

Setting the Strategic Direction and it's Influence on Church Growth in Kenya

Peter Mutua Mutia, Dr. George O. K'Aol and Dr. Paul Katuse

United States International University – Africa

P.O. Box, 14634 – 00800

Nairobi, Kenya

Email: petermutia@yahoo.co.uk, gkaol@usiu.ac.ke, pkatuse@usiu.ac.ke

Abstract

According to conventional textbook wisdom, the setting of an organization's strategic direction is done by leaders at the strategic level of the organization, then cascaded down to the rest of the organization. The setting of an organization's strategic direction entails mapping out the organization's overall growth strategy and laying out the road map for its implementation. The purpose of this study was to determine how the setting of the church's strategic direction influences its infrastructural growth in Kenya, and used a descriptive correlational research design. The one hundred and twenty six (126) Bishops and four thousand, six hundred and sixty seven (4667) study population was randomly selected from the five major Christian denominations in Kenya. The data collection tool used was a self-administered structured questionnaire. The collected data was analyzed with the use of Statistical Package for Social Sciences (SPSS) software.

The findings indicated that the setting of the church's strategic direction influences its infrastructural growth. A Chi-square test to determine whether there was a significant difference between the different church denominations and the strategic plan for the growth and expansion of the church programs established that the strategic plan influenced the growth and expansion of the different church programs at $\chi^2(1) = 18, p < 0.01$. There was a strong correlation between having a strategic plan and accomplishment of the church goals at $r(240) = .65, p = .000$. On doing a regression between the determination of the strategic direction and the church's infrastructural growth, the findings indicated that $F(4,297) = 61.468, p < .000$. With an R^2 of .673, which indicated that the determination of strategic direction causes a 67 percent variation in the infrastructural growth of the church. The study concluded that the determination of the church's strategic direction positively influences its infrastructural growth and recommends further studies to determine the different leadership styles that are key in ensuring sustainable growth of the church and faith-based organizations in general.

Keywords: *Strategy, Strategic Direction, Infrastructural Growth, Church Leadership*

Introduction

According to Ireland, Hoskisson and Hitt (2009), the determination of a church's strategic direction involves the specification of what the organization hopes to become in the future and is influenced by the perceived contextual opportunities and threats. As Hayes, Pisano, Upton and Wheelwright (2005) explain, the setting up of a church's strategic direction entails three key elements, which are: the church's mission, vision and values. Hough, Thompson, Jr., Strickland III, & Gamble (2011) define the church's mission as a statement that describes its very reason for existence, its activities, strategies, acceptable outcomes and its fundamental calling (also called *raison d'être*). On the other hand, Kouzes and Posner (2012) define a church's vision as the ideal and unique "image" of the church's future. According to Huff, Floyd, Sherman and Terjessen (2009), an organization's values are the guiding principles that the firm live by, which also influences both who and what fits within the organization.

According to Clayton (2015), the determination of a church's strategic direction is a five-step process, and entails goal setting, formulation of the guiding strategy, implementation of the same, evaluation and control of the implementation process. On the other hand, Johnson, Scholes and Whittington (2008) explain that goal setting is done to clarify the vision for the church's business and consists of definition of both the short and long-term objective, identification of the process of how to accomplish the church's objectives and a customization of the process for the church's staff, by assigning individual tasks for each.

Problem Statement

In the contemporary and highly competitive society, organizational success is not a matter of luck, but rather a phenomenon largely determined by the actions of the organizational leaders. As Olk, Rainsford and Chung (2015) explain, in not-for-profit organizations, especially the church, the realization of organizational goals is complicated by both the leadership structure and the leaders' actions, which can be explained by the fact that, here, more than anywhere else, a strong conceptual framework, which is a framework for action, is necessary (Manene, 2011), yet this framework cannot be static, but must be reshaped as the needs and the governance of the church and the environment around it change (Kagama, 2012). One of the key actions that can influence the success or failure of the church is the setting of its strategic direction. According to Pierce and Newman (2008), the setting of the church's strategic direction is one management tool that can help an organization in focussing and periodically refocussing its vision and priorities, and also helps the organization in the establishment of choices about how best to accomplish its missions, goals and objectives. On the other hand, Vaughn (2005) explains that without a pre-set direction, an organization stands the risk of drifting away from its values and lose the ability to understand whether it is successful in delivering its services or products to its clients or not.

Purpose of the Study

The purpose of this study was to determine how the setting of the church's strategic direction influences its infrastructural growth in Kenya.

Literature Review

According to Volberda et al (2011), the setting of an organization's strategic direction entails the definition of the organization's strategy and making decisions on the allocation of resources to facilitate its implementation. Fulmer (2009), on the other hand, defines infrastructure as the physical components in any given organization, which are established to guide, support, provide

essential services to enable, sustain, or enhance proper functioning of the organization. According to Serven (2010), an organization's infrastructure consists of the different operations, mission and goals, the people who do the work and the way the work is done in the organization. DeCastro (2015) however observes that, although church growth is a major concern for many churches and their leaders in the world today, it is only when the church is built in accordance with the laid out biblical patterns that true qualitative and quantitative growth become evident. Sullivan and Sheffrin (2003) point out that infrastructure is a key ingredient for organizational productivity and growth and affects the aggregate output by entering production as an additional input and raising the total factors of production by reducing transaction and other costs thus allowing a more efficient use of conventional productive inputs.

According to Labotis (2007), the determination of the church's strategic direction influences infrastructural growth by first, helping in ensuring customer-focused growth strategies, which entails the identification of profitable growth opportunities specifically geared towards the generation of maximum proportion of revenue and profits (Calderon & Servén, 2010). According to Serven (2010), all these elements work in ensuring increased and sustained profitability and ultimately increased demand for service, leading to the need for the expansion of the existing infrastructure due to expanded capacities, which also help the church to serve larger audiences. Fulmer (2009) on the other hand explains that the determination of the church's strategic direction helps in the assessment of its operations by analyzing the direction the church is headed and why, identifying the core customers and their needs. He explains further that it is important to know the church's key competitive advantage, how this can be strengthened, define the existing market platforms, eliminate products and markets that do not fit on to these platforms and strengthen its market coverage. According to Feliciano (2014), the setting of an organization's strategic direction is essentially strategic planning, a process which entails the setting of the organizational mission, vision and objectives, environmental scanning, strategy formulation, strategy implementation, and strategy evaluation and control, which all work together in ensuring that the organizational goals and objectives are achieved. Gartenstein (2014) observes that strategic planning provides a sense of direction and outlines measurable goals for the organization, and is a useful tool for guiding the organization's day-to-day operations and for evaluating progress and changing approaches when moving forward.

He further argues that in order to make the most of strategic planning, the organization should give careful thought to the strategic objectives it outlines, and then back up these goals with realistic, thoroughly researched, quantifiable benchmarks for evaluating results.

According to Day (2012), the direction to be followed in any given organization is set by answering the questions: what are the growth objectives? What portion of future growth and profits should come from new products and or new markets? What purposes should new products and other growth options play in supporting the business strategy? What is the best growth path? Where should the business team be looking to find opportunities that satisfy the objectives and purposes of the strategy without exposing the business to excessive risks? And should the business participate in the new growth direction by relying on internal development or external means such as alliances, licenses or acquisitions? As Wasyluk (2007) explains, a church leader must have a well planned strategy and clear direction if they are to succeed in bringing growth to their organization. To achieve this, Stahl (2007) explains that, church leaders should seek to create an exciting picture of a successful future for their organization and their followers mainly because followers want a sense of what they are striving for and where they are going in order to commit the necessary resources (time and energy) to achieve the desired results. He argues further that without a clear sense of direction the followers become either unproductive or underproductive, which results in a wastage of organizational resources.

According to Dubrin (2007), the church's strategic direction involves the articulation of its mission and vision, development of the strategies, which encompasses the church's goals, and specific objectives. According to Hitt, Ireland and Hoskisson (2005), this vision provides the motivational impetus necessary for the followers to act up and gives the leaders the ability to engage in the motivation and empowerment of their followers to create effective organization designs, which all work together to foster organizational growth.

Research Methodology

Participants

The study population comprised of church leaders in the five major churches in Kenya, with the target population being Bishops and clergy from the five largest church denominations in Kenya, namely, the Roman Catholic Church (R.C.C), the Anglican Church of Kenya (ACK), the Presbyterian Church of East Africa (PCEA), the African Inland Church and the Methodist Church in Kenya (MCK), from which, using a stratified random sampling technique, a sample size of 95 bishops and 387 pastors was drawn.

Design

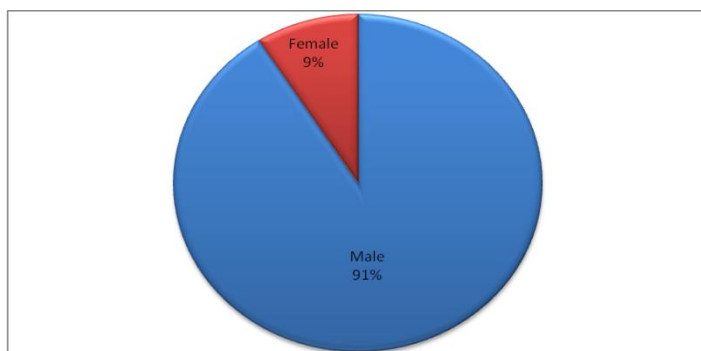
The present study was a descriptive correlational study which sought to determine the influence of setting the church's strategic on its infrastructural growth Kenya. The study examined this variable among church leaders and collected data through self-administered questionnaires and consequently came up with recommendations to church leaders in Kenya which sought to improve performance by church leaders in the country. The data collected was analyzed using both descriptive and inferential statistics and presented in the form of frequency distributions, means, charts for descriptive statistics and tables and figures for inferential statistics. The data was analyzed using the statistical program for social sciences (SPSS) as a tool.

Results

Of the respondents interviewed, only 9% were females in leadership positions. The res (91%) were males.

Descriptive Statistics

Figure 1: Gender of the Respondents



On the other hand, many of the church leaders interviewed for this study were above 50 years of age while a minority were aged between 40-49 years of age.

Table 1: Age of the Respondents

Age	Distribution	
	Frequency	Percentage
30-39 yrs	93	28
40-49 yrs	79	24
50 yrs +	143	43
Non-response	16	5
Total	331	100

Inferential statistics

Chi-Square Test

The technique was used to determine whether there was a significant difference between the church denominations and the strategic plan for the growth and expansion of the church programs. From the Chi-square tests, it was established that, the strategic plan influenced the growth and expansion of the different church programs at $\chi^2 (1) = 18, p < 0.01$.

Table 2: Chi-Square Tests Leadership and the Church Strategic Plan for Growth

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	332.116 ^a	18	.000
Likelihood Ratio	208.809	18	.000
Linear-by-Linear Association	10.305	1	.001
N of Valid Cases	260		

a. 21 cells (75.0%) have expected count less than 5. The minimum expected count is .29.

Analysis of Variance

A one-way ANOVA was conducted to evaluate the null hypotheses that there is no significance difference between the church strategic direction and infrastructural growth. The tests revealed significant pair wise differences between the mean scores of the church strategic direction and the infrastructural growth, $p < .05$. $F (6,255) = 13.5, p = .000$, $F (6,255) = 18.5, p = .000$, $F (6,255) = 7.5, p = .000$ and $F (6,255) = 18.3$. This shows that there was a significant difference between the church strategic direction and the infrastructural growth.

Table 3: One -Way ANOVA on Church Strategic Direction and Church’s Infrastructural Growth

		Sum of Squares	df	Mean Square	F	Sig.
The church’s mission is realistic in light of its resources	Between Groups	12.990	6	2.165	13.453	.000
	Within Groups	41.040	255	.161		
	Total	54.030	261			
There are clearly defined strategies that support the mission, vision and ultimately the growth of the church	Between Groups	34.851	6	5.809	18.516	.000
	Within Groups	79.992	255	.314		
	Total	114.843	261			
The church’s programs, services, and general activities are consistent with its mission statement.	Between Groups	11.211	6	1.868	7.545	.000
	Within Groups	63.144	255	.248		
	Total	74.355	261			
The church’s planning and budgetary priorities are consistent with and supportive of the mission	Between Groups	41.356	6	6.893	18.296	.000
	Within Groups	96.068	255	.377		
	Total	137.424	261			
The church’s actions and decisions demonstrate an understanding that it serves the public and has obligations to it	Between Groups	36.717	6	6.119	10.133	.000
	Within Groups	139.502	231	.604		
	Total	176.219	237			

Regression

The regression between determination of the strategic direction and the church’s infrastructural growth had a strong regression. The regression analysis findings were $F(4, 297) = 61.468$, $p < .000$. With an R^2 of .673, which indicates that the setting of the church’s strategic direction causes 67 percent variation in the infrastructural growth of the church, while the remaining 33 percent are attributable to other factors not considered in the study and one error term.

Table 4: Regression of Strategic Direction and the Church’s Infrastructural Growth

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.673 ^a	.453	.446	.305

a. Predictors: (Constant), Number of programs currently, Number of congregations/parishes/branches 5 years ago, Number of programs 5 years ago, Number of congregations/parishes/branches currently

Coefficients

The coefficient table indicates the degree of relationship between each variable that represents the infrastructural growth of the church. The constant is 1.980 while the variables which are statistically significant for the equation are: increase in the number of congregations/parishes/branches 5 years ago ($p=.000$) and the number of congregations/parishes/branches that the church has currently ($p=.000$).

Table 5: Coefficients of Strategic Direction and the Infrastructural Growth of the Church

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.980	.081		24.452	.000
Number of congregations/parishes/branches 5 years ago	.558	.059	.874	9.439	.000
Number of congregations/parishes/branches currently	.281	.054	.429	5.173	.000
Number of programs 5 years ago	.021	.053	.032	.401	.689
Number of programs currently	.031	.040	.055	.778	.437
a. Dependent Variable: Church having a clear strategic plan					

Regression Equation:

$$Y = a + bx_1 + bx_2 + bx_3 + bx_4$$

$$Y = 1.980 + b(0.558) + b(0.281)$$

Setting the Strategic Direction = $1.980 +$ number of congregations/parishes/branches 5 years ago $0.558 +$ number of congregations/parishes/branches currently 0.281

Discussion

This study sought to establish how the setting of the church's strategic direction influences its infrastructural growth, and sought to get information on the church's strategic vision and mission, the church's strategic goals, the major challenges to the implementation of the church's strategic plans, an analysis of how the strategic plan influenced the church's infrastructural growth, and establish the coefficient between the church's strategic direction and its infrastructural growth and also sought to regress the church's strategic direction against its infrastructural growth. When asked what they felt about the church's vision and mission, 98% of the respondents agreed or strongly agreed that their church's mission was realistic in light of its resources, while 2% of the respondent disagreed with the statement. On the other hand, 77% of

the respondents felt that the church had clearly defined strategies that supported the mission, vision and ultimately the infrastructural growth of the church, while 10% of the respondent disagreed with the statement. Also, 90% of the respondents either agreed or strongly agreed that the church's programs, services, and general activities were consistent with its mission statement, while 10% disagreed with the statement. When asked about the major challenges to the achievement of the church's infrastructural growth, 19% of the respondents cited poor leadership, 17% cited inadequate personnel, while 16% cited lack of sufficient funds to carry out the expansion of the infrastructure. However, other challenges cited included lack of plans (14%), resource constraints (14%), corruption (11%), competition, discrimination and unreligious members, all with 3% respectively. This question sought to determine whether the church's strategic plan influenced its infrastructural growth from the respondents who participated in the study, but first analyzed how the leadership had influenced the infrastructural growth. When asked whether the church's strategic plan had influenced its infrastructural growth, 76% of the respondents agreed or strongly agreed with this statement while 24% either disagreed or strongly disagreed with the statement. Next, this study analyzed the coefficients of setting of the strategic direction against the church's infrastructural growth. The coefficient table indicates the degree of relationship between each variable that represents the infrastructural growth of the church. The constant is 1.980 while the variables which are statistically significant for the equation are: increase in the number of congregations/parishes/branches 5 years ago ($p=.000$) and the number of congregations/parishes/branches that the church has currently ($p=.000$). The study also did an ANOVA of the church's strategic direction and infrastructural growth, and the output shows that the regression is significant at $F(4, 297) = 61.5$ $p=.01$ which proves that the determination of the church's strategic direction has a significant influence on the infrastructural growth of the church. Lastly, this study sought to do a regression of setting the church's strategic direction against its infrastructural growth. Here, the regression analysis technique was done to explore the relationship between the continuous dependent outcomes (infrastructural growth) against the independent variable (setting the church's strategic direction). The regression analysis findings were $F(4, 297) = 61.468$, $p<.000$. With an R^2 of .673, which indicates that the setting of the church's strategic direction causes a 67% variation in the infrastructural growth of the church, while the remaining 33 % is attributable to other factors not considered in the study and one error term.

Conclusion

The present study focused on the setting of the church's strategic direction and its influence on its infrastructural growth. From the study, it is clear that the setting of the church's strategic direction requires a clear vision, mission, goals and the necessary resources to ensure a successful implementation of the same. It also requires a clear analysis and reflection by the church's top managers as well as a clear communication and feedback from the church's employees and stakeholders. It is clear from the study that the process of setting the church's strategic direction requires striking a balance between developing a vision that is not inspiring or unattainable or one that is the personal passion of top management but is not shared by others. Lastly, the setting of the church's strategic direction helps the church to build a systematic framework composed of three key elements, which are: the sharpening the competitive focus, defining the models and priorities and ensuring customer-focused growth strategies.

Recommendations for Improvement

As one scholar so rightly observes, the setting up of the church's strategic direction is not a wish-list, a marketing tool, but rather, a tool which helps the church by shedding light on its unique

strengths and relevant weaknesses, enabling it to pinpoint new opportunities or the causes of current or projected problems. It is with this in mind that this study suggests that church leaders at all levels should be involved in the strategic planning process, the church mission should be realistic in light of its resources and that the church should have clearly defined strategies that support the mission, vision and ultimately the growth of the church.

Recommendation for Further Research

This study has established that the setting of the church's strategic direction helps in the infrastructural growth of the church. There is however a need for an empirical study to identify the effect of the leadership style on the church's growth in general. Also, while the setting of the church's strategic direction has been established in this study as a key variable in the infrastructural growth of the church, it is not clear how the mediating variables like the political and geographic climates influence the same. Consequently, there is a need for an empirical study to determine how these variables influence other aspects of the church growth.

References

- Calderón, C. & L. Servén. (2010). Infrastructure and Economic Development in Sub-Saharan Africa. *Journal of African Economies*
- Clayton, J. (2015). *The Five Stages of the Strategic Management Process* (online). Available: <http://smallbusiness.chron.com/five-stages-strategic-management-process-18785.html>
- Daft, R.L. (2011). *The Leadership Experience*. 5th Edition. Cincinnati, Ohio: Cengage Learning South-Western
- Day, G.S. (2013). *Innovation Prowess: Leadership Strategies for Accelerating Growth*. Philadelphia: Wharton Digital Press
- DeCastro, .D. (2015). *Infrastructure of Church Growth* (online) Available: <http://balancedchristianliving.org/?p=46>
- Dubrin, A.J. (2007). *Leadership: Research Findings, Practice and Skills*, 5th Edition. New York: Houghton Mifflin Company.
- Feliciano, D. (2008). *Why Are Goals And Objectives Important?* (Online). Available: <http://www.fastcompany.com/795028/why-are-goals-and-objectives-important>
- Fulmer, J. (2009). *What in the World Is Infrastructure?* *PEI Infrastructure Investor*, 30–32.
- Gartenstein, D. (2014). *Why Is Strategic Planning Important to an Organization?* (Online). Available: <http://yourbusiness.azcentral.com/strategic-planning-important-organization-4103.html>
- Hayes, R., Pisano, G., Upton, D. & Wheelwright, S. (2005). *Operations, Strategy and Technology: Pursuing the Competitive Edge*. New York: John Wiley.
- Hill, C. & Jones, G. (2008). *Essentials of strategic management*, Boston: Houghton Mifflin
- Hitt, M.A., Ireland, R.D. & Hoskisson, R.E. (2005). *Strategic Management: Competitiveness and Globalization*. Ohio: Thomson South-Western.
- Hough, J., Thompson, Jr., A.A., Strickland III, A.J. & Gamble, J.F. (2011). *Crafting and Executing Strategy, Creating Sustainable High Performance in South Africa: Text, Readings and Cases*, 2nd Edition. London: McGraw-Hill Higher Education
- Huff, A.S., Floyd, S.W., Sherman, H.D. & Terjesen, S. (2009). *Strategic Management: Logic & Action*. Hoboken, NJ: John Wiley & Sons, Inc.
- Ireland, R.D., Hoskisson, R.E. & Hitt, M.A. (2009). *The Management of Strategy: Concepts & Cases* 8th Edition. Mason, Ohio: South-Western Cengage Learning

- Johnson, G., Scholes K. & Whittington, R. (2008). *Exploring Corporate Strategy, 8th Edition*. New York: Prentice Hall Publishers
- Kagema, D.N. (2008). *Leadership Training for Mission in the Anglican Church of Kenya* (online). Available: <http://uir.unisa.ac.za/handle/10500/3252>
- Kouzes, J.M. & Posner, B.Z. (2012). *The Leadership Challenge: How to Make Extraordinary Things Happen In Organizations*. Hoboken: Jossey-Bass.
- Liabotis, B. (2007). *Three Strategies for Achieving and Sustaining Growth* (Online). Available: <http://iveybusinessjournal.com/topics/strategy/three-strategies-for-achieving-and-sustaining-growth#.U7-aKEApy00>
- Manene, G.M. (2011). *The Role of Leadership in Numerical Church Growth: A Case Study of Selected Deliverance Church Congregations in Nairobi-Kenya*. (Masters' Thesis). Daystar University, Nairobi, Kenya.
- Olk,P., Rainsford, P. & Tsungting, C. (2015). *Creating a Strategic Direction* (online). Available: https://us.sagepub.com/sites/default/files/upm-binaries/35210_Part1.pdf
- Pearce, J. A. & Robinson, R.B. (2007). *Strategic Management: Formulation, Implementation and Control*, 10th Edition. New York: McGraw-Hill
- Serven, L. (2010) *Infrastructure and Growth* (Online). Available: <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/0,contentMDK:22629797~pagePK:64165401~piPK:64165026~theSitePK:469382~isCURL:Y,00.html>
- Stahl, J. (2007). *Lessons on Leadership: The 7 Fundamental Management Skills for Leaders at All Levels*. New York: Kaplan Publishing
- Sullivan, A. & Sheffrin, S.M. (2003). *Economics: Principles in Action*. Upper Saddle River, New Jersey: Pearson Prentice Hall
- Thompson A, Strickland A, Gamble J. (2007). *Crafting and executing strategy: the quest for competitive advantage*. New York: McGraw-Hill Irwin.
- Vaughn, A.L. (2005). *Strategic Planning: Management Assistance Models For The Non-Profit Sector* (MBA Thesis). Florida State University, Tallahassee, Florida, U.S.A.
- Volberda, H.W., Morgan, R.E., Reinmoeller, P., Hitt, M.A., Ireland, R.D., & Hoskisson, R.E. (2011). *Strategic Management Competitiveness and Globalization, Concepts and Cases 9th Edition*. Hampshire: United Kingdom
- Wasyluk, o. (2007). Leadership Influence on Corporate Change Involving Distance Training. (Online). Available: <http://www.westga.edu/~distance/ojdl/spring101/wasyluk101>