovina, as well as in other transition countries, the importance of strategic planning in public organizations is still not sufficiently studied (Alfred, 2007). A great number of public organizations in Bosnia and Herzegovina do not have sufficient knowledge, culture and routine to strategically plan their activities. The consequences of such a situation are extremely negative. Every organization wants to survive and grow in a constantly changing and competitive environment. To do so, it must respond and adjust to the social, economic and political environmental changes that occur. The environments of public organizations according to (Bryson, 2004) have become not only increasingly uncertain in recent years but also more tightly interconnected; thus changes anywhere in the system reverberate unpredictably, and often chaotically and dangerously throughout the environment. This increased uncertainty and interconnectedness requires a fivefold response from public organizations. First, these organizations must think strategically as never before. Second, they must translate their insights into effective strategies to cope with their changing circumstances. Third, they must develop the rationale necessary to lay the ground work for the adoption and implementation of their strategies. Fourth, they must build coalitions that are large enough and strong enough to adopt desirable strategies and protect themselves during implementation. And finally, they must build capacity for ongoing management of the strategic change.

Strategic planning can help leaders and managers of public organizations to think, learn and act strategically, (Bryson, 2007). The idea of strategic planning emerged in corporations that wanted to have a strategy as to how to maximize their profits. Today, the motivation is manifold and differs according to the type of organization. The public sector has increasingly gained the attention of various developmental strategies especially in developing countries as a key sector for the advancements needed in their performance. The role of the state and its organizations has been identified as a key

partner to the private sector in carrying out the developmental agenda. Indeed the public sector has been under scrutiny to adopt the approaches of the private sector towards growth and achieve the performance in all sectors of the economy.

In recent times Government of Rwanda has embarked on public sector management reforms with the view to improving their performance and creating value for their operations. As a result, a Ministry of local governance Reforms was created to drive this agenda and work closely with the Institute of Police Analysis and research (IPAR-Rwanda) with the mandated to evaluate the performance of Districts in Rwanda (IPAR, 2015).

It is from this background therefore that this study intends to examine the role of strategic planning practices on performance in Kicukiro District.

2. STATEMENT OF THE PROBLEM

Strategic planning has long been used as a tool for transforming and revitalizing corporations, government agencies and nonprofit organizations. It stimulates thinking for organizations to make better use of their resources; assigns responsibility and schedules work; coordinates and unifies efforts; facilitates control and evaluation of organizational activities (accountability).

In most organizations, especially in Kicukiro District, strategic plan practices are not carried out and implemented properly. Some public organizations do not attach any importance to strategic planning practices and therefore do not have strategic plans for their organizations. This could be borne out the performance and knowledge of the relevance of strategic planning to organizational performance.

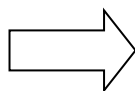
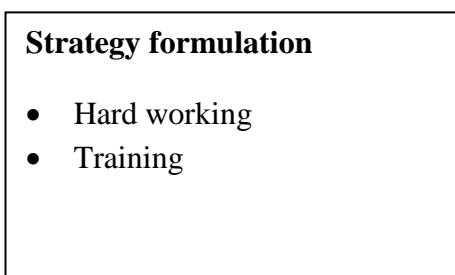
Strategic planning also helps to create awareness of obstacles to overcome; identifies opportunities and threats; avoids the trap of linear thinking and facilitates progressive advancement of the organizational goals. In this study researcher is attempt to address this unlucky practices, there is the need to critically examine the role of strategic planning practices on performance of public organizations in Kicukiro District.

3. OBJECTIVE OF THE STUDY

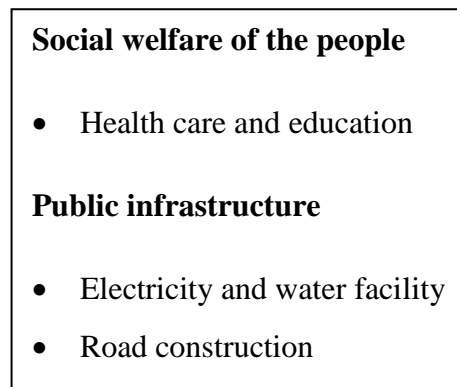
To assess the role of strategy formulation in the performance of Kicukiro district.

4. CONCEPTUAL FRAMEWORK

Strategy planning practices



Performance of public institutions



5. RESEACH DESIGN

In this study researcher used descriptive research design, (Ostrower, 2010). This approach provides an opportunity to establish the relationship between strategic planning practices on performance of public institutions.

6. TARGET POPULATION AND SAMPLE SIZE DETERMINATION

The target population contains members of a group that a researcher is interested in studying. The target population of this study composed by 102 staff of Kicukiro District main branch. For the purpose of this study, a sample size of 81 respondents was determined from total population of 102 individuals used the formula of Slovin's.

$$n = \frac{102}{1+102(0.05)^2} = 81 \text{ employee's of Kicukiro District}$$

7. RESULTS AND DISCUSSION

7.1 The perception of respondents regarding to the role of Strategy formulation in the performance of Kicukiro district

This objective provides the perception of Kicukiro district staffs on the impact of Strategy formulation to the performance of Kicukiro district.

Table 4.1: The influence of hard working to the performance of Kicukiro district

Statements	SA	A	UN	D	SD
1. Hardworking have an impact on Performance of Kicukiro District	73 (90.1%)	8 (9.9%)	-	-	-
2. The staffs of Kicukiro District are hardworking which is good to the performance of District.	63 (77.8%)	18 (22.1%)	-	-	-
3. Hard working has been contributed to the performance of Kicukiro District.	47 (58.0%)	33 (40.7%)	1 (1.2%)	-	-
4. Hard working is one of the measurements of public institution performance.	75 (92.6%)	6 (7.4%)	-	-	-

Source: Primary data, 2018

The above Table 4.1 show the perception of respondents to the influence of hard working to the performance of Kicukiro district. 90.1% of respondents are strongly agreed on how hardworking have an impact on Performance of Kicukiro District and 9.9% were agreed. The majority of the staff of Kicukiro hard working as shown in the results show by the respondents. Kicukiro district in Kigali emerged the best district in implementing 2012 and 2013 performance contracts pledges. In 2012 Kicukiro was a first district while Kamonyi became second while Bugesera was the third district, countrywide. Performance indicators included the district ability to resolve citizen's complaints, functioning of community assemblies, the availability of performance contracts at family and sector level, as well as exemplary management of finances. Hardworking is one of the indicators of the performance of Kicukiro district. The views of respondents show that 92.6% of the respondents were strongly agreed while 7.4% were agreed.

Table 4.2: The influence of training to the performance of Kicukiro district

Statements	SA	A	UN	D	SD
1. Job training contributes to the performance of Kicukiro District.	68 (84.0%)	13 (16.0%)	-	-	-
2. Job training is one of the key indicators of public institution performance.	66 (81.5%)	12 (14.8%)	3 (3.7%)	-	-
3. Job training increases the skills of staff and leads to the performance of Kicukiro District in previous years.	73 (90.1%)	8 (9.9%)	-	-	-
4. Well trained staffs are positively contributing to the performance of Kicukiro District	65 (80.2%)	16 (19.8%)	-	-	-

Source: Primary data, 2018

The main purpose of training is to acquire and improve knowledge, skills and attitudes towards work related tasks. It is one of the most important potential motivators which can lead to both short-term and long-term benefits for individuals

and organizations. There are so many benefits associated with training. The above Table 4.8 show the perception of the employees of the Kicukiro district regarding on how training contribute to the performance of Kicukiro district, 84.0% are strongly agreed. Means that the majority of respondents acknowledge the contribution of Job training contributes to the performance of Kicukiro District and 81.5% were strongly agreed on how Job training is one of the key indicators of public institution performance.

Training in recent years has been heavily influenced by the intensification of competition and the relative performance of organizations where investment in employee development is considerably emphasized (Beardwell et al. 2010). Training has been argued to be an important function of HRM (Weil & Woodall 2009). Amongst the functions activities of this function is the Identification of the needs for training and development and selecting methods and programmes suitable for these needs, plan how to implement them and finally evaluating their outcome results (McCourt & Eldridge 2011).

Job training increases the skills of staff and leads to the performance of Kicukiro District in previous years, 90.1% were strongly agreed while 9.9% agreed and 80.2% of the respondents were strongly agreed on how well trained staffs are positively contributed to the performance of Kicukiro District. The high morale of employees who receive training has increased confidence and motivations; training eliminates risks because trained personnel are able to make better and economic use of material and equipment thereby reducing and avoiding waste; training brings a sense of security at the workplace which in turn reduces labor turnover and absenteeism is avoided and training help to improve the availability and quality of staff.

Table 4.3: Relationship between strategic formulation and district performance

District performance		Strategic formulation	
District performance	Pearson Correlation	1	.714**
	Sig. (2-tailed)		.000
	N	81	81
	Pearson Correlation	.714**	1
Strategic formulation			
	Sig. (2-tailed)	.000	
	N	81	81

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

Pearson correlation coefficient, ($r=0.714$) shows that there is a positive and high correlation relationship between strategic formulation and district performance where the P-value ($0.000 < 0.05$). This means that a strategic formulation has a big contribution to the performance of Kicukiro District.

8. CONCLUSIONS

The aim of this study was to examine the role of strategic planning practices on performance of Kicukiro district. The conducted study confirmed that strategic formulation in public organizations in helps staffs of district to manage public organizations in a more responsible manner. Based on the results of the empirical study, researcher concluded that the research objective is well achieved. These results suggest that public organizations should pay more attention to the implementation of strategic formulation.

9. RECOMMENDATIONS

In view of the findings from the study, the following recommendations are made for the consideration of the Kicukiro district.

- The Government and for that matter the governing authority should be part of the exercise and ensure timely approval and release of resources for the formulation and implementation of strategic plans.
- The objective must live up to its acronym SMART (Specific, Measurable, Achievable, Realistic and Timely), so that the exercise would be fruitful.

- The implementation of strategic formulation must be well monitored to ensure adherence to set of systems and procedures.

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