

**AN INVESTIGATION OF THE STRATEGIC PLANNING EFFECT ON
ORGANISATIONAL RESULTS, A CASE OF KOFINAF COMPANY
LIMITED**

LIVINGSTONE WANYOIKE KINYANJUI

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ABSTRACT

The study was about an investigation of the strategic planning effect on organisational results. The study used Kofinaf Company limited a leading player in the Kenya coffee industry with a huge stake in coffee production, milling and marketing based in Ruiru and Thika sub counties of Kiambu County. It aimed at measuring the impact of strategic planning on organisational results in the firm. The private and public sector organisations are increasingly embracing the practice of strategic planning in anticipation it will translate to improved organisational results. The strategic planning variables are plan implementation, environmental turbulence, organization structure and organization culture. The study attracted Michael Porters Five Forces Framework. The five forces framework allows a firm to assess both the attraction (potential profitability) of its industry and its competitive position within that industry by evaluating five forces: the strength of the threat of new entrants to the industry; the threat of substitute products; the power of buyers or customers; the power of suppliers (to firms in the industry); and the degree and nature of rivalry among businesses in the industry. These forces, according to Porter induces an organization to develop a generic competitive strategy of differentiation or cost leadership, one that is capable of delivering superior performance through an appropriate configuration and coordination of its value chain. The research design was descriptive and target population of 211 from Kofinaf Company limited who are managers of different stratas seized with strategic planning. The sample size of 65 was used. The number of respondents from each managerial stratum was determined by the Neyman allocation formula: $n_h = n (N_h/N)$ where n_h =sample size for stratum h, N_h =population size for stratum h, N =total population size and n =total sample size. The study adopted stratified random sampling methods and uses questionnaires for data collection. Analysis was done using descriptive data analysis techniques (refers to a measure of central tendencies such as mean, median and mode and measure of dispersion such as standard deviation) and inferential statistics using regression and correlation analysis. The study findings indicated the strong areas that Kofinaf needs to foster its brand and find a place in the highly competitive world. One of the elements measured, the effect of plan implementation on organizational results indicated that the case firm was efficiently operated though the managers were somehow effective. The firm was rated highly at Local and foreign markets. The employees were somehow satisfied as the retention was low. The firm was successful although the benefits did not trickle down to the workers. The regression model revealed that holding plan implementation, environmental turbulence, organization structure, and organization culture to a constant zero, the organisational results in Kofinaf Company limited would be at 1.501; a unit increase in plan implementation strategies lead to an increase in organisational results by a factors of 0.341, a unit increase in environmental turbulence would lead to increase organisational results by factors of 0.391, a unit increase in organization structure would lead to increase in organisational results by a factor of 0.316 and a unit increase in organization culture would lead to increase in organisational results in Kofinaf company limited by a factors of 0.416 . All the variables were significant as their probability value was less than ($p < 0.05$). Therefore the study recommends that firm should improve the rate of skilled labour force for its competitiveness in the current market.