
STRATEGIC PLANNING PROCESS AND COMPETITIVE POSITIONING OF DEPOSIT TAKING SACCOS IN NAIROBI CITY COUNTY, KENYA.

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Abstract

There exists a direct correlation between Strategic Planning process and competitive advantage. Whereas Strategic Planning process encompasses formulation of strategy, implementation as well as control of the key objectives undertaken by an organization's top leadership on behalf of shareholders, resource considerations resulting from a thorough interrogation of the external environment where the operations of organization existing is critical. The main objective of the study was to investigate how strategic planning process affects competitive positioning of deposit taking Sacco's in Nairobi City County, Kenya. The study variables include Strategy formulation, Strategy implementation, Strategy monitoring and evaluation and strategic control. This study was based on the resource-based view, the theory of industrial organization as well as the stake holder's theory. The research design for this study was a descriptive research design. The unit of observation was the 42-deposit taking SACCOs in Nairobi City County, Kenya. The unit of analysis was management staff among the SACCOs who total to 320. Simple random sampling was used to select 30% of the population to make a sample size of 99 respondents. The researcher employed both qualitative and quantitative data analysis techniques. The study employed both descriptive and inferential statistics to analyse the collected data whose presentation shall be inform of charts, tables, percentages, frequencies and graphs. This study may help in appreciating the strategic planning process at deposit taking Sacco's and their influence on competitive positioning. This may benefit players in the Sacco's society of Kenya including policy makers in government who will immensely benefit from this study. The study found that strategy formulation influence competitive positioning of deposits taking Saccos in Nairobi City County, Kenya. The study also revealed that strategy implementation influence competitive positioning of deposit taking Saccos. The study also found that strategic control influence competitive positioning of deposit taking Saccos. The study concluded that strategy formulation is positively realted to competitive positioning at deposit taking Sacco's. The study concluded that strategy implementation is positively realted to competitive positioning at deposit taking Sacco's. The study concluded that strategy monitoring and evaluation is positively realted to competitive positioning at deposit taking Sacco's. The study concluded that strategy control is positively realted to competitive positioning at deposit taking Sacco's. The study recommends that Saccos should put in place strategies such as inclusion of stakeholders and conduct market research in the process of formulating strategies for the organizations. The study also recommends that Saccos should inform employees about new strtaegies in the organzitaion prior implementtaion so that they can adjust and adapt.

Keywords: Strategy formulation, Strategy implementation, Strategy monitoring, strategic control, competitive positioning, strategic planning process

Introduction

There is a close relationship between strategic planning process and competitive positioning. Strategic planning basically is the process of formulating strategies, their implementation and control of key objective. The strategies are controlled by top leadership on behalf of shareholders through interrogation of the environmental changes where the operations of organization exist is critical. Daniel (2017) critically observed that strategic planning provides well stipulated direction in term of objective specification and development of plans which are aimed at giving the firm direction to follow to archive the objectives. The study also observed that strategic planning is responsible for the allocation of scarce resources which is aims at ensuring successful implementation of the programs Current market trends demand that organizations plan strategically, embrace technology to take advantage of existing market gaps and reorganize to penetrate into new markets.

This study was anchored on Resource Based View (RBV). This theory is relevant in industrial set up. The study was be anchored on Stakeholder Theory and industrial organization theory. According to Kull, Mena and Korschun, (2016), the Resource Based Theory highlights the internal factors that determine competitive positioning. Industrial Organization Theory appreciates the positioning of external markets as the critical factors for attaining competitive advantage. On the other hand, the Stakeholder Theory considers the organization's approach to its stakeholders including suppliers, employees and business partners as the success determinants.

Sacco's use strategic planning practices to drive efficiency, ensure costs are reduced, ensure compliance, standardize processes, automate processes and to ensure fixed costs are transformed to variable costs (Odero & Shitseswa, 2016). A competitive positioning of any given organization can be achieved in production of goods and services in an efficient and effective manner when strategic planning practices are employed (Chepkwei, Wanyoike & Koima, 2017). Large- and small-scale firms are outsourced or are starting to outsource in a bid to ensure sustainability with a focus on costs and overhead management and control, easier access to external professional services as well as restraining payroll. This concept has helped Saccos to efficiently utilize their resources in an effective way through application of best practices of the industry as well as improvement of business processes, thus entering and creating new markets (Daniel, 2017). The recent practices of rebranding of Sacco's and Opening of their common bond has led to new challenges where Sacco's have always operated in cocoons with an assured client base being the members from the parent organisations. A change in the dynamics and aging of their population has forced them to look for new sources of membership which in turn led to a review of their modus operandi. Strategic planning is therefore key for them to survive during such times. The Sacco's way of management also changed with the introduction of the regulator (Sasra) leading to separation of management and board.

Strategic planning concept aims at outlining, setting up policies, and development of plans that the organization will use in the quest of archiving its set objectives (Bryson, 2018). Many deliberate

efforts have been developed by the management to integrate its strategy with the allocation of roles, responsibilities and resources in the actualization of the desired ideal future. This forms the backbone of strategic planning (Bryson, 2018). There is a key component of strategic planning which include the analysis of the strategy, choice of the strategy, and implementation of the strategy. The processes that management has used to formulate logistics, operations and financial domains have resulted in the complimenting of the quantitative arm with the qualitative human aspect of sociology, psychology, and human resource management. The strategic planning process combines both quantitative and qualitative aspects which are used to address organization requirements.

Competitive positioning is used by organization to stay competitive and ensures that the product they offer is for customer satisfaction. Kumar and Pansari, (2016) defined competitive positioning as the process that ensures that the organization stays competitive and is the core of productivity given that there is a lot of comparative business around business environs. The study also stated that that competitive positioning is an indicator that the strategic planning strategies used is advantageous differentiable at low costs. According to Noe, Hollenbeck, Gerhart and Wright, (2017), competitive positioning is used to control the firm's superiority. Jones, Harrison and Felps, (2018) identified that the concept of competitive positioning enhances achievement of organization objectives and enhances the productivity. Similarly, Thompson and Strickland (2010) defined competitive positioning as part of business strategies that is used to manage business fraternity by enhancing their competitiveness.

According to the Annual Sacco supervision report 2017, there were a total of 176 Deposit taking Sacco's registered and licenced to operate in the whole county. The assets of DTSS stood at KSh 442.9 billion in 2017 with total deposits of KSh 307.0 billion with total loans and advances of KSh 320.1 billion. The Kenya's cooperative movement has four tiers: - primary societies, secondary cooperatives, tertiary cooperatives and nationwide cooperatives while the apex body being the Kenya National Federation of Cooperatives (KNFC). KNFC was formed with the main objective of promoting, guiding, developing, assisting and upholding ideas of the cooperative and SACCO principles. KNFC is the link between the Kenyan cooperatives and the international cooperative alliance.

The county of Nairobi has the highest number of Sacco's as compared to other counties since the county has a significant number of employed persons. Because these employees require financial services to meet their needs, they mostly prefer Savings and Credit Co-operative Societies which is considered a source for cheaper financing. According to the Nairobi County Annual Report (2012), there were 1,102 active SACCOs, with a membership of 795,541, Share Capital of Kshs. 11.78 billion, while the member's Deposits totalling Kshs.110.57 billion. These SACCOs are categorised in three cadres as follows: employee based - 935, community based - 92 and transport based. The SACCO statistics above includes both deposit and non-deposit taking. A Deposit Taking Sacco (DTS) is any Sacco that is operating a front office savings activity (FOSA). Theses DTS comprises of over 50% of all cooperatives in Kenya and being financial institutions, they

play a critical role of financial intermediation in the financial landscape of Kenya focusing mostly on member's personal development (SACCOs Review 2017).

Statement of the Problem

Most SACCOs in Kenya and around the globe have faced performance challenges with some of them adopting wrong strategies and most of them planning and implementing strategies poorly making their rivals in the financial services sector like banks and microfinance institutions to excel. The firms have weak management structures and limited human resource capacity which hinder their growth and market share development (Lyan, 2017). The firms have faced membership stagnation due to poor strategies with some members ditching their original employer to join competitive entities. Strategic positioning is a key element in the competitiveness and peak performance of a firm. According to the Sasra supervision report, there is evidence that Deposit taking Sacco's continue to register significant growth in their incomes, but the membership has shown a stagnant growth trend. This led to the Sacco's opening their common bonds in order to increase the membership growth, but this has not bore much fruit since membership is still low. The question then is that, could there be any relationship existing between the strategic management process and competitive positioning? The study is therefore aimed at studying the relationship between this process and competitive positioning.

A strategic plan is grave in making sure that strategic visions and variables are in line with the activities of the firm within its environment that will in turn provide for its definite survival and effectiveness. This leads to improved positioning of the organization (Kraus et al., 2016). Challenges in business environment pose a major risk to the survival of the organization and development of competitive positioning within the ever developing and market change dynamics.it is for this reason that managers of the business need to understand the environment thoroughly within which they work while undertaking strategic development. The assets of a business unit and weaknesses are fundamentally internal with reference to the firm. However, chances as well as risks that exist in the external environment need effective assessment through scanning and analysis (Muhumed, 2018).

Past studies examining the connection between the strategic planning as well as the performance include a meta-analysis in Europe by Daniel, (2017), whose results were that a relationship which is positive exists between strategic planning and the organizational performance. A study conducted by Abdow and Ogollah, (2016) in the Middle East connected with the performance to strategic planning. These researches developed a connection that is positive between the performance of an industry and the practices of the adopted strategic planning. Studies by: Spieth, Schneckenberg and Matzler, (2016) found a positive connection between the performance of an organization and strategic planning. Past local research that were done in strategic planning practices include; Bryson, (2018) studying DHL Express Kenya with regards to the practices of Strategic Planning Practices Adopted concluding that DHL Express Kenya adopts a practice of Strategic Planning which is formal and communicates its Vision and Mission to the employees. In

Practices of Strategic Planning by the Agency of Kenya Medical Supplies (Nzuki, 2017), the study focused on challenges facing Strategic Planning Practices. Practices of Strategic Planning at the Bank of Barclays in Kenya, (Elbanna & Elsharnouby, 2018) and Practices of Strategic Planning and Performances by Commercial Banks in Kenya (Arend, Zhao, Song & Im, (2017) which identified a positive relationship between the performance of a given organization and Strategic Planning.

These studies have restricted themselves on the steps of the strategic planning and the organizational performance. Focus that is limited has been given on the connection between the strategic planning practices, competitive positioning and the performance of Deposit taking SACCO's in Nairobi City County, Kenya with a core focus on Nairobi City County, Kenya. This study sought to find an answer to the research: what is the influence of strategic planning process and competitive positioning of deposit taking in Nairobi City County, Kenya?

Objectives of the Study

The main objective of the study was to investigate how strategic planning process affects competitive positioning of deposit taking Saccos in Nairobi City County, Kenya.

The study was guided by specific objectives as outlined below:

- i. To assess the influence Strategy formulation on competitive positioning of deposits taking Saccos in Nairobi City County, Kenya.
- ii. To establish the influence of Strategy implementation on competitive positioning of deposits taking Saccos in Nairobi City County, Kenya.
- iii. To assess the influence of Strategy monitoring and evaluation on competitive positioning of deposit taking Saccos in Nairobi City County, Kenya.
- iv. To determine the influence of strategic control on competitive positioning of deposit taking Saccos in Nairobi City County, Kenya.

Significance of the Study

This study may help in appreciating the strategic planning process at deposit taking Sacco's and their influence on competitive positioning. This may benefit players in the Sacco's society of Kenya including policy makers in government who will immensely benefit from this study. The study may also be used in identification of factors affecting strategic planning practices in the industry, impact competitive positioning and provide insight on best practice during strategic planning. Knowledge gained by leaders may be important on decision-making in changing environmental situations as well as in formulating organizational strategies that enable them to be more competitive, establish and maintain market leadership as demonstrated by superior competitiveness. Researchers with an interest in strategic planning process, students and scholars studying the concept of strategy and planning, may benefit immensely from this study. In fact, the process may lead to the gaining of valuable insights and the importance of strategic planning practices adopted by managers and their impact on organizational competitiveness.

Theoretical Review

Resource Based View

The Resource Based View postulates that the competitive advantage achieved by a firm is an element of the uniqueness of its resources (Wernerfelt, 1984) Thus, the review of the resources available at the organization's disposal forms an important point of convergence. Resources refer to both tangible as well as intangible assets an organization opts for to determine and implement its strategies. In the category of the resources which are tangible are: technological, physical, organizational as well as financial resources, whereas intangible resources include human, image as well as innovation (Peteraf, 1993). This theory lays emphasis on the VRIO (Value, Rarity, Imitability as well as Organizational) components of resources as well as capabilities and hence arrives at the VRIO framework.

An analysis of the competitive advantage according to Helfat and Peteraf (2003) takes into consideration two assumptions. One that firms in a particular industry are unique in regard to the resources under their control. Secondly, the resources imparting competitive edge have restricted mobility across and within the industry and therefore cannot be traded. Sustainability is significant in as much as an organization's resources may have been value adding in the past, factors including customer preference changes and technological advancement, industry structures or regulation can impair their value in future.

Industrial Organization Theory

The Industrial Organization Theory derives its assumptions from the theory of the firm, a collection of economic theories that attempt to predict describe and explain the nature of an organization in terms of its very existence, composition, behaviour, and structural development in relation to the market. This provides for organizational structures, situational designs, operational frameworks and the relationship with the external environment within which the organization competes. This theory appreciates the organizations external market disposition as a crucial factor for achieving competitive advantage. In the ancient industrial organization perspective, strategic management is offered a systematic approach in evaluating and understanding external competition within a particular industry. Tirole (1988) opines that the structure and functioning of any market is the fundamental concept underlying the industrial organization theory.

According to Shy (1995) the structural, behavioural as well as the performance pattern used as a framework for analysing the relationship between the structure, conduct and performance of a market is a function of industry organization. The market structure within which a firm operates shall determine the behaviour and thus the market's performance. The Industrial Organization Theory focuses on the market where a company operates in, as opposed to the company itself (Plott, 1982). The theory therefore emphasizes on the whole industry and market conditions of a company as opposed to the central analytical aspect which identifies the strategic choices that organizations have in their respective sectors (Conner, 1991).

Stakeholder Theory

The Stakeholder Theory was observed to have gained prominence in the 1970's as a management practice reference and gradually developed and adopted by Freeman in 1984 through the incorporation of corporate accountability to a diverse range of stakeholders. According to Donaldson and Preston (1995) the stakeholder theory is derived from a mix of social and organizational disciplines. The theory takes a lesser formal unified approach instead of adopting a broadened research tradition, incorporating philosophy, psychology, ethics, economics, political theory, law and organizational management science. According to Jones and Wicks (1999) strategic planning requires an understanding of stakeholder expectations on the organization's strategy. Freeman (1994) point out that stakeholders can affect an organization's vision and mission and are affected by the strategic decisions made by an organization hence the importance of their participation in the strategic planning process cannot be ignored. Jones (1995) observes that strategic planning is important because it represents the organizational rationality to its multiple stakeholders.

Literature Review

Table 1: Summary of Reviewed Literature and Research Gap

Author	Topic	Findings	Research gap
Njiru (2014)	Strategy formulation process in public secondary schools in Embu County, Kenya.	The study found that activities like analysis of adequacy of staff members; leadership skills and abilities; resource analysis, needs assessment and problem analysis are the main activities carried out in the strategy formulation process for secondary schools in Embu County.	This study was done in Embu county therefore the findings may not be applied in our current study
Njugi (2017)	strategy formulation A case study of Community Development Trust Fund (CDTF)	The study found that activities such as analysis of adequacy of staff members; analysis of leadership skills and abilities; resource analysis, needs assessment and problem analysis is the main activities carried out in the strategy formulation process in Community Development Trust Fund.	The research focused on CDTF hence the findings may not be help in our current study
Mathore (2016)	effect of strategy implementation on organisation performance: a case study of Diamond Trust Bank.	The results indicated that: members from various levels of the bank have unique understanding of the implementation procedure; implementation factors could get to be barricades that undermine the implementation procedure; these obstructions can be overcome if directors are discerning to the bank's present circumstance.	The study put its focus on implementation and performance of diamond trust bank hence the results may not be of help in our current study

Conceptual Framework

This concept refers to written diagram that is used to vividly explain how the study variable relates (Miles & Huberman, 1994). Key factors, concept, and the relationship between them are related. It highlights how study variable relate (dependent and independent variables). This study explained the relationship between competitive positioning as the dependent variable and strategic planning process as independent variables.

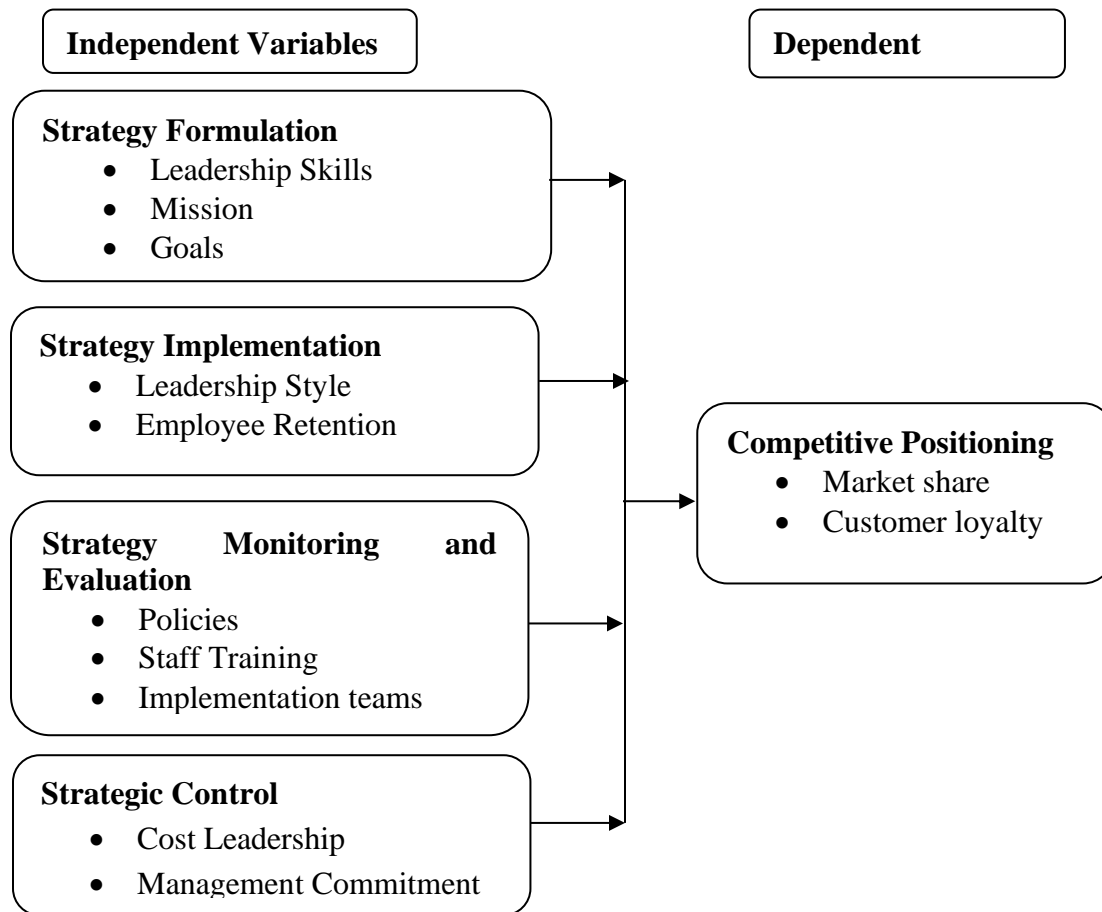


Figure 1: Conceptual Framework

Source: Field Data, 2019

Research Methodology

The research design for this study was a descriptive research design. According Kothari (2004) descriptive research design is recommended for studies concerned with specific predictions with narration of facts and characteristics concerning groups or individuals. The population of the research was all management staff of Sacco's that are registered by the Sacco Societies Regulatory Authority (SASRA). According to SASRA (2018) reports there were 42 registered Sacco's in Nairobi City County, Kenya. The study targeted respondents drawn from various departments including Finance, marketing, risk and compliance and FOSA with the below detailed analysis;

Table 2: Population of the Study

Entities	Population
Chief Executive Officer	42
Finance Manager	42
Marketing Manager	42
Loans Manager	42
Internal Audit Manager	42
Business Development Manager	42
Fosa Manager	42
BOSA Manager	26
Total	320

Yin (2017), argue that a sample of 30 elements can be taken as a representative sample of the population of the study. This sample size of 99 was used then distributed based on proportions in the target population identified by stratified random sampling. The researcher then used simple random sampling to actually select 99 respondents that participated in the study from the various strata in the target population.

Table 3: Sample Size

Entities	Population	Rate	Sample
Chief Executive Officer	42	0.3	13
Finance Manager	42	0.3	13
Marketing Manager	42	0.3	13
Loans Manager	42	0.3	13
Internal Audit Manager	42	0.3	13
Business Development Manager	42	0.3	13
Fosa Manager	42	0.3	13
BOSA Manager	26	0.3	8
Total	320		99

Information was gathered by use of semi structured questionnaire. Self-administered questionnaires enabled the respondents to answer to the questions by their own and at their own speed. The study conducted a pilot study on at least (ten) staff in the identified departments. This enhanced a thorough testing of reliability and validity of data collection instruments. Pilot tests assess the reliability and validity of the data collection instrument hence enabling the researcher

to amend on time the adopted research instruments to facilitate accurate final data collection. This study engaged a professional expert in the particular field of interest so as to obtain opinion to be used to ascertain the validity of the designed research instruments. The study adopted the internal consistency measure referred to as the Cronbach's alpha (α). This is a co-efficient that measures internal research instruments reliability. A co-efficient value above 0.7 implies that the research instruments are reliable hence the researcher can proceed to using them in the final stage.

Data cleaning was done immediately after the collection of the data. Coding was then done and data was entered into the SPSS. Descriptive was used to analyse quantitative data. Also, quantitative data was presented using graphs as well as tables.

Multiple regression model was used to assess the relationship between the study variables; the independent variable (strategy formulation, strategy implementation, strategy monitoring and evaluation and strategy control) and the dependent variable (competitive positioning).

The Multiple Regression model:-

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where Y is = Dependent Variable (Competitive positioning)

- i. $\beta_1, \beta_2, \beta_3$ and β_4 are Coefficients of the different independent variables.
- ii. X_1 = Strategy formulation
 X_2 = Strategy implementation
 X_3 = Strategy monitoring and evaluation
 X_4 = Strategy control
- iii. ε = Error Term.

The study findings were presented in charts, tables, graphs and narratives.

Data Analysis, Presentation And Discussion

The study targeted a sample size of 99 respondents from which 86 filled in and returned the questionnaires making a response rate of 87%.

Cronbach's Alpha was used in determining reliability of the objectives of the study. Gliem and Gliem (2003) indicated that 0.7 is the threshold value of Alpha; this was the benchmark used. Strategy formulation had an alpha of 0.794, strategy implementation had an alpha of 0.803, strategy monitoring and devaluation had an alpha of 0.776 and strategy control had an alpha of 0.789. This is an indication that reliability of the variables hold.

Descriptive Statistics

Strategy Formulation

The respondents were also asked to indicate their level of agreement with the following statements on how strategy formulation affects competitive positioning of deposit taking SACCOs in Nairobi City County, Kenya.

Table 4: Effects of Strategy Formulation on Competitive Positioning

Strategy Formulation	1	2	3	4	5	Mean	Std. Dev
We have a uniform composition of stakeholders involved in strategy formulation	4	8	13	39	22	3.779	0.760
We have adopted strategies geared towards the vision and mission of the organization	3	5	10	43	25	3.953	0.884
We have sufficient allocation of resources to finance the organization	5	7	11	28	35	3.942	0.852
We have identified challenges that pose hurdles to strategy formulation	4	4	10	31	37	4.081	0.936
Our organization considers implementations issues during formulation	6	8	9	40	23	3.767	0.798

Source: Researcher (2019)

The respondents agreed that their organization have identified challenges that pose hurdles to strategy formulation as shown by a mean of 4.081, their organization have adopted strategies geared towards the vision and mission of the organization as shown by a mean of 3.953, their organization have sufficient allocation of resources to finance the organization as shown by a mean of 3.942, the organization have a uniform composition of stakeholders involved in strategy formulation as shown by a mean of 3.779 and their organization considers implementations issues during formulation as shown by a mean of 3.767. The findings concur with Bonnke (2016) who indicated that for any organization to survive in the present dynamic business environment, it must first identify challenges posing hurdles to its strategy formulation and thereafter come up with strategies that match the prevailing environmental conditions.

Strategy implementation

The respondents were also requested to indicate their level of agreement on the following statements on how strategy implementation affects competitive positioning of deposit taking SACCOs in Nairobi City County, Kenya.

Table 5: Effects Of Strategy Implementation On Competitive Positioning

Strategy implementation	1	2	3	4	5	Mean	Std. Dev
We have a good working relationship with employees	2	6	15	44	19	3.837	0.830
Our organization ensures strategic issues are communicated at the right time	4	6	9	39	28	3.942	0.859
Our organization encourages creativity from all workers	3	5	11	30	37	4.081	0.923
We provide useful information on how to successfully implement our strategies	3	7	10	41	25	3.907	0.843
We have a unique understanding of the implementation procedures	5	8	13	35	25	3.779	0.733

From the findings, the respondents agreed that the organization encourages creativity from all workers as shown by a mean of 4.081, the organization ensures strategic issues are communicated at the right time as shown by a mean of 3.942, the organization provides useful information on

how to successfully implement our strategies as shown by a mean of 3.907, the organization have a good working relationship with employees as shown by a mean of 3.837 and the organization have a unique understanding of the implementation procedures as shown by a mean of 3.779. The findings concur with Waking'a and Ouma, (2017) who noted that internal processes determine whether or not a company is successful.

Strategy monitoring and evaluation

The respondents were also requested to indicate their level of agreement with the following statements on how strategy monitoring, and evaluation affect competitive positioning of deposit taking SACCOs in Nairobi City County, Kenya.

Table 6: Effects of Strategy Monitoring and Evaluation On Competitive Positioning

Strategy monitoring and evaluation	1	2	3	4	5	Mean	Std. Dev
We have adequate skills for organization M&E	5	8	18	30	25	3.721	0.656
we have increased our technical capacities through M&E	4	9	14	23	36	3.907	0.830
We facilitate availability and easy acquisition of resources	4	7	15	29	31	3.884	0.767
Our stakeholders participate actively in M&E implementation	3	8	13	40	22	3.814	0.779
We have increased commitment in overseeing the M&E exercise	5	9	16	37	19	3.651	0.685

From the findings the respondents agreed that the organization have increased our technical capacities through M&E as shown by a mean of 3.907, the organization facilitate availability and easy acquisition of resources as shown by a mean of 3.884, the organization stakeholders participate actively in M&E implementation as shown by a mean of 3.814, the organization have adequate skills for organization M&E as shown by a mean of 3.721 and the organization have increased commitment in overseeing the M&E exercise as shown by a mean of 3.651. The findings agree with Thuva (2014) who found a strong positive correlation between project monitoring and evaluation and project implementation.

Strategy control

The respondents were also asked to indicate their level of agreement with the following statements on how strategic control affects competitive positioning of deposit taking SACCOs in Nairobi City County, Kenya.

Table 7: Effects of Strategic Control on Competitive Positioning

Strategic control	1	2	3	4	5	Mean	Std. Dev
We have created the best strategy control to formulate a suitable competitive strategy	6	10	13	33	24	3.686	0.680
We involve all our stakeholders in strategic control	3	5	10	42	26	3.965	0.879
Our top managers provide a strategic control as a defense mechanism	5	8	16	38	19	3.674	0.706
Our strategic control fits to the overall strategic plans	4	9	15	33	25	3.767	0.698
Our strategic control is flexible enough and adapts to the changing environment	5	11	12	40	18	3.640	0.733

According to the findings, the respondents agreed that their organization involve all our stakeholders in strategic control as shown by a mean of 3.965, the organization’s strategic control fits to the overall strategic plans as shown by a mean of 3.767, the organization top managers provide a strategic control as a defense mechanism as shown by a mean of 3.674, the organization have created the best strategy control to formulate a suitable competitive strategy as shown by a mean of 3.686 and the organization strategic control is flexible enough and adapts to the changing environment as shown by a mean of 3.640. The findings concur with Prastha (2016) who found out that top managers of firms provide a strategic control as a defence mechanism to anticipate the change from their business environment.

Competitive Position among DT SACCOs

The respondents were asked to indicate the extent to which the following indicators of competitive position among DT SACCOs in Nairobi City County based on the implementation of strategic planning processes available on a scale of 1-5 where (1-no extent, 2 –little extent, 3- moderate extent, 4- great extent while 5 – very great extent).

Table 8: Competitive Position among DT SACCOs

Competitive Positioning	1	2	3	4	5	Mean	Std. Dev
The implementation of SACCO strategic planning processes have led to an improvement in market share	2	4	8	48	24	4.023	0.972
Customer loyalty has improved with the effectiveness of strategic planning processes employed	2	5	10	42	27	4.012	0.894
The SACCO brand has gained in market due to diligent strategic planning processes	3	6	9	50	18	3.860	0.954

From the findings, the respondents agreed that the implementation of SACCO strategic planning processes have led to an improvement in market share as shown by a mean of 4.023, customer loyalty has improved with the effectiveness of strategic planning processes employed as shown by a mean of 4.012 and the SACCO brand has gained in market due to diligent strategic planning processes as shown by a mean of 3.860.

Inferential Statistics

Correlation Analysis

Pearson correlation was applied in determining the relationship between strategy formulation, strategy implementation, strategy monitoring and evaluation, strategy control with competitive positioning.

Table 9: Correlations Coefficient

		Competitive positioning	Strategy formulation	Strategy implementation	Strategy monitoring and evaluation	Strategy control
Competitive positioning	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	86				
Strategy formulation	Pearson Correlation	.817*	1			
	Sig. (2-tailed)	.000				
	N	86	86			
Strategy implementation	Pearson Correlation	.832*	.386	1		
	Sig. (2-tailed)	.000	.038			
	N	86	86	86		
Strategy monitoring and evaluation	Pearson Correlation	.791*	.349	.394	1	
	Sig. (2-tailed)	.001	.041	.030		
	N	86	86	86	86	
Strategy control	Pearson Correlation	.787*	.273	.366	.283	1
	Sig. (2-tailed)	.003	.056	.036	.053	
	N	86	86	86	86	86

From the findings, strategy formulation and competitive positioning at deposit taking Sacco's were strongly and positively correlated as shown by $r = 0.817$, statistically significant $p = 0.000 < 0.05$; strategy implementation and competitive positioning were strongly and positively correlated as shown by $r = 0.832$, statistically significant $p = 0.000$; strategy monitoring and evaluation and competitive positioning were strongly and positively correlated as shown by $r = 0.791$, statistically significant $p = 0.001$; strategy control and competitive positioning were strongly and positively correlated as shown by $r = 0.787$, statistically significant $p = 0.003$. It suggests that; strategy formulation, strategy implementation, strategy monitoring and evaluation, strategy control have effect on competitive positioning at deposit taking Sacco's.

Model Summary

Model summary was applied in analyzing the variation of the response variable due to changes in independent variables. The study analyzed the variations of competitive positioning at deposit taking Sacco's due to the changes of strategy formulation, strategy implementation, strategy monitoring and evaluation and strategy control.

Table 10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889 _a	0.790	.784	.00181

The value of adjusted R² was 0.784 which implies that changes of strategy formulation, strategy implementation, strategy monitoring and evaluation and strategy control could explain 78.4% of change in the competitive positioning at deposit taking Sacco's. The remaining 21.6% suggest that there are other factors that affect competitive positioning at deposit taking Sacco's that are not discussed in this study. R shows the association that exists between the variables being studied. It was found that the variables had a strong positive association between the variables being studied as shown by 0.889.

Analysis of Variance

In establishing whether the data that was used was significant, the study conducted ANOVA. From the findings, the ANOVA statistics has a significance level of 0.001.

Table 11: Analysis Of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	48.874	4	12.219	152.355	.002 _b
	Residual	6.496	81	0.080		
	Total	55.37	85			

Because the significance level is less than 0.05, it suggests that the data is suitable for making conclusion on the parameters of the population. The value of F critical was less than F calculated (152.355 > 2.484). This suggests that strategy formulation, strategy implementation, strategy monitoring and evaluation and strategy control significantly influence the competitive positioning at deposit taking Sacco's.

Beta Coefficients of the study Variables

The regression equation was:

$$Y = 1.253 + 0.588X_1 + 0.553X_2 + 0.491X_3 + 0.485 X_4 + \varepsilon$$

The equation revealed that holding strategy formulation, strategy implementation, strategy monitoring and evaluation and strategy control constant, the variables will significantly influence competitive positioning at deposit taking Sacco's as shown by constant =1.253.

Table 12: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	1.253	0.187		6.701	0.000
Strategy Formulation	0.588	0.121	0.541	4.860	0.002
Strategy Implementation	0.553	0.116	0.436	4.767	0.002
Strategy Monitoring and Evaluation	0.491	0.115	0.459	4.270	0.004
Strategy Control	0.485	0.118	0.435	4.110	0.005

Strategy formulation was statistically significant to competitive positioning at deposit taking Sacco's as shown by ($\beta = 0.588$, $P = 0.002$). This shows that strategy formulation with competitive positioning at deposit taking Sacco's is significantly and positively associated. This implies that positive change in strategy formulation will result to increase in competitive positioning at deposit taking Sacco's.

Strategy implementation was statistically significant to competitive positioning at deposit taking Sacco's as shown by ($\beta = 0.553$, $P = 0.002$). This shows that strategy implementation with competitive positioning at deposit taking Sacco's is significantly and positively associated. This implies that positive change in strategy implementation will result to increase in competitive positioning at deposit taking Sacco's.

Strategy monitoring and evaluation was statistically significant to competitive positioning at deposit taking Sacco's as shown by ($\beta = 0.491$, $P = 0.004$). This shows that strategy monitoring and evaluation with competitive positioning at deposit taking Sacco's is significantly and positively associated. This implies that positive change in strategy monitoring and evaluation will result to increase in competitive positioning at deposit taking Sacco's.

Strategy control was statistically significant to competitive positioning at deposit taking Sacco's as shown by ($\beta = 0.485$, $P = 0.005$). This shows that strategy control with competitive positioning at deposit taking Sacco's is significantly and positively associated. This implies that positive change in strategy control will result to increase in competitive positioning at deposit taking Sacco's.

Conclusions

The study found that strategy formulation influence competitive positioning of deposits taking Saccos in Nairobi City County, Kenya. This shows that strategy formulation with competitive positioning at deposit taking Sacco's are significantly and positively associated. This also implies that positive change in strategy formulation will result to increase in competitive positioning at deposit taking Sacco's. The study concluded that strategy formulation is positively related to competitive positioning at deposit taking Sacco's.

The study revealed that strategy implementation influence competitive positioning of deposit taking Saccos. This shows that strategy implementation with competitive positioning at deposit taking Sacco's are significantly and positively associated. This also implies that positive change in strategy implementation will result to increase in competitive positioning at deposit taking Sacco's. The study concluded that strategy implementation is positively related to competitive positioning at deposit taking Sacco's.

The study found that strategy monitoring and evaluation affect competitive positioning of deposits taking Saccos. This indicates that strategy monitoring, and evaluation are statistically significant to competitive positioning at deposit taking Sacco's. This also implies that positive change in strategy monitoring and evaluation will result to increase in competitive positioning at deposit

taking Sacco's. The study concluded that strategy monitoring and evaluation is positively related to competitive positioning at deposit taking Sacco's.

The study found that strategic control influence competitive positioning of deposit taking Saccos. This indicates that strategy control are statistically significant to competitive positioning at deposit taking Sacco's. This also implies that positive change in strategy control will result to increase in competitive positioning at deposit taking Sacco's. The study concluded that strategy control is positively related to competitive positioning at deposit taking Sacco's.

Recommendations

The study found that strategy formulation influence competitive positioning of deposits taking Saccos. The study recommends that Saccos should put in place strategies such as inclusion of stakeholders and conduct market research in the process of formulating strategies for the organizations. This would ensure that proper strategies are formulated to achieve a competitive position.

The study revealed that strategy implementation influence competitive positioning of deposit taking Saccos. Therefore, the study recommends that Saccos should inform employees about new strategies in the organization prior implementation so that they can adjust and adapt. This would help in reducing the chances of employee resistance.

The study found that strategy monitoring and evaluation affect competitive positioning of deposits taking Saccos. The study recommends that the Sacco should select individuals who will be in charge of strategy monitoring and evaluation. This would help in understanding how the strategy is helping the organization to achieve competitive position.

The study found that strategy control influence competitive positioning of deposit taking Saccos. The study recommends that each Sacco should put in place a strategy control. This would help to analyse the strategy that have been put in place to determine its effectiveness, and to find areas of strength and weakness. This will help in the adoption of external business changes hence improving the organization competitive position.

Suggestions for Further Research

The objective of this study was to investigate how strategic planning process affects competitive positioning of deposit taking Saccos in Nairobi City County, Kenya. The study recommends that other studies should be conducted to determine other strategic planning process that affect competitive positioning to cover 21.6% which was not discussed in this study.

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