

**STRATEGIC LEADERSHIP PRACTICES
AND
ORGANIZATIONAL PERFORMANCE
IN NOT-FOR-PROFIT ORGANIZATIONS
IN NAIROBI COUNTY IN KENYA**

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**Strategic Leadership Practices and Organizational
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County in Kenya**

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DECLARATION

This thesis is my original work and has not been presented for a degree in any other University.

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DEDICATION

I dedicate this thesis with love and appreciation to my late mother Esther Mumbi Kitonga. May she rest in peace! Gratitude to God.

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LIST OF ABBREVIATIONS

BSC	-	Balanced Scorecard
CEI	-	Corporate Ethical Identity
CEO	-	Chief Executive Officer
CVI	-	Content Validity Index
DHC	-	Developing Human Capital
DSD	-	Determining Strategic Direction
EP	-	Ethical Practices
JKUAT	-	Jomo Kenyatta University of Agriculture and Technology
KSA	-	Knowledge, Skills and Abilities
LMX	-	Leader–Member Exchange
NFPs	-	Not-For-Profits
NGOs	-	Non-Governmental Organizations
NPOs	-	Not-for-Profit Organizations
OC	-	Strategic control
OCB	-	Organizational Commitment Behavior
SACCOs	-	Savings Credit Cooperative Societies
SL	-	Strategic Leadership
SPSS	-	Statistical Package for Social Sciences
SRS	-	Simple Random Sampling
TMT	-	Top Management Team
UET	-	Upper Echelons Theory

DEFINITION OF TERMS

Ethical practices:	The moral practices of the entire workforce in an organization (Ireland & Hitt, 2005).
Human capital:	The knowledge and skills of the entire workforce in an organization (Ireland & Hitt, 2005).
Leadership:	A process of influencing followers to achieve the organizations' mission, goals and objectives (Yukl, 2013).
Not-for-profit organization:	A non-commercial organization that promotes the social well-being of the less fortunate in the society (Kenya NGO Survey Report, 2009).
Strategic control:	A process used by strategic leaders to frame, maintain, and alter organizational activities (Ireland & Hitt, 2005).
Organizational performance:	Organization's ability to achieve its goals effectively and efficiently with available resources (Daft & Marcic, 2013).
Strategic direction:	A long-term roadmap of the organization (Lear, 2012).
Strategic leadership practices:	Leaders practices that give an organization a competitive advantage over competitors (Ireland & Hitt, 2005).
Strategic vision:	A statement that guides the leader towards the desired attractive and ideal future (Gill, 2011).
Strategy:	An action plan that prescribes how financial and non-financial resources will be allocated to give the organization a competitive advantage (Daft & Marcic, 2013).
Top management team:	The senior executive members with core responsibility to alter the direction (positive or negative) of an organization (Hambrick & Mason, 1984).

ABSTRACT

Strategic leadership practice is paramount in leading 21st century organizations due to the unpredictable operating environment which is becoming more and more volatile, uncertain, complex and ambiguous. Strategic leadership practices were found to be limited not-for-profit organizations yet not-for-profit organizations play an important role in the society of offering vital services to the less fortunate in the society in time of need. This study sought to determine the effect of strategic leadership practices on the organizational performance of not-for-profit organizations in Nairobi County in Kenya. More precisely, the study sought to determine the effect of determining strategic direction on not-for-profits' organizational performance; to find out the effect of developing human capital on not-for-profits' organizational performance; to assess the effect of emphasizing ethical practices on not-for-profits' organizational performance; and to determine the effect of maintaining balanced strategic control on not-for-profits' organizational performance. This study used convergent mixed method research design. The study target population was 1475 not-for-profit organizations operating in Nairobi County. The study sample size was 305 strategic leaders from not-for-profit organizations operating in Nairobi County. Simple random sampling procedure was used to select the sample size for this study. Data collection instruments were survey questionnaires for quantitative data and interview guide for qualitative data. Data collection procedure was done through use of research assistants and drop-and-pick strategy was applied in the data collection. For the qualitative data, interviews were conducted by the researcher using face-to-face strategy. Data was processed using SPSS version 21 and Nvivo before it was analyzed by the researcher guided by the specific research objectives and the research hypotheses. The study was confined to not-for-profit organizations operating in Nairobi County in Kenya. The results of this study established that there is significant positive correlation between strategic leadership practices in general and organizational performance in not-for-profit organizations. Specifically, the study findings established positive correlations between determining strategic direction, developing human capital, ethical practices, strategic control and organizational performance. The study, therefore, recommends adoption of strategic leadership practices in not-for-profits since it was found to enhance organizational performance; the study also recommends that not-for-profit leaders find ways in which the practice of determining strategic direction can be used to improve the of not-for-profit organizations; the study also recommends strategic leaders proactive in their practice of developing human capital in order to increase the organizational performance of not-for-profit organizations; the study also recommends further research be carried out on the impact of ethical practices and strategic control which were found to be less significant in influencing organizational performance of not-for-profit organizations in Nairobi County in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Not-for-profit organizations represent a huge sector in the developed and developing countries. The not-for-profit sector includes thousands of organizations that serve as intermediaries between government, the private sector, and the citizens as regards to delivery of vital services. Not-for-profit organizations are engaged in a wide range of socio-economic activities that touch every aspect of life. Not-for-profit organizations play a leading role in offering different services to the less fortunate in the society.

Many not-for-profit organizations are engaged in diverse services in different local areas. Not-for-profit organizations get their resources from different donor agencies and sources to facilitate their service delivery mission. These funds assist not-for-profit organizations in building and maintaining diverse social services as may be required by the local communities. Not-for-profit organizations are also responsible for training a significant proportion of the workforce to handle different social challenges. Not-for-profit organizations also represent a considerable employment base for many which in turn increases the disposable income to local areas.

Not-for-profit organization is a broad concept which is understood differently by different people. There are several types of not-for-profit organizations. Not-for-profit organizations operate without a commercial purpose. Any profit realized by this type of organizations is reinvested back in the organization. Morris, Kuratko, and Covin (2008)

define a not-for-profit organization as a type of organization which could be of all sizes and typically serves a social purpose or public benefit and does not distribute profits to shareholders.

According to Morris et al., (2008) not-for-profit organizations could be categorized into: philanthropic organizations which organize resources to support people in need and are motivated by the humanitarian purposes; advocacy organizations which support different social causes or initiative such as care and protection of the environment or animals and so forth; and mutual benefit organizations which provide services to a large clientele sometimes at a subsidized fee below the actual cost.

Not-for-profit organizations face different challenges as they try to facilitate the delivery of their services key among these being increased pressure from donors expecting accountability and results for their investment, clients expecting quality and sustainable services, community expecting positive contribution (social impact), increased scrutiny of pro-poor stance, and so forth (Pearce & Robinson, 2011). Following the challenges facing not-for-profit organizations, the proponents of strategic leadership (Boal & Hooijberg, 2001; Finkelstein, Hambrick & Cannella, 2009) have argued that today's organizational leaders require strategic leadership practice to be able to manage leadership and management challenges coming from the hyper-turbulent environments. Several scholars have observed that the 21st-century environment in most organizations will find themselves in requires a different kind of leadership.

Proceeding from this observation, some scholars have noted that organizations require strategic leadership practices in order to respond appropriately and quickly to issues

relating to performance (Pearce & Robinson, 2011). Moreover, several scholars have argued that strategic leadership practices helps in dealing with the challenges of organizational performance (Hambrick & Mason, 1982; Kirimi & Minja, 2010; Ireland & Hitt, 2005; Lussier & Achua, 2007; Ahmed, 2013; Salamon et al., 2012). This shows that there have been numerous studies done on for-profit organizations which acknowledge the role of strategic leadership practices on organizational performance.

Today's not-for-profit organization leaders not only do they have to lead their organizations in strategic planning, mission development and assessment, fundraising among others, but they have to deal actively with strategic leadership practices and organizational performance (Ahmed, 2013). Leadership has been noted as the most single critical factor for the success of different organizations including not-for-profit organizations in 21st-century (Daft, 2014).

Therefore, the future of not-for-profit organizations in the highly competitive 21st-century depends on the extent to which leaders of these organizations are able to adopt strategic leadership practices. This is because strategic leadership practices has been found to be positively correlated to organizational performance at least in for-profit organizations. The general objective of this study was to explore and explain the role of strategic leadership practices on organizational performance in not-for-profit organizations in Nairobi County in Kenya. The key concepts in this study were: strategic leadership practices, organizational performance and not-for-profit organizations. These concepts are discussed briefly in the following sections.

1.1.1 Strategic Leadership Practices

Strategic leadership practice has been said to be an important strategy for leading 21st-century organizations. This argument has been so due to the unpredictable environments in which most organizations (for-profit and not-for-profit alike) find themselves in. A number of scholars have defined strategic leadership practice as a leader's ability to anticipate, envision, maintain flexibility, think strategically and work with followers to initiate changes that create a viable future for the organization (Ireland & Hitt, 2005; Serfontein, 2010; Jooste & Fourie, 2010). The available discussions on strategic leadership practice indicate that strategic leaders influence others, is futuristic and that the strategic leader holds both short term and long term goals simultaneously.

A strategic leader possesses critical characteristics which include but not limited to future orientation, cognitive ability, ability to focus on the big picture, interpersonal relations, propensity to act and risk taking. Likewise, from empirical studies on strategic leadership practices, these practices are identified as involving determining strategic direction, exploring and maintaining unique core competencies, developing human capital, sustaining an effective organizational culture, emphasizing ethical practices and establishing balanced strategic controls (Jooste & Fourie, 2010).

The interest of this study was to examine the effect of strategic leadership practices on organizational performance in not-for-profit organizations. In view of this, strategic leadership practices have been found to have positive effect on the organizational performance of not-for-profit organizations despite the lack of studies on this subject (Phipps & Burbach, 2010). Petrescu (2013) explored leadership challenges facing not-

for-profit organizations and established diverse challenges which require strategic leadership practices. From this, it can be said that not-for-profit organizations need effective strategic leadership practices to effectively achieve their mission and vision objectives.

According to Kirimi and Minja (2010), strategic leadership practices are important because they shape the formation of strategic intent which influences successful strategic practices in an organization. This argument is also supported by Ireland and Hitt (2005) who observed that strategic leaders are important because they create organizational meaning and purpose. Strategic leadership practices enable organizational leaders to influence their followers to contribute effectively to the accomplishment of the goals and objectives of the organization (Obiwuru, Okwu, Akpa, & Nwankwere, 2011).

Strategic leadership practices have also been argued as being able to lead to organizational performance for which it has also been averred that strategic leadership practice is equally fitting for not-for-profit organizations as they also require performance (Awan, Qureshi, & Arif, 2012). According to Kirimi and Minja (2010) organizations' failures results from the lack of strategic leadership practice which results from the leaders' failure to sell the organizations' vision to its followers, not being able to convince followers to be passionate about the organization and also failing to make employees loyal to the organizations' vision.

This has led to scholars like Ahmed (2013) to argue that proper and effective strategic leadership will bring about performance in not-for-profit organizations. The generic strategic leadership practices have been discussed in different scholarly works. A summary of the strategic leadership practices which are the main focus of this study is

presented in Table 1.1. From Table 1.1, four strategic leadership practices were isolated and examined in this study as independent variables. The four specific strategic leadership practices referred to in this study are: determining strategic direction, developing human capital, emphasizing ethical practices and maintaining balanced strategic control.

Table 1.1: Generic strategic leadership practices

Authors	Generic strategic leadership practices
Ireland & Hitt (2005)	<ul style="list-style-type: none"> • Determining the firm's purpose and vision • Exploiting and maintaining core competencies • Developing human capital • Sustaining an effective organizational culture • Emphasizing ethical practices • Establishing balanced strategic controls
Boal & Hooijberg (2000)	<ul style="list-style-type: none"> • Making strategic decisions • Creating and communicating a vision of the future • Developing key competencies and capabilities • Developing organizational structures, processes, and controls • Managing multiple constituencies • Selecting and developing the next generation of leaders • Sustaining an effective organizational culture and • Infusing ethical value systems
Quinn (1988)	<p>Eight competing leadership roles simultaneously:</p> <ul style="list-style-type: none"> • innovator, broker, facilitator, mentor, coordinator, monitor, producer, and director
Hart & Quinn (1993)	<ul style="list-style-type: none"> • Vision setter, motivator, analyzer and taskmaster
House & Aditya (1997)	<ul style="list-style-type: none"> • Making strategic decisions • Selection of key executives • Allocation of resources, • Formulation of organizational goals and strategy • Providing direction for the organization • Conceptualizing and installing organizational designs and control systems • Representing the organization to critical constituencies such as representatives of financial institutions, government agencies, customer interest groups, and labor • Negotiating with such constituencies for legitimacy and resources

From Table 1.1, scholars have come up with six critical strategic leadership practices which comprise of determining the firm's purpose and vision, exploiting and maintaining core competencies, developing human capital, sustaining an effective organizational culture, emphasizing ethical practices and establishing balanced strategic controls (Ireland & Hitt, 2005; Hagen, Hassan & Amin, 1998; Jooste & Fourie, 2010; Hitt, Ireland & Hoskisson, 2011; Serfontein, 2010). Strategic leadership practice is necessary for not-for-profit leaders in order to be able to deal with environmental turbulence (Hitt, Haynes, & Serpa, 2010).

Strategic leadership practice is important for organizations because it enables the organizations' leaders to develop the organizations' vision, mission, strategies and culture (Gill, 2010). In this view, Serfontein (2010) noted that through strategic leadership practice, leaders are able to understand better the organization's environment. This view is also supported by Gerras (2010) who asserted that through strategic leadership practice, the leader affects the desired organizational goals by envisioning, influences the organization's culture, allocates resources, directs policy and builds consensus on the future.

Strategic leadership practice in the not-for-profit organization enables the leaders to anticipate the future challenge, to interpret, decide, and align organizational performance (Schoemaker, Krupp, & Howland, 2012). Ahmed (2013) proposes use of strategic leadership practice in addressing the challenges facing not-for-profit organizations in the 21st century. Likewise, Kirimi and Minja (2010) propose that in order for strategic leaders to be successful, there is a need to blend managerial leadership, strategic leadership and visionary leadership in this process.

This study established a number of strategic leadership practices that have been proposed for organizational effectiveness and performance. The main strategic leadership practices identified in this study are determining strategic direction, developing human capital, emphasizing ethical practices and practicing strategic control where these were seen as having significant positive correlation with organizations performance in the context of not-for-profit organizations in Nairobi County in Kenya.

1.1.2 Not-for-profit organizations

The study of not-for-profit organizations has been growing exponentially globally. This is because not-for-profit organizations have been responsible for vital humanitarian services to disenfranchised and vulnerable members of the society. Furthermore, the role of not-for-profit organizations in societal transformation has been tremendous and very well acknowledged. This role is explicit in the growth of not-for-profit organizations both locally, regionally, nationally and globally.

The not-for-profit organizations are self-governing private organizations that do not make a profit for their owners or members (Nahavandi, 2012). Not-for-profit organization is a legal entity formed by a group of persons to promote cultural, religious, professional, or social objectives. Not-for-profit organizations include charitable organizations, membership groups like a sports club or women's club, social or recreational organization, public educational institutions, public hospitals, among others (Ahmed, 2013; Nahavandi, 2012).

Hopkins, Meyer, Shera, and Peters (2014) observed that not-for-profit organizations were growing fast in the United States of America. However not-for-profit organizations were

experiencing diverse challenges such as insufficient financial, human and technical resources, tightly defined contracts, high rates of underfunded infrastructure and overhead and higher expectations for accountability (Not-for-profit Finance Fund's Survey, 2014). Moreover, Arasa and Kioko (2014) noted increased competition among not-for-profit organizations because of the dwindling resources for the growing population of not-for-profit organizations.

Hasenfeld (2015) found that not-for-profit organizations were bound by the common mission to meet the social needs of vulnerable populations. To implement this vision and mission requires strategic leadership practices. This is because not-for-profit organizations are vital organizations and their existence needs understanding because they provide the society with critical services without which many people would suffer dearly in the eyes of insensitive market conditions and failed governments (Bromideh, 2011).

Banks and Hulme (2012) observed that in Africa there has been an exponential growth of not-for-profit organizations since the 1990s. In Tanzania, there were 41 registered NGOs in 1990 and this number increased to more than 10,000 by 2000 (Hearn, 2007). In Kenya, there were 350,000 'registered' not-for-profits in 2005 (Kanyinga & Mitullah, 2007). The NGO Council of Kenya observed a significant growth of not-for-profit organizations as a result of the government not being able to meet most of the citizen's needs.

However, Okorley and Nkrumah (2012) observe that sustainability in most of the not-for-profit organizations was a serious strategic leadership challenge. According to Ledgerwood and Morgan (2012), the strategic leadership challenges facing not-for-profit

organizations in Sub-Saharan Africa were a threat not only to not-for-profit organizations but most importantly to the beneficiaries of the services/ products of these organizations. Not-for-profit organizations range from small informal grassroots organizations to multi-billion dollar foundations (Nahavandi, 2012).

Tabassum (2012) noted that not-for-profit organizations play an important role in development in Bangladesh through micro-credit, employment, women empowerment, education, and health. Likewise, Piquemal (2013) noted that not-for-profit organizations are responsible for educational programs for orphans and vulnerable children in Ethiopia and they have had tremendous influence in people's lives. Such impact or influence are not possible without strategic leadership practice.

Franklin (2011) noted that not-for-profit organizations need to function at the highest level of operational efficiency and performance because they use public and donors' funds to sustain their activities. It can be inferred that facilitating not-for-profit organizations' delivery of services across the globe has not been that easy because of the diversity of challenges which these organizations encounter. Despite the challenges encountered by the not-for-profit organizations, people continue to demand the services offered by these organizations and this is possible through strategic leadership practices as suggested by several scholars (Boal & Hooijberg, 2001; Finkelstein, Hambrick, & Cannella, 2009; Ahmed, 2013).

More so, Edwards (2013) observed that the not-for-profit sector plays a valuable role in the global economy, with the potential to correct various market failures and provide a direct substitute for government provision of public goods. Similarly, Mahmoud and

Yusif (2012) avert that not-for-profit organizations are in the business of meeting the needs of their beneficiaries and it is argued that this is possible through strategic leadership practices. Specifically, Lewis and Kanji (2009) argues that the future of not-for-profit organizations depends on strategic leadership practices as identified in Table 1.1. In this line, Ahmed (2013) agrees that strategic leadership practice is key to the success of many organizations as well as for not-for-profit organizations in 21st century hence this study.

1.1.3 Organizational performance

Organizational performance is an organization's ability to achieve its goals by using resources in an efficient and effective manner (Daft & Marcic, 2013). In this view, achieving superior organizational performance is not a question of luck as it must be determined through strategic leaders' practices (Daft, 2011). Any challenge facing not-for-profit organizations require strategic leaders to make the vital decision on how to move about it. Strategic leadership practices, skills and knowledge, not-for-profit organization leaders can realize the mission and objectives of their organizations.

Not-for-profit organizations offer essential services to marginalized groups in the society despite the challenges they face while delivering these kinds of services. Not-for-profit organizations purpose is to fulfill a social mission through different activities and projects. This purpose makes these organizations. However, the special in the whole affair is the kind of leadership practice required to see this mission. In this view, strategic leadership practice has thus been identified in literature as being able to influence in improving for-profit organizations performance. In this regard, the current study assumes

that strategic leadership practices also has the potential to enable not-for-profit organizations to achieve their organizational performance.

1.2 Statement of the Problem

The background to the problem statement of this study was from the vivid reality of poor leadership and consequently poor performance experienced in many not-for-profit organizations while at the same time beneficiaries increasingly continue to demand for sustainable services. This is clearly explained in a study by Odhiambo, Njanja, and Zakayo (2014) which noted that the performance of not-for-profit organizations in many developing countries especially in Africa is worrying as observed in the Paris declaration in 2005, Accra declaration in 2008, and in Busan declaration in 2011. This reality calls for such a study on strategic leadership practices and organizational performance.

The role of not-for-profit organizations globally cannot be ignored as these organizations have been in existence since the establishments of governments, markets and the formal societal life. This is evident from several scholarly discourses on the contribution of not-for-profit organizations in different social contexts (Salamon, Sokolowski, & Gellar, 2012; Kanyinga & Mitullah, 2007; Banks & Hulme, 2012; Worth, 2009; Anheier, 2009; Ahmed, 2013). Accordingly, some studies like Dobrai and Farkas (2010) have observed that not-for-profit organizations continue to respond to diverse and growing demands of their services even with limited resources and growing competition in this sector.

Several studies have delved on the subject of strategic leadership (Hambrick & Mason, 1984; Kirimi & Minja, 2010; Finkelstein, Hambrick, & Cannella, 2009; Carter & Greer, 2013). Despite clarity of purpose for strategic leadership practice in organizational

performance, to date as observed by some scholars (Phipps & Burbach, 2010), there have been little, if any, studies focusing on strategic leadership practices and organizational performance in not-for-profit organizations in Kenya.

Lack of strategic leadership practices studies hurts the not-for-profit organizations as well as their constituents, because most failures in these organizations will less likely be detected if there are no studies investigating the correlation between strategic leadership practices and organizational performance in this context. The scanty and to some extent inconclusive literature on the subject is not sufficient to interpret what takes place in the not-for-profit organizations' sector when it comes to organizational performance. However, the available studies were found to have focused on for-profit organizations (Kuchio, 2012; Nganga, 2013; Ndunge, 2014; Nthini, 2013; Serfontein, 2010; Lear, 2012; Mutia, 2015) leaving a gap on strategic leadership practices' application in not-for-profit organizations.

It is against this background, that this current research sought to address the problem of organizational performance of not-for-profit organizations from the context of strategic leadership practices as observed by scholars such as Phipps and Burbach (2010). Therefore, this study sought to establish whether strategic leadership practices can be legitimately used in explaining organizational performance in not-for-profit organizations. This study follows several scholarly advice to advance this kind of study into the not-for-profit organizations (Phipps & Burbach, 2010; Menz, 2012; Alqahtani, 2012). This is also because strategic leadership practice has been explained to significant in enhancing organizations' competitive advantage (Ireland & Hitt, 2005; Lear, 2012).

Knowledge of strategic leadership practices and its translation to organizational performance is important for the survival of not-for-profit organizations in the wake of intense and fierce competition for limited resources brought about by globalization and the exponential growth of not-for-profit organizations. In this line, Koech and Namusonge (2012) argue that achieving the desired results in organizations in today's ever changing and increasingly competitive environment requires a different kind of leadership. This kind of leadership has to take into consideration strategic leadership practices which will lead to superior organizational performance (Daft, 2011). For this reason, this study sought to examine the effect of strategic leadership practices on the organizational performance of not-for-profit organizations in Nairobi County in Kenya.

1.3 Research Objectives

In this study, two categories of objectives were identified. These were, the general objective and the specific objectives.

1.3.1 General Research Objective

The general objective was to determine the effect of strategic leadership practices on the organizational performance of not-for-profit organizations in Nairobi County in Kenya.

1.3.2 Specific Research Objectives

To achieve the general objective, the following specific objectives were identified:

1. To establish the effect of determining strategic direction on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.

2. To find out the effect of developing human capital on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.
3. To assess the effect of emphasizing ethical practices on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.
4. To examine the effect of maintaining balanced strategic control on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.

1.4 Research Questions

From the specific objectives, the following research questions were derived:

1. To what extent does determining strategic direction affect the organizational performance in not-for-profit organizations in Nairobi County in Kenya?
2. To what extent does developing human capital affect the organizational performance in not-for-profit organizations in Nairobi County in Kenya?
3. To what extent does emphasizing ethical practice affect the organizational performance in not-for-profit organizations in Nairobi County in Kenya?
4. To what extent does maintaining balanced strategic control affect the organizational performance in not-for-profit organizations in Nairobi County in Kenya?

1.5 Study Hypotheses

The study sought to test the following null hypotheses:

1.5.1 Determining strategic direction

H₀₁: Determining the strategic direction has no significant effect on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.

1.5.2 Developing human capital

H₀₂: Developing human capital has no significant effect on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.

1.5.3 Emphasizing ethical practices

H₀₃: Emphasizing ethical practice has no significant effect on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.

1.5.4 Maintaining balanced strategic control

H₀₄: Maintaining balanced strategic control has no significant effect on the organizational performance in not-for-profit organizations in Nairobi County in Kenya.

1.6 Significance of the Study

The significance of this study is explained in terms of not-for-profit strategic leaders, policy makers, and researchers and academia.

1.6.1. Not-for-profit Leaders

The leaders in the not-for-profit sector in Kenya may be sensitized on the importance of strategic leadership practices in realizing the organizational performance of not-for-profit organizations. These leaders shall specifically be able to choose the best strategic leadership practices among the ones highlighted in this study to improve their organizations' performance. The study may also help some of the not-for-profit organization leaders who may not have adopted strategic leadership practices to adopt these practices in their attempt to improve their organizational performance.

1.6.2 Policy-Makers

Not-for-profit organizations complement the government and private sector initiatives to provide essential services and goods to the less fortunate in the society. Hence the outcome of this study may provide policy-makers with information that can be used as inputs for policy development on how to improve this sector and the complementarity aspect between different players on social development. The growth and performance of the not-for-profit sector in Kenya is also of national interest since the sector contributes significantly to the nation's economic growth through job creation, and generation of goods and services for the social well-being of the marginalized among others.

1.6.3 Researchers and Academia

The findings of this study may also be valuable to researchers and academicians in providing sector specific knowledge on the contributions of strategic leadership practices on the organizational performance of not-for-profit organizations in Nairobi County in Kenya. The study also provides an empirical source for future research in the area in an effort to build adequate literature on the subject. This study also makes contributions to the existing literature on strategic leadership practices and organizational performance in the context of not-for-profit organizations in Kenya.

1.7 Scope of the Study

This study was confined to 1475 not-for-profit organizations operating in Nairobi County in Kenya (East African Directory, 2014/2015). This decision was based on the fact that Nairobi County headquarters several international and local organizations including not-for-profit organizations and nongovernmental organizations (Myers, 2015). Further, Nairobi County has the best infrastructure, road-network, technology, the internet, and above all the availability of different University libraries which were useful for secondary data gathering and ease of access of resources for the study (Myers, 2015).

1.8 Limitations of the Study

A number of limitations were identified in this study. The first limitation was that some respondents feared for their identity. In order to ensure that respondents were comfortable sharing their information, respondents were not required to disclose the identity of their own identity neither that of the organization.

Secondly, another limitation was on getting information on the performance of these organizations. Some organization's had confidentiality policy which limited respondents' response as regards actual financial. Since most respondents were not willing to share information relating to real financial status of their organization, after the pilot testing the researcher altered the questionnaire to test the performance variable using perceptual measure so as to reduce cases of non-response.

Thirdly, another limitation that was identified was the busy schedules of most of the respondents being that the main respondents have a lot of work and travel a lot on duty. The researcher and the research assistants had to provide the respondents more time, 3 weeks utmost to complete the questionnaire. The time allocated was also complemented by follow-up phone call to the respondents.

The final limitation was from the context of the focus of the study which was on not-for-profit organizations operating only in Nairobi County in Kenya. The scope of the focus of the study could pose the limitation of generalization of the study. To overcome this, the sample size was chosen from a sampling frame that included not-for-profit organizations operating in Nairobi. The sample size choice was done using simple random sampling technique.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents a theoretical review that provided the basis for appropriate theoretical discussion. The chapter also presents the conceptual framework that illustrates the relationship between strategic leadership practices and organizational performance. The chapter also briefly presents an empirical review underlying the study. The chapter also looked at some past studies related to the study and outlined some critique of the existing literature. This chapter also highlights the research gaps that justified the study and, finally, the summary.

2.2 Theoretical Review

A theoretical review of the theories that underlie a study is important for an academic research. According to Kombo and Tromp (2006) a theoretical framework as a collection of interrelated ideas based on theories, reasoned a set of propositions derived from and supported by a general set of assumptions about the phenomena of the investigation. According to Kombo and Tromp (2006), theories provide indicators and examples of what is incorporated in the framework and theories are used to guide the work and help interpret the findings. While there are several theoretical perspectives that could be used on this subject, the researcher used five contrasting but complementary theories, namely trait theory, managerial grid theory, path-goal leadership theory, transformation leadership theory and the upper echelon theory. A brief discussion of these theories is presented in the following sections.

2.2.1 Trait Leadership Theory

The major works that behind the trait theories are by Stogdill in 1948 and in 1974; Mann in 1959; Kirkpatrick in 1986 and Lord in 1991. These studies shows that trait theories was prominent in in the early and late 90s. During the period between 1920's and 1930's, a lot of leadership research focused on the traits that differentiate leaders from non-leaders. Trait theory is one of the earliest leadership theories and it focuses on what an effective leader is and not what an effective leader does.

According to Bhatia (2009), trait theory postulates that there are sets of traits and characteristics that are associated with successful leaders. The prominent traits for successful leaders include physical traits, social traits and social characteristics, and task-related characteristics which are inborn and enables a leader to be successful. Empirical studies supporting trait theory have found evidence that there are traits that contribute to an organizations' effectiveness and performance (Northouse, 2013). The list of leader traits, however, is huge and continues to grow as leaders emerge. Despite numerous studies on the diversity of leadership traits, certain criticisms have been levelled out on the trait leadership theory (Northouse, 2013).

For instance it is argued out that leadership can be learned, nurtured and not necessarily an inborn thing as has been the case in human history where some very successful leaders emerged to diverse situations. Another criticism is that there is nothing inborn, divine, or mysterious as leadership qualities (Northouse, 2013). The point is that leaders do not succeed because they possess certain traits in isolation with other factors (Bhatia, 2009). There is evidence in the literature that individual traits matter although leadership

effectiveness can also be attributed to other environmental factors (Bhatia, 2009; Northouse, 2013). Following these arguments, Bhatia (2009) posits that leadership quality and traits are not sufficient for achieving organizational effectiveness.

Perhaps in an attempt to conclude the discussion on traits, Northouse (2013) isolated five traits which lead to organizational transformations namely intelligence, self-confidence, determination, integrity, and sociability. These traits are interesting because they link well with the strategic leadership practices. The traits cited out in many trait theories link to strategic leadership practices in regards to leader characteristics, abilities, and effectiveness in a responsibility or organization.

Understanding the role of leadership traits in strategic leadership practices is important especially where success is not dependent on a single factor. This is more important because the traits a specific leader possess qualifies why he or she is an important asset in the organizational performance. The leader and subsequently the leadership practices add to competitiveness of an organizations which is required in not-for-profits also. This theory contributes to the tenets for successful strategic leadership practice that underlie a leaders' characteristics, abilities, and knowledge which drive an organizations' performance.

2.2.2 Managerial Leadership Theory

The origin of managerial leadership theory can be traced to the research of Robert Blake and Jane Mouton in 1964 and also in 1978. This theory is based on the behavioural school of thought that assumes that people could be trained to be leaders and that training

programs could be developed to change managers' leadership behaviours and also that the best styles of leadership could be learned (Northouse, 2013).

This theory is anchored on two behavioural dimensions namely: concern for people which is the degree to which a leader considers the needs of the team members, their interests, and development in deciding the means to accomplish a task and methods for production, organizational efficiency, and productivity (Bhatia, 2009). Blake and Mouton identified five leadership styles which are discussed and contrasted with strategic leadership practices which is the main concern in this study. The five leadership styles are presented in Figure 2.1:

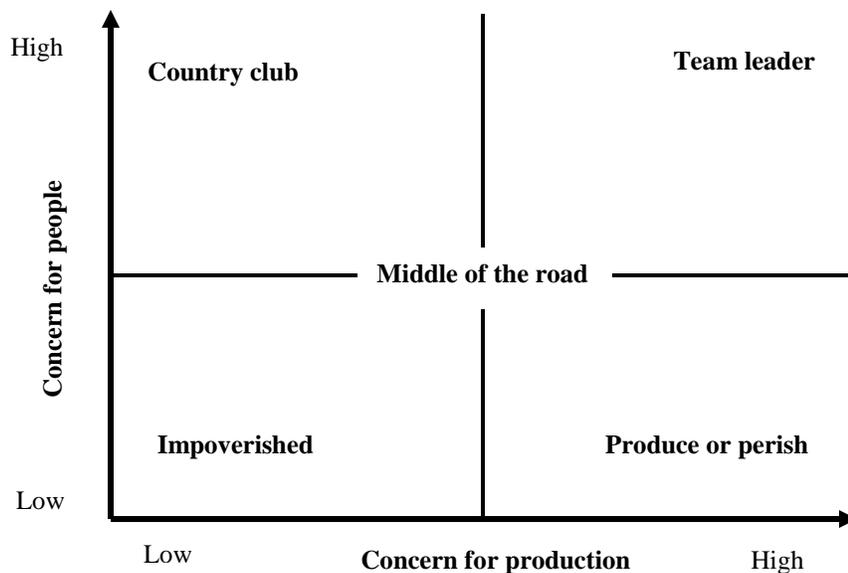


Figure 2.1: Blake and Mouton leadership styles

Source: Adapted from Kokemuller, 2013

Kokemuller (2013) observed that different leadership styles lead to organizational success as indicated in Figure 2.1. According to Kokemuller (2013) and Northouse (2013), Figure 2.1 explains alternative leadership styles that a leader can practice to

enable organizational performance: country club leadership – which lies on high people/low production: This style of leadership is concerned about the needs and feelings of followers. In this leadership style, happiness and security of the followers are the main concern of the leader at the expense of organizational performance due to lack of direction and control which is not what strategic leadership is about.

The produce or perish leadership style is high on production and low on people. This leadership style is considered more authoritarian or compliance leadership in which followers believe they are simply a means to an end. This is contrary to strategic leadership which values employees through the strategic leadership practice of developing human capital. However, this leadership style is closely related to transactional leadership style.

Another managerial leadership style is the impoverished leadership which is low on production and also low on people. This is the most ineffective leadership style in managerial leadership argument. Under this leadership style, the leader has neither regard for creating systems for getting the job done, nor for creating a work environment that is satisfying and motivating. This leadership results in disorganization, dissatisfaction, and disharmony in the organization. Compared to the strategic leadership practices which are highly correlated with the positive organizational performance this leadership is not favoured.

Another managerial leadership style is the middle-of-the-road leadership which is moderate on production and moderate on people. Leaders who use this style settle for average performance. Another managerial leadership style is the team leadership which is

high on production and high on people. This leadership balances production needs with the needs of the employees. Under this leadership style, followers are involved in understanding organizational purpose and determining production needs.

This theory gives credibility to the effects of strategic leaders on the follower and subordinate satisfaction. Polston-Murdoch (2013) concurs that leadership predicts subordinates' commitment to organizational performance. However, task and relationship elements contribute to understanding the strategic leader's concern for the employee and the organization (Kokemueller, 2013; Northouse, 2013).

In the context of the current study, managerial grid leadership theory links with the strategic leadership practices in terms of concern for people and concern for production which influence the organizational performance in not-for-profit organizations in Nairobi County in Kenya. The contrast of strategic leadership practice which favour task/production over the people is a legitimate concern which pose a threat to the organizational performance hence not encouraged.

2.2.3 Path-Goal Leadership Theory

The path-goal leadership theory is credited to the works of Martin G. Evans in 1970. This theory was refined in the following year by Robert J. House in 1971. The proponents of the path-goal theory argue that followers are motivated in a task by the high level of self-efficacy, belief that their efforts result in a certain outcome or reward and belief that an outcome or reward is worthwhile (Bhatia, 2009). The role of the leader in this theory is to motivate followers by rewarding performance and goal accomplishment. According to Northouse (2013) effective leadership occurs when the leader accurately diagnosis the

development level of subordinates in a task situation and then exhibits the prescribed leadership style that matches that situation.

Dixon and Hart (2010) argue that leaders who lead by means of path-goal leadership reward and encourage their followers towards goal achievement. Path-goal theory enables leaders to discern the right strategic direction for the employees and the organization. Malik (2012) opine that this theory predicts the leader behavior which is essential for achieving subordinates' motivation and which is also linked to organizational performance. In line with this argument, Northouse (2013) emphasizes to match leader behavior with subordinates characteristics along with work environment.

Implementing path-goal theory increases subordinates' motivation by clarifying the paths towards which organizational performance is possible. Strategic leadership practice has been viewed as being able to contribute significantly and positively towards achieving organizational performance by motivating others to pursue the same strategic direction. This theory was relevant in this study for its focus on the role of the leader in motivating subordinates towards achieving an organization's goal.

Path-goal theory is argued to be result oriented and equally strategic leadership practices are result-oriented. Therefore there is a clear link with path-goal theory and strategic leadership practices as both types of leadership are result-oriented. This theory supports the argument that strategic leadership practice has an effect on organizational performance, therefore, it needs to be established.

2.2.4 Transformational Leadership Theory

The origin of transformational leadership is traced to the research of James McGregor Burns in 1978 which was later expounded by Bernard Bass in 1985. Transformational leadership blends the behavioural theories with trait theories. This theory evolved from a study by Bernard M. Bass, entitled, “Leadership Performance Beyond Expectations”, in which transformational leadership was characterized by increasing subordinates’ awareness of the importance of their tasks and performing well, making subordinates aware of their needs for personal growth, development, and accomplishment, and motivating subordinates to work for the good of the organization.

Transformational leaders appeal to followers’ ideals and moral values and inspire them to think about problems in new ways (Northouse, 2013). According to Bertocci (2009), transformational leadership theory provides a rational approach as through it a leader is able to observe how leaders actually motivate and reward followers for achieving the organizational vision. This theory is intrinsically related to the goal of strategic leadership which is to anticipate, envision, maintain flexibility, and empower others to create the strategic change necessary for the organization.

Understanding transformational leadership in leadership studies is important because this leadership is said to instill feelings of confidence, admiration and commitment in the followers, stimulates followers intellectually, arouses new of thinking about problems, uses contingent rewards to positively reinforce performances, takes and commits people to action and converts followers into leaders (Northouse, 2013; Daft, 2013).

Empirical studies on leadership-organization relationship have found evidence that transformational leadership predicts organizational performance which is a major concern in this study. Bakar and Mahmood (2014) revealed that there was significant and positive relationship between transformational leadership and performance. According to Daft (2013), transformational leadership leads to organizational performance. Kissi, Dainty and Tuuli (2013) also noted that transformational leadership had positive and significant relation with project performance. Transformational leadership contributes to understanding how strategic leaders can align organization's mission, strategy, structure, and culture to promote desired organizational performance (Daft & Marcic, 2013). Similarly, Seyhan (2013) revealed that transformational leaders have a significant effect on the organizations' mission and its accomplishments.

The importance of transformational leadership in strategic leadership practices regards to the leaders' confidence in the organizations' vision, personal responsibility, and sense of purpose, determination, persistence, and trust in employees and emphasis for accomplishments of goals rather than failures (Gill, 2011). Bekele and Darshan (2011) supports this argument in that transformational leadership increases subordinates' job satisfaction which in turn increases organizational performance. Likewise, McGough (2010) avers that transformational leaders are responsible for shaping the organizations' future. Similarly, Mutahar, Rasli, and Al-Ghazali (2015) supports that transformational leadership positively influences organizational performance.

This view is supported by Cavazotte, Moreno, and Bernardo (2013) who suggest that transformational leadership is associated with higher task performance. Likewise, García-Morales, Jiménez-Barrionuevo, and Gutiérrez-Gutiérrez (2012) noted that

transformational leadership was found to influence organizational performance positively.

Understanding the role of transformational leadership in organizational performance serves as a clarification for why not-for-profit organizational leaders need strategic leadership practices to transform their organizations towards better performance. In the context of this study, transformational leadership theory brings out the link between leadership flexibility and innovation in the sense of appropriate orientation in defining tasks and managing interrelationships in the organization. Transformational leadership provides important aspects of strategic leadership practices like concern for human capital which was found to influence positively on not-for-profits organizational performance in Nairobi County in Kenya.

2.2.5 Upper Echelon Leadership Theory

The origin of upper echelon theory is traced to the research of Hambrick and Mason in 1984. According to the proponents of this theory, leaders' personal characteristics are reflected in the decisions they take in organizations. This theory was founded on the premise that organizational outcomes were directly influenced by the knowledge, experience, and expertise of the strategic leaders (Hambrick & Mason, 1984). The knowledge, experience, and skills are essential predictors of strategic leadership practice and organizational performance. Hambrick and Mason (1984) argued that organizations are a reflection of their strategic leaders. Above all, a number of scholars have proposed that strategic leaders play an instrumental role in realizing organizational performance (Henderson, Miller, & Hambrick, 2006).

The arguments on upper echelons theory strengthen the understanding of strategic leadership and organizational performance. Correlating strategic leadership practice and organizational performance is important in not-for-profit organizations (Menz, 2012). The main variables in upper echelon theory include age, the number of years, work experience, and educational background are useful in providing demographic background the leaders who are responsible for strategic practices in the organization. The strategic leaders' job demand stems from task challenges, performance challenges, and executive aspirations.

Hitt, Ireland, and Hoskisson (2009) related strategic leadership with envisioning, and predicting environmental changes, while at the same time enabling self-growth, by being flexible, and others' growth by empowering them. Menz (2012) views strategic leaders as being critical organizational assets that engage in several strategic actions for the organization. In the context of this study, the demographic characteristics of the leader responsible for strategic leadership practices were found to be important as in a way they influence the leaders' behavior and subsequently organizational performance. The upper echelon theory variables and arguments resonates well with strategic leadership practices as a tool for enhancing the organizational performance in not-for-profit organizations.

2.3 Conceptual Framework

According to Mugenda and Mugenda (2009), a conceptual framework is a diagrammatical representation of the hypothesized relationship between the independent and dependent variables in a study. In this study, the conceptual framework was based on the following independent variables: determining strategic direction, developing human

capital, emphasizing ethical practices and maintaining balanced strategic control which were assumed to have influence on the dependent variable: organizational performance. The researcher deliberately did not use an intervening variable as the relationships were assumed to be linear. However, all the four independent variables were taken as constant hence there was no need for an intervening variable. The assumed relationship between the variables is shown in Figure 2.2.

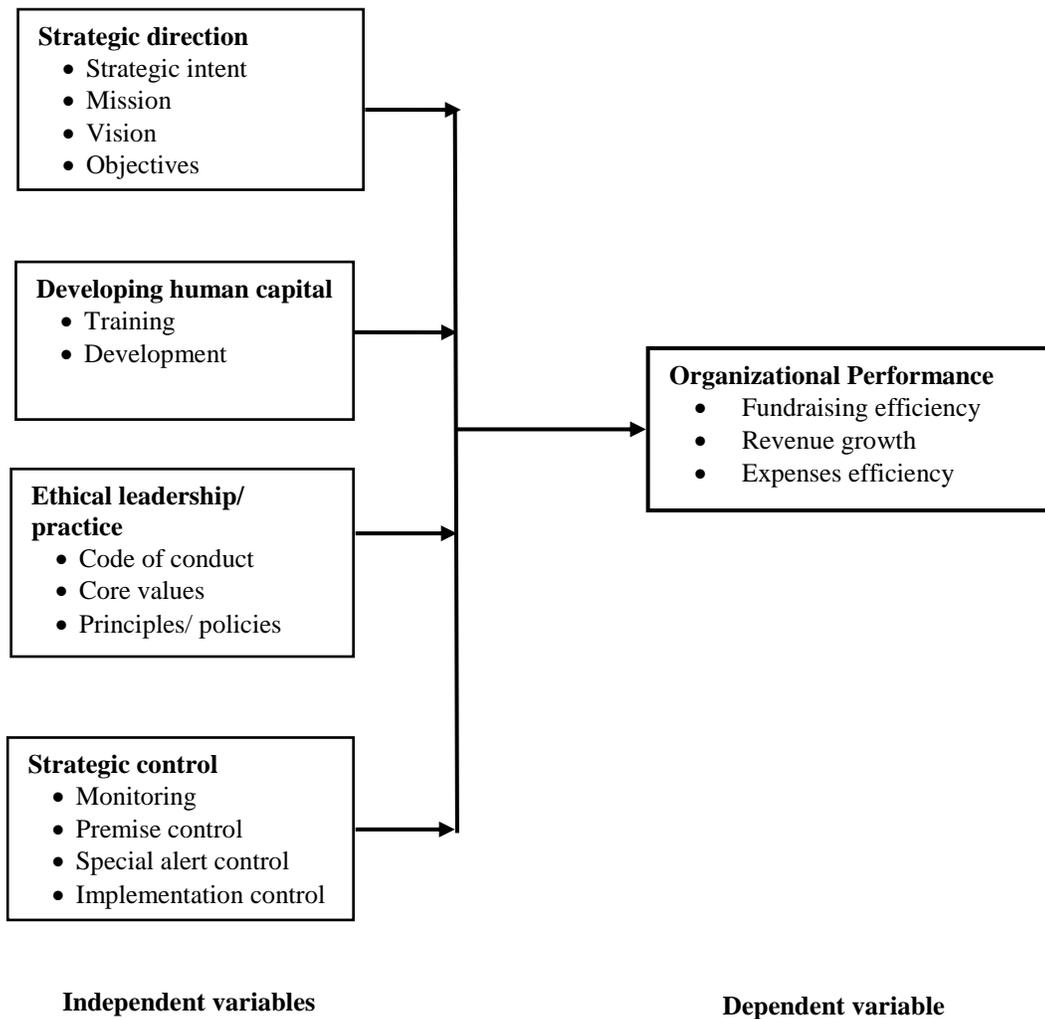


Figure 2.2: Conceptual framework

Each variable as found in Figure 2.2 of the conceptual framework of this current study is discussed in the following section.

2.3.1 Determining Strategic Direction

Among the strategic leadership practices is determining strategic direction. Determining strategic direction involves developing a long-term vision for the organization. According to Mutia (2015) determining strategic direction entails articulating the organization's mission and vision, developing the organization's strategic goals, objectives, and coming up with a strategic plan. This view is supported by Ireland and Hitt (2005) who observed that the task of determining the direction of the firm rests squarely on the strategic leader.

Determining strategic direction involves defining the long-term vision of the organization into the future. A number of items to measure determining strategic direction were identified in literature. In this study, the opinion of the respondents on strategic intent, vision, mission, goals, and objectives were sought. These items were thought to contribute in clarifying our understanding of determining strategic direction. The discussion of these items of determining strategic direction thus follows:

(i) Strategic Intent

According to Hamel and Prahalad (2005), strategic intent focuses on the desired leadership position and establishes the requirements the organization needs to achieve its goals. Strategic intent encompasses an active management process that motivates its people by communicating the value of the target and providing the scope for individual and team contributions (Hamel & Prahalad, 2005). Strategic intent aligns the actions and beliefs of everyone in the organization towards the organizations' goal. Strategic intent assists strategic leaders to develop the criteria to guide and measure progress, active

management, and leadership processes which lead the organization to achieve its goals (Szpakowski, 2011).

According to Odita and Bello (2015), strategic intent positively and significantly relates to the organizations' performance and it is found in the mission, vision, and objectives. Further, Makori (2014) observed that strategic intent provides direction, discovery, and destiny for the organization. Strategic intent conveys the future opportunities of the organization (Collins, 2010). According to Makori (2014) strategic thinking is the basis upon which strategic intent emanates and it is intent-driven.

(ii) Vision statement

A vision guides everyone in an organization to the same path and at the same pace (Hitt, Ireland, & Hoskisson, 2011). Taiwo, Agwu, and Lawal (2016) opine that the vision statement sets out what the organization wants to accomplish and it inspires members, staff and supporters alike. A vision statement explains what the firm wants to be in the future and the level it wants to attain in the future (Ozdem, 2014). A vision statement aids an organization in the future events. It prepares the organization for the changes and innovations anticipated in the future and forecasts desired changes suggested by customers and other stakeholders (Powers, 2012).

A vision statement reflects an organization's values and aspirations and it is intended to capture the heart and mind of each employee and stakeholders (Candemir & Zalluhoglu, 2013). A vision is inspiring and exciting, it fosters long-term thinking, risk-taking and experimentation, it helps in creating the common identity and shared sense of purpose, is competitive, original and unique, and represents integrity and is truly genuine

(Jyothimon, 2014). A vision statement explains what the firm wants to be and the level it wants to attain and communicates the organizations' dream (Ozdem, 2014). A vision assists the people in having an idea of the culture of the organization.

(iii) Mission statement

A mission statement describes what the organization does to achieve its vision. A mission statement is a formalized document defining an organization's unique and enduring purpose (Gharioghi, Nikbakht, & Bahar, 2011). Darbi (2012) states that mission statements are an indispensable in the strategic management process. Mission statement defines the fundamental and unique purpose that sets an organization apart from others. It identifies the scope of the organization's operations in terms of products/ services offered and the market served (Candemir & Zalluhoglu, 2013). Mission statements guide all the processes of strategic planning and explains what organizations want to be and whom to serve (Ozdem, 2011).

(iv) Objectives

Objectives are the organization's performance targets. An organizational objective is a statement which describes what an organization is hoping to achieve (Koontz, 2011). Objectives are measurable targets that must be met on the way to attaining the organizations goal. Peter (2014) listed ten benefits of organizational objectives: determining strategy, providing guide to action, providing a decision making framework, coordinating activities, facilitating prioritization and conflict management, controlling performance, concentration on long-term factors, motivating employees, bases for decision making, and clear idea of the organization. Thompson, Peteraf, Gamble, and

Strickland (2014) observed two types of organizational objectives namely financial and strategic objectives and stated that financial objectives communicate management's financial performance goals while strategic objectives concern firm's market standing and competitive position.

2.3.2 Developing Human Capital

Another important strategic leadership practice variable is developing human capital. It is acknowledged that no firm or organization, whether for-profit or not-for-profit can perform its activities successfully without attracting and retaining talented employees with suitable knowledge, attitudes, and skills. According to Mutia (2015) developing human capital is key for improving a firm's productivity and competitive advantage. Hagen, Hassan, and Amin, (1998), Ireland and Hitt (2005) and Slawinski (2007) describes human capital as the knowledge and skills of the firm's entire workforce. Further, Shaheen, Nagvi, and Khan (2013) noted that organization with better skilled and creative employees always work to improve efficiency and organizational performance.

McIsaac, Park, and Toupin (2013) notes that the importance of human capital cuts across all sectors of organizations and human capital refers to the collection of skills, knowledge, competencies and personal attributes that create value in the workforce. Not-for-profit leaders must think about the future from the perspective of the skills, knowledge and competencies inherent in the human capital for success in the complex competitive 21st century environment. Developing human capital variable was measured by assessing the opinion of the respondents on training and development of the human capital.

(i) Training

Training and retraining are important when organizations require different skills, competitive capabilities, and operating methods. Training is strategically important in organizational efforts to build skills-based competencies (Thompson et al., 2014). Laing (2009) talked of training as an indicator of superior skills, knowledge, and capabilities of the employees that results in effective performance. Others have argued that training provides employees with necessary job-specific skills to enhance their performance (Luis, David, & Robert, 2010). According to Vinesh (2014) training covers essential work-related skills, techniques and knowledge in employees. Saleem and Mehwish (2011) avers that training is an organized increase from the know-how skills and sensations needed for staff members to execute efficiently their work in the organization.

Masood (2010) and Khanfar (2011) argue that training is an active means to enable an employee to make use of his/her capability and potential effectively for the good of the organization. Bowra et al., (2011) found that successful organizations knew that developing human capital gave them an organizational edge in this competitive world. Aguinis and Kraiger (2009) also add that training improves an organizations' profitability, effectiveness, productivity and revenue base hence it is important for not-for-profit organizations too. It can therefore be concluded that without planning for proper training of the staff, the organization may not be able to achieve its mission, vision and objectives. This is supported by Saleem and Mehwish (2011) who avers that training is a major activity of human resources development in an organization.

(ii) Development

Development of the human capital is a value addition activity for the employee as well as for the organization. According to the Oxford Dictionary (2009), human capital is “the skills the labor force possesses and is regarded as a resource or asset.” Human capital development encompasses investing in the employees on education, training, and health and other related aspects with the aim of increasing each individual employee’s productivity.

Human capital development in organizations should not under any circumstance be viewed as expenditure but rather as an investment for the good of the organization. Batti (2014) defines human capital development as the process of helping staff to acquire the necessary expertise with a view of enhancing the organizations’ effectiveness. This is so because as Josan (2013) argues, the human capital is a resource that contributes to the competitiveness and high productivity of the organization.

Likewise, Choudhury and Mishra (2010) observes that human capital development is concerned with developing the knowledge and skills of employees. This kind of human capital development is needed in all types of organizations. However, it is needed mostly in not-for-profit organizations where they depend heavily on volunteers and contract staff to perform some specialized services in which in real sense most of them have no total commitment or sense of ownership hence failure of achieving the laid down mission and vision.

Marimuthu, Arokiasamy, and Ismail (2009) observed that many organizations were embracing the notion that proper human capital adds a competitive advantage to the

organization which in turn translates to enhanced organizational performance. According to Deku (2014) developing human capital is concerned with the realization of a person's ability through conscious or unconscious learning and must be sought by all types of organizations if they are to achieve their objectives.

2.3.3 Emphasizing Ethical Leadership Practice

Another important strategic leadership practice variable is ethical leadership practice. Ethical leadership practices in not-for-profit organizations is an issue demanding the attention of researchers and practitioners alike. Ethical practices comes from the kind of leadership available in an organization. Hence for an ethical culture to be inculcated in the organization, the leadership must be in the forefront. In this study, ethical practices is discussed in the context of ethical leadership.

Mihelič, Lipičnik, and Tekavčič, (2010) notes that ethical practices concern strategic leaders' ability to be humble, to have concern for the common good, strive for fairness, taking responsibility and showing respect for each individual. According to Hale (2013), ethical practices in not-for-profit organizations have been associated with greater reputation, trust, confidence and above all organizational performance. Toor and Ofori (2009), ethical practices play a critical role in mediating organizational culture and employee performance. Alshammari, Almutairi, and Thuwaini (2015) notes that firm successes are attributable to sound ethical practices which equally contributes significantly to organizational performance.

The relevancy of ethical leadership practice has been on the increase as a result of several major scandals in the form of fraud, corruption and mismanagement of organizations^{7/}

firms' resources (Hsin-Kuang, Chun-Hsiung, & Dorjgotov, 2012). Neubert, Wu, and Roberts (2013) argue that the collapse of many organizations points to failure in strategic leadership practices. Engaging in ethical leadership practices in organizations is one of the key strategic leadership practices that leads to organizational performance. Piccolo, Greenbaum, Hartog, and Folger (2010) suggests that strong ethical practices is responsible in motivating employees in organizations to be passionate about ethical practices which leads them to achieve firm performance.

According to Ireland, Hoskisson, and Hitt (2009) ethical leadership practices enables employees/ staff in an organization to act ethically while implementing the organizational strategies (Mutia, 2015). Further, Ireland and Hitt (2005) remarked that in the 21st-century, effective strategic leaders would be required to exhibit honesty, trust, and integrity as they lead their organizations through the competitive landscape. Nthini (2013) observes that firms' competitiveness when they are based on ethical leadership practices. Likewise, Lear (2012) opine that integrity in leadership is vital for a corporation to achieve its goals. Ethical practice in this study were measured in terms of:

(i) Codes of Conduct

Making sure that everybody observes the organizations codes of conduct is one of the strategic leadership practices that gives an organization the desired reputation. Codes of conduct are those ethical instruments designed to anticipate and prevent behaviors such as conflict of interest, self-dealing, bribery, and inappropriate actions in the organization. There is agreement among not-for-profit organization scholars that they should have a

code of ethics to address issues such as transparency, disclosure in fundraising solicitations, integrity and diversity.

Kirimi and Minja (2010) observe that the foundation of strategic leadership practice is in observing the values, ethics, codes, morals and standards of the organization. A code of ethics provides the foundational framework for which staff members use to carry out their daily responsibilities. A code of conduct clearly articulates unacceptable behaviors and the vision for which an organization hinges its success on. Codes of conduct set the boundaries of behavior as well as expectations for behavior in the organization. Codes of conduct provide a clear direction of what sort of behavior is acceptable in an organization as well as what sort of behavior is prohibited.

Codes of ethics increases the probability of the organizational culture in view of the standards of ethics. According to Winthanage (2010), a code of ethics supports the best practices, behaviors, and standards in an organization. From this claim, all those in an organizations need to adhere to these codes of ethics for better performance. Most code of ethics insist on trust, honesty, fairness, respect, and equality among many other values (Winthanage, 2010). Also, Winthanage (2010) observes that standards and guidelines be established to prevent an unethical workplace.

(ii) Core Values

Observing an organizations' core values is a key concern of the strategic leaders. According to Anwar and Hasnu (2013), core values are the universal system of belief and behavior, which purpose driven and clarify the vision of an organization. Core values are the beliefs, traits, and behavioral norms that management has determined to guide the pursuit of its vision and mission (Thompson et al., 2014). Further Thompson et al., (2014) urge that core values relate to fair treatment, integrity, ethical behavior, innovativeness, teamwork, top-notch quality, superior customer service, social responsibility and community citizenship.

Further, Anwar and Hasnu (2013) point out that core values represent the behavior and belief system of an organization. Core values are sets of universal principles and standards which shows what an organization stands for. Core values explain and justify what people do and what organizations stand for. Since core values are ideology and purpose driven, they influence the vision of an organization and all organizations need to have them. Therefore, working on core values and practicing them in the organizational setting is of profound importance for creating and clarifying the vision of an organization. This is clearly supported by Anwar and Hasnu (2013) who states that organizational value statements spell out the core principles that guide an organization's work.

(iii) Ethical Principles

Effective ethical codes are not merely a text. They exemplify the fundamental principles and values of a public service. These can include more legalistic precepts, such as restrictions on conflicts of interest. An ethical principle is a statement concerning the

conduct or state of being which is required for the fulfillment of a value; it explicitly links a value with a general mode of action. Strong policies create public trust and convey integrity by ensuring sound stewardship of organizational assets, accountability, transparency, and ethical practices.

Policies and procedures incorporate the key ethical practices needed to ensure compliance in an organization. Not-for-profit organizations need also to ensure that they have clear ethical principles to guide certain operations in the organization such as accounting principles, procurement, hiring, advertising, promotions and so forth which all ensure public trust on the organization.

2.3.4 Strategic Control

Maintaining balanced strategic control is another strategic leadership practice variable which is important for not-for-profit organizations. Strategic control entails the use of long-term and strategically relevant criteria for the evaluation of business level managers' actions and performance (Hitt et al., 1999). Chikwe, Anyanwu, and Edeja (2016) observes that strategic control is a tool of strategy implementation, a tool for assessing the external and internal environment and also a tool for providing feedback or feed forward to the strategy management process. A number of scholars have argued that strategic control is a formal target-setting, measurement, and feedback systems used to evaluate the processes of implementing the organizations strategic plan.

According to Chikwe et al., (2016) strategic control involves tracking strategy implementation. This means that strategic control is also concerned with detecting problems or changes in the process of strategic plan implementation through monitoring

and evaluation. Likewise, Ndegwa (2013) adds that strategic control is a critical component in strategic management process and it involves tracking, monitoring and evaluating the effectiveness of strategies as well as making any necessary adjustments and improvements on the strategy.

Further, Ndegwa (2013) talks of a strategic control systems as a tool of strategy implementation for steering an organization through the changes that take place in the organization's external and internal situations and for providing feedback or feed forward to the strategy management process. Daft and Marcic (2011), and Mutia (2015) note that organizational controls are formal information-based procedures used to maintain or alter organizational activities. Volberda, Morgan, Reinmoeller, Hitt, Ireland, and Hoskisson (2011) notes that balanced strategic controls help strategic leaders to build credibility, demonstrate value of the strategies to stakeholders and promote and support strategic change.

Accordingly, Ndegwa (2013) clarifies that strategic controls are the formal target-setting, measurement, and feedback systems used by strategic leaders to evaluate whether an organization or firm is achieving the desired behavior and implementing its strategy successfully. Similarly, Adams (2015) adds that strategic control involves tracking the implementation process of the strategic plan. In this study respondents were asked about their perception of strategic control activities and the measures of strategic control were:

(i) Monitoring

Monitoring is an ongoing analysis of whether planned results are being achieved, so that timely corrective action can be taken (Bennis, 2009). Inputs, activities, outputs, outcomes and impacts of services are regularly analyzed according to an established monitoring framework (Schmidt & Laycook, 2016). Regular monitoring and evaluation is required because it will help an organization to assess how it is performing against the set objectives. This monitoring and assessment are important as they will also help allocate resources accordingly.

Monitoring is continuous it aims primarily to provide the management and stakeholders of an ongoing intervention with early indicators of progress, or lack thereof, in the achievement of results. An ongoing intervention might be a project, program or other kind of support to an outcome. Monitoring helps organizations track achievements by regular collection of information to assist timely decision making, ensure accountability, and provide the basis for evaluation and learning (Chikwe et al., 2016).

Monitoring goes hand in hand with evaluation. Evaluation is the systematic and objective assessment of an on-going or completed project, program, or policy, and its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact, and sustainability. An evaluation should provide information that is credible, useful, and enabling the incorporation of lessons learned into the decision making process of both recipients and donors. Opinion of the respondents was sought on different evaluative procedures.

(ii) Premise Control

Strategy contains vital predictions (Kamau, 2013; Pearce & Robinson, 2011). Premise control assesses the continuous validity of predictions in the strategy (Chikwe et al., 2016). The core in premise control is to make sure that project premises are not based on weak forecasts (Schreyögg & Steinmann, 1987 in Chikwe et al., 2016). Premises or assumptions that are not working or rather invalid premise are changed immediately. Premise control enables strategic leaders to make adjustments immediately before it is too late. Premise control is a tool of continuous monitoring of the strategy environment to verify the validity of the assumptions on the basis of which the strategy was formulated. Opinion of the respondents was sought on the assumptions for different projects in this sector and also how these are aligned with the main strategy of the organization.

(iii) Implementation Control

Strategy implementation consists of development and execution of a series of plans, programs and portfolios over a period of time (Pearce & Robinson, 2011). Strategic implementation controls the overall strategy direction in light of results provided during the strategy implementation phase (Pearce & Robinson, 2011). There are two types of implementation controls: strategic thrusts or projects, and milestone reviews (Schreyögg & Steinmann, 1987).

There are two basic types of implementation control namely, monitoring strategic thrusts or projects and milestone reviews (Pearce & Robinson, 2011). Monitoring strategic thrust or projects: is part of the implementation of a broad strategy, where managers undertake short term and narrow projects, in order to identify if the overall strategy is being

implemented as planned. The strategic projects are reviewed and assessed through certain operations such as time, cost and quality controls in a certain phase of strategy implementation, to enable managers to decide about the overall strategy direction (Pearce & Robinson, 2011).

In the milestone reviews a series of major events or milestones are defined in order to assess the strategy implementation performances against defined metrics at given time, to determine whether the whole strategy should be terminated or altered (Pearce & Robinson, 2011; Chikwe et al., 2016). According to Pearce and Robinson (2011) and Allison and Kaye (2011), the assessment of strategy implementation should be full scale and comprehensive to provide required information regarding the overall strategy direction. Opinion of the respondents was sought on strategy implementation as this was found to be an important function of strategic leaders.

(iv) Special alert Control

According to Kamau (2013) special alert control is the rigorous and rapid reassessment of an organization's strategy because of the occurrence of an immediate, unforeseen event. Implementing a strategy takes place as a series of steps, activities, investments and acts that occur over a lengthy period (Kamau, 2013). There is a need for the leadership to mobilize resources, carry out special projects and employ or reassign staff. The leadership should also form crisis teams to handle the organization's initial response to the unforeseen events. Opinion of the respondents in this study was sought on how projects are monitored and capacity of staff to carry out assignment.

2.3.5 Organizational Performance

Organizational performance has been a major concern for scholars, practitioners, and organizations of all kinds. In view of this, Nganga (2013) observes that strategic leadership and corporate performance represent two sides of the same coin. Strategic leadership is essential in enabling organizations to compete in the competitive 21st-century, then organizational performance is equally important. Further, Nganga (2013) notes that the major reason for the failure of efforts to achieve the firm's planned profitability and growth are that many firms do not recognize the strategic leadership capacity that new goals require.

In the discussion of the upper echelon, Hambrick and Mason (1984) stated that in understanding an organization's performance one should consider the characteristics and functioning of all the members but most importantly the top management team. Barney (2002) states that organizational performance is a voluntary association of productive assets that include human, physical and capital resources. Further, Greiling (2007) observed that the line between performance reporting, performance measurement, and performance management is blurred.

Organizational performance relates to efficiency and effectiveness of the organization. Understanding organizational goals and strategies are the first step towards understanding organizational performance and effectiveness. Effectiveness is the degree to which an organization moves towards the attainment of its mission and realization of goals. Indicators of effectiveness include clear mission, feedback system, the number of clients,

knowledge generation and use, and collaboration. Organizational effectiveness is the measure of how successful organizations achieve their missions through core strategies.

Efficiency measures the ability of the organization to provide the best services within the most cost effective structure. Indicators include staff ability, financial resources, value for cost, cost benefit programs, cost per client, cost per program, and program completion rates. Efficiency is the cost per unit output, describing the relationship between the goods and services produced by a program and the resources used to produce them.

Relevance implies being able to remain meaningful within the dynamics of the changing environment. Indicators include continuous monitoring, regular revision of programs, regular reviews of the mission, and stakeholder needs assessment. Financial viability relates to the long-term survival of an organization. Indicators include affordable funding, positive cash flow, and financial surplus, new funding sources, more revenue than expenses and assets greater than liabilities.

Performance and effectiveness in not-for-profit organizations have remained a hot topic for scholars over the years. The not-for-profit organization performance represents the outcome of strategic leadership practices on different activities. In this case, not-for-profit organizations' effectiveness is viewed as a key measure of not-for-profit organization performance (Lecy et al., 2009).

According to Goodman and Dingli (2013), not-for-profit organizations consider organizational efficiency which is measured by program expenses, administrative expenses, fundraising expenses, and fundraising efficiency and organizational capacity measured in revenue, program expenses, and working capital ratio as measures for

organizational performance. In this study the measures of organizational performance were:

(i) Fundraising efficiency

According to Epstein and Buhovac (2009), fundraising efficiency means assessing the basis of performance categories that is the percentage of donations left after subtracting the cost of getting them and the percentage of revenues spent on fundraising expenses and donor dependency which is the operational surplus subtracted from donations, divided by donations. Not-for-profit organizations have a wide range of income sources. A wide range of techniques are used to raise funds in the not-for-profit sector. Each organization identify the range of fundraising techniques that best meets its funding needs and capacity, measured in terms of overall income (Power, O'Connor, & Walshe, 2015). The opinion of the respondents' satisfaction with strategic leaders' efforts to ensure fundraising efficiency in not-for-profit organizations was sought.

(ii) Revenue growth

Epstein and Buhovac (2009) posits that financial performance measures the basis of revenue growth which indicates the ability of the strategic leadership to attract the required funds to sustain the organization and program efficiency analyzes the percentage of total expenses spent directly for the charitable purpose and program expenses divided by total expenses. Not-for-profit organizations need to grow their revenue to ensure sustainability of their products and services. The opinion of the respondents' satisfaction with strategic leader's efforts to ensure revenue growth in not-for-profit organizations was sought.

(iii) Expenditure efficiency

This refers to finding out the administrative expenses divided by total expenses and percentage of revenues spent on administrative expenses (Epstein & Buhovac, 2009). Not-for-profit organization leaders need to ensure that their organizations are able to meet their expenditures otherwise if this is not achieved they will not be able to offer the required services to their clients. The opinion of the respondents' satisfaction with strategic leader's efforts to ensure expenditure efficiency in different projects/programs in not-for-profit organizations was sought.

2.4 Empirical Review

Ireland and Hitt (2005) looked at the competition in the 21st-century's global economy and noted the opportunity for strategic leadership practices in different organizations. The study argued that effective strategic leadership practices would help firms enhance performance while competing in turbulent and unpredictable environments. Further, Ireland and Hitt (2005) avers that strategic leadership practices is a source of competitive advantage for organizations.

Kiarie and Minja (2013) studied the role of corporate governance and strategic leadership practices in mitigating risks in stock brokerage firms in Nairobi using a descriptive research design with a sample size of 64 managers. The study found that the majority of the strategic leaders did not practice strategic leadership hence the collapse of many companies.

Maroa and Muturi (2015) studied the influence of strategic management practices on floricultural firms in Kenya. This was a descriptive survey design with a target population

of 21 floricultural firms from which 10 firms were selected by simple random sampling, and 5 respondents from each of the 10 firms purposively chosen. The findings established that majority of the firms had a strategic plan, implemented their strategic plans, and they conduct strategy evaluation and control on their strategic management practices. The study also established that strategy formulation, implementation, evaluation and control has significant influence on the performance.

Obunga, Marangu, and Masungu (2015) studied strategic leadership and performance of savings credit cooperative societies in Kakamega County in Kenya. The study found that the performance of these SACCOs could be explained by strategic leadership practices. Alalfy and Elfattah (2014) studied strategic leadership and its application in Egyptian universities using a descriptive approach and suggested the use of strategic leadership practices in Egyptian universities to resolve problems of efficiency and effectiveness.

Mutia (2015) undertook a study on strategic leadership and church growth in Kenya using a descriptive correlational study with a sample size comprised of 95 bishops and 387 clergy and found a significant relationship between strategic leadership practices and the church's growth which was measured by different items. Ndunge (2014) carried out a case study on Kenya Wildlife Service and its strategic leadership practices. The study looked at Kenya Wildlife Service change management programme and concluded that strategic leadership is important in change management as it helps in setting a clear vision, communicating it effectively, and effectively planning the organizational direction.

Nganga (2013) undertook a study on strategic leadership and performance of manufacturing firms in Kenya using a cross sectional survey design from a target population of 700 manufacturing firms in Kenya with a sample size of 70 firms. The study found strategic leadership practices to be profound in the manufacturing firms and concluded that strategic leadership practices is highly correlated with performance.

Arasa and K'Obonyo (2012) looked at the relationship between strategic planning practices and firm performance. The study indicate that there is existence of a strong relationship between strategic planning practices and firm performance. Determining strategic direction is operationalized as strategic planning. Gu, Weng, and Xie (2012) looked at the relationship between leadership style, top management teams' (TMTs') behavioral integration, and strategic decision-making speed from a sample of ten provinces/ cities in China. The study concluded that leadership impacts on team progress, strategic decision-making speed, and behavior integration. The relationship was found to be positive but linear on the speed of strategic decision making and indirect through team behavior integration.

Bichanga and Masika (2014) undertook to determine the factors affecting monitoring of strategic planning at Kenya Seed Company using a case study design targeting a population of 110 employees and a sample size of 54 respondents. The study established that leadership is very important in monitoring strategic plan implementation hence organizational structure, communication, and human resources contributes immensely in monitoring and implementation of the strategic plan.

Salkić (2014) looked at the impact of strategic planning on management of public based organizations in Bosnia and Herzegovina using a target population of 800 public organizations from which a sample size of 200 was chosen for the study. The study confirmed that application of strategic planning in public organizations helps managers to manage public organizations in a more responsible manner. More specifically, the results suggest to organizations to pay more attention to strategic planning, strategy implementation and control in order to improve the quality of services.

Akinyele and Idunnu (2010) examined the impact of strategic planning on organizational performance and survival in First bank branches in Lagos metropolis, Nigeria using a survey technique with a sample size of 100 respondents. The study concluded that strategic planning enhances organizational performance, which in the long run has impact on its survival.

Channar, Talreja, and Bai (2015) assessed the impact of human capital variables of acquisition of knowledge, skills and expertise of the employees on the satisfaction of the employees and the effectiveness of the organizations. The study concluded that developing human capital had strong significant positive relation with satisfaction level of the employees and customers, which eventually led to high organizational performance.

Mwaniki and Gathenya (2015) examined the role of human resource functions of recruitment and performance contracting on organizational performance with reference to Kenya Power, Nairobi West Region and concluded that human resource functions of recruitment and performance contracting positively affects organizational performance.

Batti (2014) undertook a study on human resource management challenges facing local nongovernmental organizations. The study concluded that there was a need for not-for-profit organizations/ nongovernmental organizations to borrow and contextualize best and promising human resource development practices used by the for-profit organizations to improve not-for-profit organizational human resource development issues.

Boohene and Asuinura (2011) assessed whether Graphic Communications Group Limited human resource management practices, particularly recruitment and selection, performance appraisal, remuneration, and training and development practices influenced its performance. Using a target population of 760 permanent workers with a sample size of 100 respondents, the study concluded that there exists a positive relationship between effective recruitment and selection practices, effective performance appraisal practices and Graphic Communications Group Limited corporate performance.

Marimuthu, Arokiasamy, and Ismail (2009) examined the relationship between developing human capital and firm performance and concluded that human capital was getting wider attention with increasing globalization and the saturation of the job market. The study also concluded that different countries were emphasizing on developing human capital for various reason among which them economic growth. Further, the study also concluded that developing human capital was a fundamental solutions to organizations. Oforegbunam and Okorafor (2010) in a study on the effects of developing human capital on the performance of small and medium scaled enterprises in the southeastern region of Nigeria found that developing human capital improves the performance of small and medium enterprises.

Munjuri, K'Obonyo, and Ogutu (2015) studied the influence of human capital on the performance of insurance firms and commercial banks in Kenya using a descriptive cross-sectional survey design and a census survey from 43 licensed commercial banks and 45 insurance firms in Kenya. The study concluded that the influence of human capital on firm performance was statistically significant. Yusuph (2015) studied the impact of investing in human capital on performance in Tanzania National Microfinance Bank, Mkwawa Branch in Iringa Region using an exploratory research and descriptive research design from a sample size of 45 respondents and concluded that there is a relationship between human capital investment and performance.

Khademfar, Idris, Omar, Ismail, and Arabamiry (2013) studied the relationship between ethical practices and firm performance and found that organizations that ignored ethical practices did not succeed and they experienced great failures as a result. Likewise, in a study by Darcy (2010) on the importance of trust and ethical challenges of future leaders it was concluded that all kinds of organizations need leaders who adopt ethics practices in their organizations.

Yusuf, Hawkins, Musa, El-Berishy, Schulze, and Abubakar (2014) examined supply chain ethical practices and concluded that there is an empirical relationship between ethical practices and performance. The study showed that ethical practices have positive impact on performance in the supply chain. Bonner, Greenbaum, and Mayer (2016) examined ethical leadership as a conditional mediator that explains the relationship between supervisor moral disengagement and employee job performance and organizational citizenship behavior. This results from a multi-source field survey provide general support for the theoretical model.

Musyimi (2016) examined the effect of ethical leadership on employee performance among commercial banks in Kenya using a cross sectional descriptive research design from a population of 43 commercial banks in Kenya. The study concluded that ethical practices resulted in increased manager-employee relationship and this prevented corruption, reduced dishonesty and communication breakdowns, and employee attitude towards the organization was highly improved.

Enofe, Ogbeide, and Julius (2015) studied the impact of business ethical code of conduct on corporate growth in the wake of several corporate fraud, misstatement and misrepresentation using a survey research design with a sample size of 100 respondents. The study suggested that adoption of business ethical code of conduct and employee adherence to rules and regulations enhance corporate growth. The study, however concluded that there is no significant relationship between corporate growth and corporate adherence to rules and regulations.

Ogwoka, Namada, and Sikalieh (2017) investigated the influence of ethical consumer relations on the financial performance of listed firms in Kenya using a causal research design with a target population of 64 companies listed in the Nairobi Securities Exchange. The study established that there exists a strong relationship between ethical consumer relations and financial performance. The study also found that financial performance is high when firms provide quality and timely services to the customers.

Sami, Jusoh, and Qureshi (2016) discussed the role of ethical leadership in creating public value among employees from a sample size of 180 employees of public sector bank in Pakistan. The study established that leaders were critical in formulating the

behavior of their subordinates with their vision, directives, attitude and behavior hence ethical leadership creates public value among employees.

Shin, Sung, Choi and Kim (2014) studied top management ethical leadership and firm performance using data obtained from 4,468 employees of 147 Korean companies from various industries and showed that top management ethical leadership significantly predicts ethical climate, firm level organizational citizenship behavior and firm financial performance.

Hassan, Mahsud, Yukl, and Prussia (2012) examined how ethical leadership and empowering leadership are related to leader-member exchange relations, affective commitment, and leader effectiveness. Data was collected using questionnaires filled out by 259 subordinates of public and private sector managers. The results indicated that ethical leadership and empowering leadership have positive associations with leader member exchange, subordinate affective commitment, and perception of leader effectiveness.

McCray, Gonzalez, and Darling (2012) have also noted that ethical leaders mobilize and motivate followers to engage in ethical practices for the good of the organization. Similarly, Shin (2012) observes that the chief executive officers' ethical practice fosters an organizations' ethical culture which in turn influences organizational performance. Yates (2014) observes that ethical practices have the capacity to influence positively employees' action as well as organizational performance.

Ebitu and Beredugo (2015) investigated the relevance of code of ethics on guiding the performance of service industry and examined their compliance on the established code

of ethics using a descriptive research design from 176 respondents cutting across selected Banks and GSM firms in Calabar, Cross River State. The study concluded that effective performance of service industry was dependent on code of ethics and the compliance level on established code of ethics was high.

Saleem (2014) explored the mediating role of organizational commitment in corporate ethical values and organizational citizenship behavior from a sample size of 233 respondents. The study established that the relationship between corporate ethical values and organizational citizenship behavior was partially mediated by organizational commitment of employees. The study concluded that corporate ethical climate helps in enhancing employees' workplace experiences.

Muraleetharan (2013) sought to establish the relationship between control activities and organizational performance in Jaffna District, Sri Lanka using a sample size of 126 employees in the organizations. The study found control activities and organizations performance were statistically significant in determining performance. The study also found positive relationship between control activities and performance.

Ogbo, Onekanma, and Ukpere (2014) studied the relationship between effective system of inventory management and organization performance in the seven-up bottling company Nile Mile Enugu with a sample size of 83 respondent. The result showed that flexibility in inventory control management is an important approach to achieving organizational performance.

2.5 Critique of Existing Literature

Majority of the empirical literature reviewed have been carried out on strategic leadership and organizational performance in the context of for-profit organizations. The reviewed literature pointed out a number of issues as regards strategic leadership practices and organizational performance but also established some conflicting if not complementary perspectives on the relationship between strategic leadership practices and organizational performance which is a key concern in organizational management and leadership research. The reviewed literature in this study was found to be limited to strategic leadership practices and organizational performance in the context of for-profit organizations. This reviewed literature indicate there is a lack of empirical evidence of studies in strategic leadership practices context.

Some studies for instance, Lear, (2012), Serfontein (2010), and Nthini (2013) found strategic leadership practices and organizational performance to be positively correlated however, these studies were on for-profit organizations and thus their findings left mixed feelings on the applicability of this concept in the not-for-profit organizations. This views have been emphasized by the studies of Hagen, Hassan, and Amin (1998); Hitt, Ireland, and Hoskisson, (2001); and Jooste and Fourie (2010) which all concluded that strategic leadership practices contribute significantly to organizational performance in for-profit organizations.

For instance, Nthini (2013) examined the effect of strategic leadership on the performance of commercial and financial state corporations in Kenya and found that effective strategic leadership practices were significant to the organizational performance.

Likewise, Ndunge (2014) examined strategic leadership and change management practices at the Kenya wildlife service and she offered insights into how strategic leadership practices are key to driving change management hence significant. Similarly, a study by Nganga (2013) examined strategic leadership and performance of manufacturing firms in Kenya and found that strategic leadership was highly correlated with performance.

Other studies on this subject also (Musca, Perez, Rouleau, and Giordano, 2009; Phipps & Burbach, 2010) suggest that the available strategic leadership studies had not considered expanding these studies into the not-for-profit organization's sector. Some of the studies that were identified on this subject have mixed results and above all they were most of them in the for-profit organizations. Additionally, the study by Kuchio (2012) sought to analyze the role of strategic leadership in strategy implementation in Kenyan private universities. This study did not focus on strategic leadership practices which the current study sought to explore.

Likewise, Carter and Greer (2013) note that stakeholder demands are challenging strategic leaders that their organizations meet triple bottom line performance measures. Nonetheless, there is a paucity of empirical research on how strategic leaders' practices are related to such measures. The study undertook a review of leadership styles and their subsequent effects on organizational performance. Gaps were found in knowledge on the relationships of strategic leadership practices and organizational performance hence suggestion for further research in this field.

More so, a study by Tyssen, Wald, and Heidenreich (2014) found that leadership behaviors positively influence organizational performance. However, although transformational leadership was found to be more effective than transactional leadership this was not in the context of not-for-profit organizations' performance which left a gap that this current study sought to fill.

Similarly, Obiwuru, Okwu, Akpa, and Nwankwere (2011) investigated the effects of leadership style on organizational performance in small scale enterprises in Nigeria using a survey design. The result showed that transactional leadership style had significant positive effect on performance while transformational leadership style had positive but insignificant effect on performance. However, these findings were focused on for-profit organizations and could not be generalized in the not-for-profit organizations performance.

Likewise, Peterson, Galvin, and Lange (2012) examined the relationship between chief executive officer leadership and firm performance in a sample of 126 CEOs and found that CEO leadership predicted firm performance. The focus of this study was not on not-for-profit organizations' performance. According to Koech and Namusonge (2012) correlations between the transformational-leadership factors and organizational performance were high, whereas correlations between the transactional-leadership behaviors and organizational performance were relatively low. The study found that laissez-faire leadership style was not significantly correlated to organizational performance.

From the reviewed literatures it was evident that most of the studies did not focus on the effect of strategic leadership practices on organizational performance in not-for-profit organizations. The neglect of scholars to extend this concept to the not-for-profit organizations' sector means there has been a gap in knowledge on how applicable is strategic leadership and the subsequent strategic leadership practices to the not-for-profit organizations' sector. These scholars left knowledge gaps on the subject of strategic leadership practices in not-for-profit organizational performance which the current study sought to fill.

The critique of available literature relevant to this study was on the basis of strategic leadership practices in the context of organizational performance in not-for-profit organizations in a developing country like Kenya. This study identified wide knowledge gap in the subject which called for such a study like the current one to fill the gap.

2.6 Research Gap

The literature that was reviewed in this study was on the context of strategic leadership practices and organizational performance. The reviewed literature was found to be inconclusive since several of the studies neglected the calls to extend this discussion to not-for-profit organizations. Strategic leadership practice was identified as a factor in organizational performance however how this relates to the not-for-profit organizations sector especially in developing countries remains elusive in context of research study. This research sought to examine the effect of strategic leadership practice on the not-for-profit organizations' performance in Nairobi County in Kenya.

Strategic leadership concept in organizations has been studied by various scholars. However, there are contextual, conceptual and methodological gaps that have been identified by scholars especially in not-for-profit organizations that need to be filled. A couple of studies have been carried out relating to strategic leadership and performance but most of these left certain gaps which the current study sought to fill.

For instance, a study by Nthini (2013) in her study on the effect of strategic leadership on the performance of commercial and financial state corporations in Kenya confirmed that effective strategic leadership affects organizational performance. The study specifically demonstrated the effects strategic leadership practices had on performance in the context of for-profit corporations in Kenya.

Likewise, Ndunge (2014) examined strategic leadership and change management practices at the Kenya wildlife service. Contextually her research was different from the current study thus making it possible to spot a gap in the study literature. A study by Nganga (2013) examined strategic leadership and performance of manufacturing firms in Kenya. The context was different pointing to a researchable gap. The research was anchored leadership and the financial performance, so the contexts and concepts are different pointing to a researchable gap.

Additionally, Kuchio (2012) looked at the role of strategic leadership in strategy implementation in Kenyan private universities: A case study of Kabarak University. The study by Kuchio (2012) was a case study in the education sector and it only used a sample from one University and was not on strategic leadership practices though related to the current study. The current study looks at a sample drawn from 8 sectors from not-

for-profit organizations operating Nairobi County in Kenya. Although the concept and context are similar, there are conceptual differences pointing to a researchable gap.

Mutia (2015) in a study on strategic leadership and its influence on church growth in Kenya established that setting the church's strategic direction was a strong predictor of the church's infrastructural growth and there was a significant relationship between human capital development and the growth of the church's social ministry. The study also revealed that emphasis on ethical practices was a strong predictor of the church's operational efficiency. Similarly, the study also revealed that balanced controls were a strong predictor of the church's financial growth. This was the only study that was close to the current study in terms of the assessment of the variables.

The studies identified in this section pointed out certain knowledge gaps left by scholars in their ignorance to extend studies on strategic leadership practices and firm performance in the not-for-profit organizations. Most of the identified studies focused on the concept from the for-profit organizations. Further, most of these studies did not examine the influence of strategic leadership practices and organizational performance in not-for-profit organizations.

More so, these studies were focused on for-profit organizations and most of them were on firms that were large as compared to some not-for-profit organizations which are small in size as compared to the number of staff. The reviewed literature also pointed several reasons why the current study was needed to be extended to the not-for-profits' organizational performance.

From the reviewed literature, it was imperative that a study was needed in the not-for-profit organizations sector which would use other methodology, such as the one used in this study for instance, a concurrent mixed method research design. To fill the gap, and to establish the existence of a relationship between strategic leadership practices and organizational performance, it was imperative to conduct a research in the context of not-for-profit organizations in Nairobi County in Kenya. The current study sample was drawn from not-for-profit organizations operating in Nairobi County in Kenya.

2.7 Summary

The literature reviewed in this study discussed various leadership theories that were linked to strategic leadership and organizational performance. The main focus of this chapter was to gain proper understanding of strategic leadership practices from different contexts and to situate this in not-for-profit organizations. Not-for-profit organizations were found to be important because they provide vital humanitarian services to disenfranchised societal members (Ahmed, 2013; Banks & Hulme, 2012).

This study established that strategic leadership practices in not-for-profit organizations had received little attention (Phipps & Burbach, 2010) yet these organizations need strategic leadership to succeed in their vision and mission. Strategic leadership practice was found to be paramount in managing 21st-century organizations due to the unpredictable environment in which these organizations find themselves in (Ireland & Hitt, 1999, 2005).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses a set of methods that were adopted to facilitate the study. These methods include research design, target population, sampling frame, sampling procedure, sample size, research instruments, reliability and validity of instruments, pilot study, data processing and analysis, and ethical considerations.

3.2 Research Design

According to Bryman and Bell (2015), a research design is a strategy for data collection and analysis (explanatory, descriptive or causal). Mixed methods research design involves philosophical assumptions that guide the collection and analysis of data using a mixture of qualitative and quantitative approaches (Bryman, 2013). Mixed method is a procedure of collecting, analyzing, and mixing both quantitative and qualitative research methods in a single study to understand a research problem (Creswell, 2013).

The main advantage of mixed method research is that it can simultaneously address both exploratory and confirmatory questions, thereby gathering information that can result in conclusions or explanation or meta-inferences about the phenomenon under study that neither quantitative nor qualitative can achieve (Teddlie & Tashakkori, 2009). Mixed method enables the researcher to offset the weaknesses inherent in both quantitative and qualitative research methods (Creswell & Plano-Clark, 2007). Mixed method design provides opportunities for testing alternative interpretations of the data, for examining the

extent to which the context helps to shape the results, and for arriving at convergence (Polit & Beck, 2003).

According to Teddlie and Tashakkori (2010), a mixed method is eclectic, it enables the researcher to select and synergistically integrate the appropriate techniques from qualitative, quantitative and mixed methods to thoroughly investigate the phenomenon. This study used a convergent mixed method design which is graphically presented in Figure 3.1. The emphasis was to explain the relationships between the study variables (Saunders, Lewis, & Thornhill, 2009; Cooper & Schindler, 2013). The study design allowed the researcher to describe the relevant aspects of the study from the respondents (Sekaran & Bougie, 2013). According to Teddlie and Tashakkori (2010), mixed method enables the researcher to select and integrate appropriate techniques to investigate the phenomenon as presented in Figure 3.1.

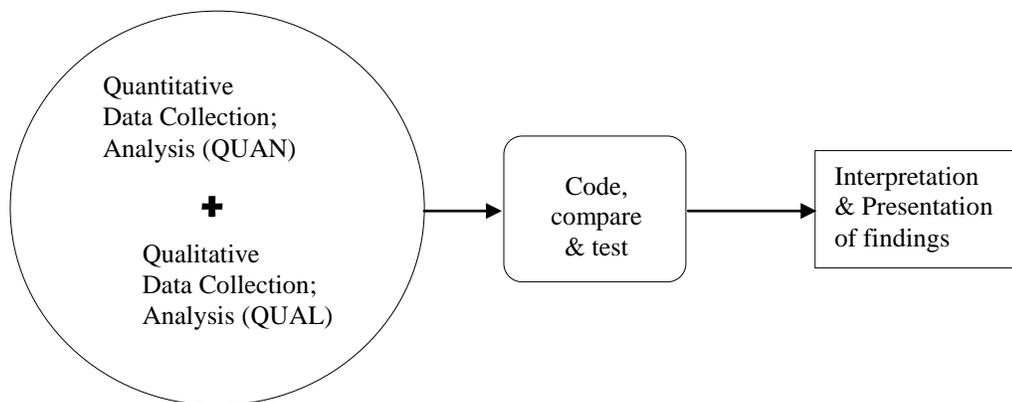


Figure 3.1: Study design model

Source: Adapted from Creswell, 2014

This study used concurrent mixed methods design. Concurrent research design integrates both qualitative and quantitative data (Creswell, 2014). In this study, both data sets were used for descriptive and inferential statistical analysis where possible. Two instruments,

namely a survey questionnaire for collecting quantitative data (Appendix II) and an interview guide for collecting qualitative data (Appendix III) were administered concurrently (Creswell, 2014). The objective of using mixed methods was to provide the researcher with the possibility of having an in-depth examination of the truth existing in the context of the phenomenon (Lwoga, 2009). This design provided the opportunity for a qualitative approach to providing in-depth explanations while the quantitative approach to providing the statistical data required for answering the objectives of this study.

3.3 Target Population

A target population is the total collection of all units of analysis which a researcher wishes to consider for specific the intended study (Babbie, 2015). Before starting a research, one needs to identify the target population for the study. In this study, the target population consisted of all the 1475 not-for-profit organizations operating in Nairobi County (East African Not-for-Profit Organization Directory, 2014/2015).

The respondents of the current study were strategic leaders, that is, executive directors/project managers from the sampled not-for-profit organizations in Nairobi County in Kenya. These strategic leaders were selected as respondents for this study because of their role in strategic decision-making processes they are involved in these important humanitarian organizations in Kenya. The choice of the respondents was based on the assumed role strategic leader's play in influencing organizational performance.

3.4 Sampling Frame

According to Saunders, Lewis, and Thornhill (2009), the sampling frame is a complete list of all the cases in the population from which the sample will be drawn. Mugenda

(2011) states that the sampling frame or the survey frame is the list of accessible population of people, events or documents that could be included in a survey and from which a study will pick a sample to collect data. A list or directory of all not-for-profit organizations in Kenya was obtained from the East African Not-for-Profit Organizations Directory 2014/2015.

This directory contains the full address and contact person as well as the operations of these organizations. In order to provide a desirable degree of homogeneity in the sample size, those not-for-profit organizations not operating in Nairobi County were excluded since they were outside the scope of the study. From this elimination technique (which was done manually), a total of 1475 not-for-profit organizations operating in Nairobi County in Kenya from which the sample size was obtained.

3.5 Sampling Procedure

The sampling procedure is the process of selecting the sample or the subset from which the study will be done (Kothari & Gaurav, 2014; Payne & Payne, 2004). This process consists in defining the population, identifying the sampling frame, selecting a sampling procedure, determining the sample size, selecting the sample units and collecting data from the sampled units (Kothari & Gaurav, 2014). Most quantitative studies use probability (random) sampling, while qualitative studies often use non-probability (non-random) techniques (Cohen, Manion & Morrison, 2007; Creswell & Plano-Clark, 2007; Teddlie & Tashakkori, 2009).

Teddlie and Tashakkori (2009) observed that in mixed methods sampling depends on the purpose, generalizability, assumptions, rationale. The sample of this study was chosen

using a two-step procedure. In the first step, a population of all the not-for-profit organizations in Kenya was obtained from the sampling frame. From this population, elimination method was applied with aim of having a list which only included not-for-profit organizations operating in Nairobi. This elimination method led to 1475 not-for-profit organizations operating in Nairobi from which the sample size of the study would be determined.

The next step, the researcher used a simple random sampling technique to determine the actual sample size of the study. According to Kombo and Tromp (2006), simple random sampling allows all individuals in a population equal and independent opportunity of being in the sample size of the study. Simple random sampling technique was chosen because it yields research data that can be generalized and also permits the application of inferential statistics (Kombo & Tromp, 2006). Simple random sampling procedure also allows the researcher to minimize biases and enables each respondent an equal chance of being selected (Cohen, Manion, & Morrison, 2011).

3.6 Sample Size

The size of the sample should, according to Cohen, Manion, and Morrison (2011) depends on the purpose of the study, the nature of the population under scrutiny, the level of accuracy required, the anticipated response rate, the number of variables that are included in the research, and whether the research is quantitative or qualitative. The sample size for this study was determined by using the following formulae to calculate the sample size in this study:

$$n = \frac{\chi^2_{NP} (1-P)}{\sigma^2 (N-1) + \chi^2_P (1-P)} \dots\dots\dots 1$$

Where

n = the required sample size.

χ^2 = the table value of chi-square for one degree of freedom which is 3.841

N = the given population size from the sampling frame which was assumed to be not more than 10,000

P = the population proportion assumed to be 0.50 (because the researcher was not sure of the variability of the population on the given study variables)

$1-p$ = estimated proportion of failures.

χ^2 = the degree of accuracy whose value is 0.05.

Further, using a 95 percent confidence interval with an allowable margin of error of 0.05, formula 1 results are transformed as in formula 2 in order to calculate the n :

$$n = \frac{(1.96)^2 (1475) (0.50) (1 - 0.50)}{(0.05)^2 (1475 - 1) + (1.96)^2 (0.50) (1 - 0.50)} = 304.9 = \mathbf{305} \quad \dots\dots 2$$

However, since the target population for this study was less than 10, 000, that is 1475, the following formula was used to adjust for actual sample size for the study (Mugenda & Mugenda, 2009):

$$n_f = \frac{S}{1 + (S/N)} \quad \dots\dots\dots 3$$

Where:

n_f = the desired sample size when the population is less than 10,000

S = the sample size (as calculated in formula 2)

N = the estimated population size

$$n_f = \frac{305}{1 + (305/1475)} = 305.2 = \mathbf{305 \text{ Sample size}} \quad \dots\dots\dots 4$$

From the sample size calculations, the study respondents were 305 top management team members – strategic leaders from the targeted not-for-profit organizations. This sample size represents 20% of the target population which was appropriate for the study to be carried on as it is above the minimum threshold of 10% of the target population as required and also argued out by different scholars (Saunders et al., 2007; Kerlinger, 1986; Kothari, 2009). Therefore a 20% sample size is sufficient and reliable for data analysis because it provides desired levels of accuracy for testing significance of differences between estimates.

3.7 Data Collection Instruments

A review of the literature revealed several instruments that can be used for data collection. However, in this study, data was collected using researcher generated questionnaires and research interview guide. The questionnaire had three sections, namely, Section A, which sought to gather descriptive data on the respondents' socio-demographic characteristics such as gender, the length of service in the organization, highest education level, and a total number of employees in the organization. In Section B, the questionnaire had questions that assessed the respondents' views on determining strategic direction in not-for-profit organizations.

In Section C, the questionnaire had questions that assessed the respondents' views on strategic leaders' practices in developing human capital in not-for-profit organizations. In Section D, the questionnaire had questions that assessed the respondents' views on strategic leaders' practices in ethical practices in not-for-profit organizations. In Section E, the questionnaire had questions that assessed the respondents' views on strategic

leaders' practices in maintaining balanced strategic control in not-for-profit organizations. In the last section, that is, Section F, the questionnaire dealt with questions which sought respondents' views on the dependent variable, that is, organizational performance. In this study, qualitative interviews were used to obtain various perspectives on the study. This research tool was important because it gives new insight into the phenomenon of the study which otherwise could not be possible with the survey questionnaire.

3.8 Data Collection Procedures

Data collection is a process of gathering specific information to prove or refute facts in a study (Kombo & Tromp, 2011). A review of the literature revealed that self-administered questionnaires, interviews and focus group discussions were the most frequently used data collection methods. In this study, a survey questionnaire was used because it provides an unobtrusive and inexpensive method of data collection (Zikmund, Babin, Carr, & Griffin, 2010; Kothari & Gaurav, 2014, Mugenda & Mugenda, 2009).

The questionnaires were administered by the researcher and research assistants using a drop-and-pick strategy to the target group. The period given for collecting the filled questionnaires was set to two and three weeks. Likewise, face-to-face interviews from 30 not-for-profit organizations was conducted which is, 10% of the sample size as suggested by Mugenda and Mugenda (2009) and Kerlinger (1986) was performed/ conducted. These interviews were aimed at gathering qualitative data for the study as per the research design of the study. Participants' consent was sought before embarking on the interviews.

Further, a letter of introduction obtained from Jomo Kenyatta University of Agriculture and Technology – Karen Campus was used to facilitate the data collection process. Another important document that was used in this process was the research permit obtained from the National Council of Science, Technology, and Innovation (NACOSTI). These documents, that is, NACOSTI permit, the researchers' cover letter and an introductory letter from the University facilitated the data collection in this study. They served as authorizations documents that the research was approved and was meant for academic purposes. These documents stated where necessary the kind of ethical issues that the respondents needed assurance that ethical procedures were being adhered to in this study.

3.9 Pilot Study

Before the actual study, the main instrument for data collection, that is, the questionnaire was subjected to a pilot-test to ensure that it was manageable, relevant and effective. A pilot study is conducted to detect weaknesses in design and instrumentation in a research study and to provide proxy data for selection (Cooper & Schindler, 2013).

Mugenda and Mugenda (2009) states that the number of cases (or sample size) for a pilot study may range between 1% and 10% of the sample size. Similarly, Kothari (2009) and Sekaran (2006) recommend a 1% sample size for a pilot study. In view of these suggestions, the current study used 15 respondents for the pilot test. This sample size of the pilot test is 5% and according to the recommendations of Mugenda and Mugenda (2009) is within the recommended range and thus sufficient. The pilot study respondents were selected purposively outside the main study sample although they were within the

target population and with homogeneous characteristics. The pilot study questionnaires were mailed to the respondents using Google form as this method was fast and reliable.

The data from the pilot study was analyzed and used to improve the questionnaire. The following elements were considered in improving the questionnaire, comprehension, relevance, interpretability, and usefulness in view of the study objectives. The pilot study data was also used to draw conclusions on the design and content of the instruments. The results of the pilot study are reported in Table 3.1.

Table 3.1: Pilot test response rate

Description	Frequency	Percent
Questionnaires sent	30	100
Questionnaires not returned	4	12.1%
Questionnaires returned	26	87.9%

A total of 26 respondents filled the questionnaires out of the expected 30 respondents which accounted for an overall response rate of 87.9% as shown in Table 3.1. The pilot study respondents were given enough time and freedom to fill the questionnaire and where there were delays, a follow-up call was done by the researcher to find out if the respondents needed any assistance in clarifying what was needed to fill the questionnaires.

3.8.1 Reliability

Reliability in mixed methods research is the degree to which the research conclusions may be applied to other specific settings, people, time periods, context and so forth (Teddlie & Tashakkori, 2009). Reliability measures the extent to which an instrument

yields the same score when administered at different times, locations, or populations. Internal consistency reliability of the instrument was evaluated through calculation of Cronbach's alpha (coefficient alpha). Internal consistency reliability was determined by checking the components of a questionnaire against each other. Cronbach alpha (Cronbach, 1951; Bryman & Bell, 2015) is the most common form of reliability coefficient. Cronbach's alpha is a correlation coefficient value ranges from 0 to 1. By convention, the accepted alpha should be 0.70 or higher in order for a research to retain an item on a scale for a study. This rule was adopted in this study.

3.8.2 Validity

Validity refers to the truthfulness of the research in regards to reality (Neuman, 2006; Leady & Ormrod, 2005; Welman, Kruger & Mitchell, 2005). Therefore, validity shows how well an instrument measures what is intended to be measured (Leady & Ormrod, 2005; Neuman, 2006; Sekaran, & Bougie, 2013). Two kinds of validity are evident in literature, namely face and content validity. Content validity which measures the degree to which data collected represents the content of the concept being measured (Mugenda & Mugenda, 2009).

A thorough literature review was conducted to ensure content validity by identifying the necessary items to measure the variables of the study as shown in the conceptual framework. The questionnaire was further subjected to supervisors' and colleagues' scrutiny in order to ascertain face validity, coherency, and comprehensiveness (Saunders et al., 2007). This is referred to as expert rating of the questionnaire.

3.10 Data Processing and Analysis

Technology advancement has enabled researchers to collect huge amounts of data, process and analyze these with ease. In this study, quantitative and qualitative data analyses were used to analyze the research variables. Most importantly, SPSS and Nvivo software were used to process the data for analysis in this study. Data analysis brings order, structure, and meaning to the mass of information collected by a researcher (Babbie, 2015).

Data analysis in mixed methods research occurs at quantitative level through descriptive and inferential numeric analysis and at qualitative level through description and thematic analysis. Further in mixed methods, other strategies of data analysis are also employed such as data transformation and triangulation (Creswell, 2014) as reported in chapter four. Various authors propose several means for analyzing data in mixed methods research (Creswell & Plano-Clark, 2007; Teddlie & Tashakkori, 2009).

In this study, concurrent data analysis method was used (Creswell & Plano-Clark, 2007; Teddlie & Tashakkori, 2009). The concurrent approach involves conducting initial data analysis for both qualitative and quantitative databases and then merging the data sets to support or refute the results (Creswell & Plano-Clark, 2007). In this study, qualitative and quantitative data were analyzed concurrently and transformed to provide a comprehensive analysis of the findings (Creswell, 2014). The process on how this was done is presented in sections 3.9.1 and 3.9.2 respectively.

3.10.1 Qualitative Data Analysis

As was noted, today researchers enjoy the possibility of using different qualitative software programs to facilitate data storage, coding, retrieval, comparing and linking (Creswell, 2014). However, despite this advancement, analysis has remained a preserve of human beings, hence researchers must conduct the actual analysis. In this study, qualitative data was analyzed using Nvivo software. This software provides the means of storing, segmenting and organizing lengthy interview notes and also it helps researchers find important patterns/ themes from the field notes/ data (Leady & Ormrod, 2005; Mugenda & Mugenda, 2009).

In the present study, qualitative data was transformed into quantitative counts by determining the percentages of respondents in each theme. Graphs generated with the aid of Nvivo were used in data presentation, analysis, and discussion. Qualitative data was quantified to generate meaning from data, to confirm and validate the study's conclusions, and to represent the target events and experiences (Polit & Beck, 2003). According to Tashakkori and Teddlie (2008), if inferences from quantitative and qualitative data are consistent, then the meta-inference quality is likely to be higher.

3.10.2 Quantitative Data Analysis

Quantitative analysis is the numerical representation of observations for the purpose of explaining the phenomena that those observations reflect (Babbie, 2013). Statistical package for social science software version 21 software was used to run different statistical tests from the quantitative data sets from the closed and open-ended questionnaires. Statistical package for social sciences enables the input of raw data,

modification, and re-organization of data for simple, statistical and multivariate analyses (Blaxter, Hughes, & Tight, 2006).

This software reduces the time required to analyze data, reduce errors involved in coding data, and analyze data with in-depth statistics and charts, and present results clearly with flexible reports and charts (Pickard, 2007). In this study, SPSS was used to generate the frequencies and percentages for discussing the findings. Inferential statistics especially the analysis of variance (ANOVA) were produced and used to test the level of significance of the model set at 95% in this study. Pearson Correlation Coefficient test was performed on the relationship between strategic leadership practices on not-for-profit organizations' performance. The null hypotheses were tested in relation to the overall fit of the independent variables and dependent variables. The model of hypotheses tested was:

3.10.3 Measurement of Variables

Correlation statistics was used to measure the relationship between the independent variable, strategic leadership practices and the dependent variable, organizational performance.

(i) Measure of Independent Variables

The dimensions of strategic leadership practices in this study were based on Ireland and Hitt (1999) strategic leadership model. To measure strategic leadership in this study, the researcher used the variables suggested by Jooste and Fourie (2010), Serfontein (2010) and Lear (2012) in their operationalization of Ireland and Hitt (1999) generic strategic leadership variables and commonly adopted in strategic leadership studies. For the

purpose of conducting an analysis of this study, four independent variables were taken into account, namely: setting/ determining strategic direction, developing human capital, emphasizing ethical practices and maintaining balanced strategic control. Each of the variables was measured using five-point Likert scale (ranging from 1= strongly agree to 5 = strongly disagree).

(ii) Measure of Dependent Variable

Performance measurement of not-for-profit organizational proposed by Epstein and Buhovac (2009) were used. These measures were operationalized as: administrative efficiency analyzed in two performance categories that are administrative expenses divided by total expenses and percentage of revenues spent on administrative expenses. Secondly, program efficiency analyzed from the point of view of program support or charitable commitment which is the percentage of total expenses spent directly for the charitable purpose and program expenses divided by total expenses.

Another factor used in this category was fundraising efficiency which was analyzed on the basis of performance categories that is the percentage of donations left after subtracting the cost of getting them and the percentage of revenues spent on fundraising expenses and donor dependency which is the operational surplus subtracted from donations, divided by donations.

The financial performance measure in this study was analyzed on the basis of revenue growth (the ability to attract the required funds to sustain the organization). These measures are preferred by not-for-profit managers and leaders as the objective measures (Epstein & Buhovac, 2009). A three-point response scale ranging from (1= below

expectation, to 3 = above expectation) was used to get a response to statements relating to administrative efficiency, program efficiency, fundraising efficiency and revenue growth.

3.10.4 Statistical Model

For the bivariate relationship, the hypotheses were tested on the basis of Pearson's bivariate correlation with the degree of correlation in magnitude and statistical significance based on regression analysis from the following model:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon.$$

Where:

Y = Organizational performance,

β_0 = Constant (coefficient of intercept),

β_1 = change in organizational performance for each 1 increment change in X_1 , that is, determining strategic direction,

β_2 = change in organizational performance for each 1 increment change in X_2 , that is, developing human capital,

β_3 = change in organizational performance for each 1 increment change in X_3 , that is, emphasizing ethical practices,

β_4 = change in organizational performance for each 1 increment change in X_4 , that is, strategic control,

X_1 = score on determining strategic direction which predicts the value of organizational performance,

X_2 = score on developing human capital which predicts the value of organizational performance,

X_3 = score on emphasizing ethical practices which predict the value of organizational performance,

X_4 = score on the strategic control which predicts the value of organizational performance.

ε = the error term reflecting other factors that influence organizational performance.

3.10.5 Study Hypotheses

In order to make the decision to reject or accept the hypothesis, a number of statistical tests were carried out as indicated in Table 3.3.

Table 3.2: Hypotheses and statistical tests

Objectives	Hypotheses	Type of analysis	Interpretation
To establish the effect of determining strategic direction on the organizational performance of not-for-profit organizations in Nairobi County in Kenya.	H₀₁: Determining strategic direction has no significant effect on organizational performance of not-for-profit organizations in Nairobi County in Kenya.	<ul style="list-style-type: none"> • Pearson correlation • Linear regression analysis 	<p>If p-value < 0.05 reject the null hypothesis</p> <p>If p-value is > 0.05 fail to reject the null hypothesis.</p>
To find out the effect of developing human capital on the organizational performance of not-for-profit organizations in Nairobi County in Kenya.	H₀₂: Developing human capital has no significant effect on organizational performance of not-for-profit organizations in Nairobi County in Kenya.	<ul style="list-style-type: none"> • Pearson correlation • Linear regression analysis 	<p>If p-value < 0.05 reject the null hypothesis</p> <p>If p-value is > 0.05 fail to reject the null hypothesis.</p>
To assess the effect of emphasizing ethical practices on the organizational performance of not-for-profit organizations in Nairobi County in Kenya.	H₀₃: Emphasizing ethical culture has no significant effect on organizational performance of not-for-profit organizations in Nairobi County in Kenya.	<ul style="list-style-type: none"> • Pearson correlation • Linear regression analysis 	<p>If p-value < 0.05 reject the null hypothesis</p> <p>If p-value is > 0.05 fail to reject the null hypothesis.</p>
To examine the effect of maintaining balanced strategic control on the organizational performance of not-for-profit organizations in Nairobi County in Kenya.	H₀₄: Maintaining balanced strategic control has no significant effect on organizational performance of not-for-profit organizations in Nairobi County in Kenya.	<ul style="list-style-type: none"> • Pearson correlation • Linear regression analysis 	<p>If p-value < 0.05 reject the null hypothesis</p> <p>If p-value is > 0.05 fail to reject the null hypothesis.</p>

3.10.6 Summary

This chapter discussed the research design and methodology that was used in this study. Specifically, the chapter outlined the research instruments and procedures that were used in data collection as well as different statistical techniques used in different data analysis that was gathered for the study.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the results of the study performed to test the conceptual model and research hypotheses. This is done by presenting the response rate, reliability, and validity of the survey constructs, the general demographic information of the respondents and the descriptive analysis of the study variables. The chapter also presents the results of statistical tests used in the research to test the hypotheses as well as it presents the discussions of the results and implication arising from the findings.

4.2 Response Rate

The research instrument was administered to the target population as indicated in chapter 3. According to Baruch and Holtom, (2008) and also De Vaus (2002), response rate refers to the number of questionnaires returned divided by the sample size and the result multiplied by one hundred. Therefore using De Vaus formula, the result of the response rate is presented in Table 4.1.

Table 4.1: Study response rate

Item	Frequency	Percent
Returned questionnaires	290	95.1%
Unreturned questionnaires	15	4.9%
Total	305	100%

Referring to Table 4.1, out of the 305 questionnaires administered to the respondents, 290 filled and returned the questionnaires thus creating 95.1% response rate. According to Bryman and Bell (2015) and also Mugenda and Mugenda (2009), a feedback rate of amounting to 50% is enough for data analysis and drawing conclusions while equally a feedback rate of 60% is good and a feedback above 70% is excellent. Referring to Table 4.1 and recommendations of scholars, the feedback rate was concluded to be excellent. Therefore based on the arguments of Mugenda and Mugenda (2009), the feedback rate in this study of 95.1 % is excellent.

The high response rate in this study was concluded as high enough to warrant the analysis of the collected data. The high response rate was attributed to the data collection procedures, comprehensiveness of the instrument and sufficient time to fill in the questionnaires, the availability of the researcher and the research assistants to clarify any arising issue during the research process.

4.3 Reliability and Validity

Prior to describing the relationship between strategic leadership practices and organizational performance of not-for-profit organizations in Nairobi County in Kenya, the measures were examined and assessed to determine their reliability and validity.

4.3.1 Reliability analysis

Cronbach alpha was used to determine the internal reliability of the items in the questionnaire in this study. Cronbach alpha is a reliability coefficient that indicates how well the items in a set in the questionnaire are positively correlated to one another

(Sekaran & Bougie, 2010). The Cronbach coefficient alpha was used to determine the reliability of each variable and the decision matrix such assessment is shown in Table 4.2.

Table 4.2: Cronbach alpha decision matrix

Cronbach alpha coefficient	Strength of association
Less than 0.60	Poor
0.60 and less than 0.70	Moderate
0.70 and less than 0.80	Good
0.80 and less than 0.90	Very good
Greater than 0.90	Excellent

Source: Adapted from Zikmund, Babin, Carr, & Griffin (2010)

Cronbach alpha values ranges between 0 and 1.0 whereby values of 1.0 indicate perfect reliability. According to Zikmund et al., (2010) an acceptable Cronbach alpha value should not be below 0.70. In this study, the reliability statistic for each variable was determined and the results are presented in Table 4.3.

Table 4.3: Reliability statistics

Variable	No. of Items	Cronbach's Alpha (α)	Decision
Determining Strategic Direction	5	0.905	Accepted
Developing Human Capital	10	0.774	Accepted
Ethical Practices	9	0.965	Accepted
Strategic control	11	0.893	Accepted
Organizational performance	13	0.836	Accepted

From Table 4.3 the Cronbach alpha result for each variable was found to be above the lower limit of acceptability, that is, above 0.70. More specifically Table 4.3, determining strategic direction had $\alpha = 0.905$, developing human capital had $\alpha = .774$, while ethical practices had $\alpha = .965$ and strategic control had $\alpha = .893$ and organizational performance had $\alpha = .836$. These Cronbach alpha results greater than $\alpha = 0.70$ indicate good internal consistency among the items.

4.3.2 Validity

Factor analysis was used to check the validity of the constructs. The two commonly used measures of sampling adequacy are Kaiser-Meyer-Olkin measures and Bartlett's Test of Sphericity. These two tests were used in this study to test the significance of the relationship between the independent variables and the dependent variable. In most social science studies, Kaiser-Meyer-Olkin and Bartlett's tests they are used in making the decision about the sample adequacy and this is why these two tests were used.

A Kaiser-Meyer-Olkin acceptable value for a factor to be significant range from 0 to 1 and an index above 0.5 is very good. The Bartlett's Test of Sphericity relates to the significance of the study as regards the validity and suitability of the factors for a particular study. The Bartlett's Test of Sphericity acceptable index must be less than 0.05. The results of the Kaiser-Meyer-Olkin test of sample adequacy and Bartlett's test of Sphericity on the validity and suitability of the variables is shown in Table 4.4.

Table 4.4: Kaiser-Meyer-Olkin and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.885
Bartlett's Test of Sphericity	Approx. Chi-Square	3160.500
	Df	351
	Sig.	.000

From Table 4.4, the results of Kaiser-Meyer-Olkin measure of sampling adequacy was found to be 0.885, which is greater than 0.5 and not above 1.0 hence an acceptable index. On the other side, the Bartlett's test of Sphericity had a p -value =.000 which is less than 0.05. From the result of the Bartlett's test of Sphericity, it can be concluded that the factor was valid and suitable as it was significant and there would be a high significant correlation between the variables in the study. This evidence gave reason for going ahead with the study.

Further, content validity was achieved by subjecting the instrument to an evaluation by a group of six experts on strategic leadership practices who provided their comments on the relevance of each item in the instruments. According to Nunnally (1978), there are two standards for ensuring content validity, namely item sampling, and item construction method. Burns and Grove (1993) stated that content validity can be achieved through literature, representatives of the relevant populations and experts ratings.

This study used the expert rating method to analyze the content validity of the instrument. However, according to Yaghmale (2009) expert raters for content domains of a scale

should be between five and ten and this rule was followed in the current study. Further Yaghmale (2009) opines that scale developers often use a criterion of 0.80 as the lower limit for acceptability of an item in an instrument. Similarly, Davies (1992) advises that for new instruments, investigators should seek to attain above .80 (80%) rating value for a factor from the expert raters. In the case of the current study, each factor item was rated on the basis of relevance, clarity, simplicity and lack of ambiguity on a four-point scale. The following formula used to calculate the content validity index (CVI) in this study

was:

$$CVI = \frac{K}{N}$$

Where, K is the total number of items in the questionnaire declared valid by both raters/ supervisors while N represents the total number of items in the questionnaire. From this formula, the validity of the items in the instrument was calculated as per the results of the expert raters. The results of the raters are summarized in Table 4.5. Table 4.5 contains the total items considered valid by the raters and their corresponding values.

Table 4.5: Content validity test results

Raters	Total Items	Valid Items	Fraction
1 st Rater	50	43	0.86
2 nd Rater	50	45	0.90
3 rd Rater	50	48	0.96
4 th Rater	50	48	0.96
5 th Rater	50	48	0.96
6 th Rater	50	48	0.96
Average Total			0.9333

The computed content validity indexes were compared with the standard content validity index of 0.80 for validity. From Table 4.5 it is evident that all the six (6) expert raters had ratings above 0.80 and therefore these ratings show the instrument to be unidimensional, consistent, reliable and valid (Amin, 2005). These rating meant that the items could be used in collecting the desired information for the study.

4.4 Multicollinearity tests

Multicollinearity can exist when there is more than one variable measuring the same value (Hair, Money, Page, & Samouel, 2007). Multicollinearity is concerned with high correlation between independent variables that are supposed to predict the dependent variable. The existence of multicollinearity between the variables leads to significant impact on the regression and statistical results of the findings. Multicollinearity can be detected by running Collinearity tests.

Collinearity tests give two important values that are used to make the decision on multicollinearity. The two values are from the tolerance values and VIF (variance inflection factor) values. Tolerance is an indicator of how much of the variability of a specified predictor variable is not explained by the other predictor variables in a model. A value that is very small, that is, less than .10 indicates that there might be high multiple correlations suggesting presence of multicollinearity. On the other hand, the variance inflection factor is actually the inverse of the tolerance value and when it has values high above 10, then there is concern of multicollinearity. In this study, multicollinearity tests were carried out for each independent variable against the dependent and the results are shown in Table 4.6, 4.7, 4.8, and 4.9 respectively.

Table 4.6: Multicollinearity coefficients^a for test 1

Model	Collinearity Statistics		
	Tolerance	VIF	
1	Developing human capital	.707	1.415
	Ethical practices	.765	1.307
	Strategic control	.898	1.113

a. Dependent Variable: Determining strategic direction

According to the results in Table 4.6, the tolerance value were .707 for developing human capital, .765 for ethical practices, and .898 for strategic control. These values are well above .10 hence we can say that in this case/ measure we do not have multicollinearity. On the column on the variance inflection factor, as indicated in Table 4.6, the VIF values were: 1.415 for developing human capital, 1.307 for ethical practices, and 1.113 strategic control. These values are well below the value of 10. So both these statistics give us an idea that we do not have concern for multicollinearity and therefore it was concluded that there was no problem of multicollinearity between the variables hence no further test of multicollinearity was required.

Table 4.7: Multicollinearity coefficients^a for test 2

Model	Collinearity Statistics		
	Tolerance	VIF	
1	Ethical practices	.753	1.328
	Strategic control	.881	1.135
	Determining strategic direction	.682	1.466

a. Dependent Variable: Developing human capital

So according to the results in Table 4.7, the tolerance value were .753 for ethical practices, .881 for strategic control, and .682 for determining strategic direction. These values are well above .10 hence we can say that in this measure we do not have multicollinearity. On the column on the variance inflection factor, as indicated in Table 4.7, the VIF values were: 1.328 for ethical practices, 1.135 for strategic control, and 1.466 for determining strategic direction. These values are well below the value of 10. So both these statistics give us an idea that we do not have concern for multicollinearity and therefore it was concluded that there was no problem of multicollinearity between these variables hence no further test of multicollinearity was required.

Table 4.8: Multicollinearity coefficients^a for test 3

Model	Collinearity Statistics	
	Tolerance	VIF
1	.872	1.146
	.441	2.270
	.449	2.226

a. Dependent Variable: Ethical practices

So according to the results in Table 4.8, the tolerance value were .872 for strategic control, .441 for determining strategic direction, and .449 for developing human capital. These values are well above .10 hence we can say that in this measure we do not have multicollinearity. On the column on the variance inflection factor, as indicated in Table 4.8, the VIF values were: 1.146 for strategic control, 2.270 for determining strategic direction, and 2.226 for developing human capital. These values are well below the value of 10. So both these statistics give us an idea that we do not have concern for

multicollinearity and therefore it was concluded that there was no problem of multicollinearity between these variables hence no further test of multicollinearity was required.

Table 4.9: Multicollinearity coefficients^a for test 4

Model	Collinearity Statistics		
	Tolerance	VIF	
1	Determining strategic direction	.429	2.334
	Developing human capital	.436	2.295
	Ethical practices	.723	1.384

a. Dependent Variable: Strategic control

So according to the results in Table 4.9, the tolerance values were .429 for determining strategic direction, .436 for developing human capital, and .723 for ethical practices. These values are well above .10 hence we can say that in this measure we do not have multicollinearity. On the column on the variance inflection factor, as indicated in Table 4.9, the VIF values were: 2.334 for determining strategic direction, 2.295 for developing human capital, and 1.384 for ethical practices. These values are well below the value of 10. So both these statistics give us an idea that we do not have concern for multicollinearity and therefore it was concluded that there was no problem of multicollinearity between these variables hence no further test of multicollinearity was required.

4.5 Descriptive statistics

Before proceeding with the regression analysis, the researcher examined the descriptive statistics of the study sample. In view of this, descriptive analysis was done to provide summaries of demographic variables of the sample which were gender, the length of service, academic qualifications and the approximate number of staff for each of the sampled organization. The demographic data was necessary for this study because it allows research to effectively capture respondent's general characteristics such as background and expertise which are relevant in discussing research findings as regards sample size composition. The results of the descriptive statistics are presented in tables of frequency and percentages.

1.5.5 Gender distribution

This study sought for information about the gender of the respondents. Data obtained from the field regarding the gender of the respondents was statistically analyzed and the results summarized in Table 4.10.

Table 4.10: Respondents gender ($n = 290$)

Gender	Frequency	Percent
Female	147	50.7
Male	143	49.3
Total	290	100.0

The findings in Table 4.10 indicates that 147 (50.7%) of the respondents were females, while 143 (49.3%) were males. The majority, 50.7% of the respondents were females. The results in Table 4.10 indicate that the data and opinion presented in this study is from both genders that are from male and female respondents at the almost equal size.

Therefore, the results are attributed to both genders. The findings in Table 4.10 agree with the study of Paustian-Underdahl, Walker, and Woehr (2014) who also established that when all leadership contexts are considered, men and women do not differ in perceived leadership effectiveness. Therefore, there were both male and female leaders in the organizations that formed the sample of the study.

1.5.6 Length of Service

This study also sought information about the length of service worked in the sample not-for-profit organizations by the respondents. Data obtained from the field on this question was statistically analyzed and the results summarized in Table 4.11.

Table 4.11: Respondent’s length of service (*n* = 290)

Years	Frequency	Percent
Less than 1 year	28	9.7
1 and less than 5 year	145	50.0
More than 5 years	117	40.3
Total	290	100.0

The findings shown in Table 4.11, indicate that majority of the people who responded to the questionnaire had worked in the not-for-profit organizations for between 1 and less than 5 years (50.0%) therefore they were better placed to provide dependable and appropriate feedback to the research questions. 40.3% of the respondents had worked in the not-for-profit organizations in the duration of more than 5 years having the frequency of 117 respondents and those that who worked in the not-for-profit organizations for less than 1 year had 9.7% which had a frequency of 28 respondents. These findings indicate

that employees who have longer working period in a given organization have greater experience to carry out their duties effectively.

In the literature review, the length a staff spends in a particular organization was found to correlate with experience of the organizations' performance. The results in Table 4.11 are consistent with previous empirical studies on the experience of chief executives and other top organizational leaders. Nadkarni and Herrmann (2010) observed that chief executive officers with shorter tenures are likely to foster greater strategic flexibility than chief executive officers with longer tenures. This confirmed the findings of this study which found out that majority of the respondents were in their current organization for less than 5 years.

1.5.7 Respondents Academic Qualifications

This study also sought information about the respondents' level of education. Data obtained from the field on the respondents' qualifications were statistically analyzed and the results summarized in Table 4.12.

Table 4.12: Respondents education levels (*n* = 290)

Qualification	Frequency	Percent
Others	43	14.8
Diploma	86	29.7
Bachelor's Degree	98	33.8
Master's Degree	56	19.3
Doctoral Degree	7	2.4
Total	290	100.0

Table 4.12 indicates that 98 respondents, that is, 33.8% were Bachelor degree holders, 56 respondents, that is, 19.3% were holders of Master degrees, while 7 respondents, that is, 2.4% were holders of Doctorate degrees, while 86 of the respondents, that is, 29.7% were holders of diploma certificates, and 43 respondents, that is, 14.8% were holders of other professional certificates needed for different organizational performance. Therefore it can be inferred that majority of the respondents were college/university graduates. This means that the responses of the participants in this study were well informed as a result of their educational background.

The findings in Table 4.12 also agree with the study of Nadkarni and Herrmann (2010) who observed that highly educated chief executives were likely to promote strategic flexibility than chief executives with relatively lower levels of education. The findings in Table 4.12 also corroborate with the studies by King and McGrath (2002) which indicates that in today's constantly fluctuating environment, education was a major factor that impacts positively on peoples performance as well as the firms' growth.

1.5.8 Number of Employees

This study was also interested in knowing the approximate number of employees (full-time staff – excluding volunteers) working in the sampled not-for-profit organizations. The responses on this question were statistically analyzed and presented in Table 4.13.

Table 4.13: Number of employees ($n = 290$)

No. of staff	Frequency	Percent
1 and less than 5	59	20.3
6 and less than 10	66	22.8
11 and less than 20	86	29.7
21 and less than 50	39	13.4
More than 51	40	13.8
Total	290	100.0

The findings in Table 4.13 indicates that 20.3%, that is 59 respondents observed that in their organization there was an employee population of between 1 and less than 5, while 22.8% that is, 66 respondents had observed the employee population was between 11 and less than 20 staff were. Further the results also indicate that 29.7% that is, 86 respondents had reported an approximate population size of between 6 and less than 10 staff, while 13.4% that is 39 had staff population of between 21 and less than 50 staff, and still others 13.8% that is, 40 of the respondents approximated the employee population to be above 51. This finding implies that the size of not-for-profit organizations is diverse as regards the number of employees/ staff. However, the majority had employee population of more than 11 which therefore means these were small size not-for-profit organizations.

The findings in Table 4.13 concur with the studies by Abok (2013) and Awino (2007) which observed that there were different numbers of employees in different not-for-profit organizations hence the size of not-for-profit organizations also differ. The number of employees is significant because as Abok (2013) observed, low numbers in an organization could affect strategic plan implementation hence not being able to be effective strategic leaders.

4.6 Inferential Statistics

After the demographic analysis of study respondents' characteristics, the researcher further sought to establish the bivariate correlation between the variables, that is, between organizational performance and strategic leadership practices. Pearson correlation result was the main item here. According to Sekaran and Bougie (2010), Pearson correlation analysis indicates the strength, direction, and significance of bivariate relationship among the variables. The larger the correlation coefficient, the stronger the level of association. Further, the correlation may be either positive or negative depending on the direction of the relationship between the variables (Hair et al., 2007). Table 4.14 presents the correlation coefficient benchmarks for making the decision on a variable.

Table 4.14: Correlation coefficient benchmark

Coefficient range	Strength of association
± 0.91 to ± 1.00	Very strong
± 0.71 to ± 0.90	High
± 0.41 to ± 0.70	Moderate
± 0.21 to ± 0.40	Small but definite relationship
± 0.01 to ± 0.20	Slight, almost negligible

Source: Hair et al (2007)

This study used multiple linear regression analysis to establish the nature of the relationship between the study variables. Inferential statistics were also performed to test the null hypotheses of the study for possible rejection or acceptance. The null hypotheses were rejected if the *p*-value was less than 0.05 and accepted if the results showed it was greater than 0.05.

4.6.1 Determining strategic direction and organizational performance

The study sought to determine the extent to which setting/ determining strategic direction influences not-for-profits organizational performance in Kenya. The results of the data analysis of the effect of strategic leadership practices on organizational performance are presented in Table 4.15 and Table 4.16 respectively.

Table 4.15: Determining strategic direction model summary

Model	r	r Square	Adjusted r Square	Std. Error of the Estimate
1	.692 ^a	.479	.477	.393

a. Predictors: (Constant), Determining strategic direction

The results of the model estimates for determining strategic direction and organizational performance are shown in Table 4.15. The result of the coefficient of determination (*r* squared) is 0.479. The result of the adjusted *r*-square is .477. The result of the Pearson's correlation coefficient (*r*) is 0.692. The result of the standard error of the estimate is .393. This means that the variability in the prediction is .393.

Table 4.16: Determining strategic direction coefficients^a

Model		Unstandardized		Standardized	T	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	.807	.153		5.259	.000			
	DSD	.615	.038	.692	16.281	.000	.692	.692	.692

a. Dependent Variable: Organizational performance

Key: DSD = Determining strategic direction

The correlations in Table 4.16 displays the beta coefficient values, t -statistic values, and the significance values. The result of the p -value is .000, that ($p < 0.001$). The result of the intercept (β_0) is .807 while the result of (β_1), that is, the model regression coefficient is .615. Other important results from Table 4.16 are the t statistic which is 16.281 greater than zero.

4.6.2 Developing human capital and organizational performance

The study sought to find the effect of developing human capital on not-for-profits organizational performance in Kenya. The results of the data analysis of the effect of strategic leadership practices on organizational performance are presented in Table 4.17 and Table 4.18 respectively.

Table 4.17: Developing human capital model summary

Model	r	r Square	Adjusted r Square	Std. Error of the Estimate
1	.676 ^a	.457	.455	.402

a. Predictors: (Constant), *Developing human capital*

The results of the model estimates for developing human capital and organizational performance are shown in Table 4.17. The result of the coefficient of determination (r squared) is 0.457. The result of the adjusted r -square is .455. The result of the Pearson's correlation coefficient (r) is 0.676. The result of the standard error of the estimate is .393. This means that the variability in the prediction is .405.

Table 4.18: Developing human capital coefficients^a

Model		Unstandardized		Standardized	T	Sig.	Correlations		
		Coefficients		Coefficients			Zero-order	Partial	Part
		B	Std. Error	Beta					
1	(Constant)	1.191	.136		8.739	.000			
	DHC	.531	.034	.676	15.551	.000	.676	.676	.676

a. Dependent Variable: *Organizational performance*

Key: DHC = Developing human capital

The correlations in Table 4.18 displays the beta coefficient values, *t*-statistic values, and the significance values. The result of the *p*-value is .000, that is ($p < 0.001$). The result of the intercept (β_0) is 1.191 while the result of (β_1), that is, the model regression coefficient is .676. Other important results from Table 4.16 are the *t* statistic which is 15.551 greater than zero.

4.6.3 Ethical practices and organizational performance

The study sought to determine the extent to which ethical practices affects not-for-profits organizational performance in Kenya. The results of the data analysis of the effect of ethical practices on organizational performance are presented in Table 4.19 and Table 4.20 respectively.

Table 4.19: Ethical practices model summary

Model	r	r Square	Adjusted r Square	Std. Error of the Estimate
1	.398 ^a	.159	.156	.500

a. Predictors: (Constant), *Ethical practices*

The results of the model estimates for ethical practices and organizational performance are shown in Table 4.19. The result of the coefficient of determination (r squared) is 0.159. The result of the adjusted r -square is .156. The result of the Pearson's correlation coefficient (r) is 0.398. The result of the standard error of the estimate is .393. This means that the variability in the prediction is .500.

Table 4.20: Ethical practices coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	2.314	.134		17.236	.000			
	EP	.231	.031	.398	7.359	.000	.398	.398	.398

a. Dependent Variable: Organizational performance

Key: EP= Ethical practices

The correlations in Table 4.20 displays the beta coefficient values, t -statistic values, and the significance values. The result of the p -value is .000, that is ($p < 0.001$). The result of the intercept (β_0) is 2.314 while the result of (β_1), that is, the model regression coefficient is .398. Other important results in Table 4.16 are the t statistic which is 7.359 greater than zero.

4.6.4 Strategic control and organizational performance

The study sought to examine the extent to which strategic control affects not-for-profits organizational performance in Kenya. The results of the data analysis of the effect of strategic control practices on organizational performance are presented in Table 4.21 and Table 4.22 respectively.

Table 4.21: Strategic control model summary

Model	r	r Square	Adjusted r Square	Std. Error of the Estimate
1	.345 ^a	.119	.116	.511

a. Predictors: (Constant), *Strategic control*

The results of the model estimates for strategic control and organizational performance are shown in Table 4.21. The result of the coefficient of determination (r squared) is 0.1169. The result of the adjusted r -square is .119. The result of the Pearson's correlation coefficient (r) is 0.345. The result of the standard error of the estimate is .511.

Table 4.22: Strategic control coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	2.472	.133		18.532	.000			
	SC	.191	.031	.345	6.217	.000	.345	.345	.345

a. Dependent Variable: Organizational performance

Key: SC= Strategic control

The correlations in Table 4.22 displays the beta coefficient values, t -statistic values, and the significance values. The result of the p -value is .000, that is ($p < 0.001$). The result of the intercept (β_0) is 2.472 while the result of (β_1), that is, the model regression coefficient is .345. Other important results from Table 4.22 are the t statistic which is 6.217 greater than zero.

4.6.5 Hypotheses Tests

A test of the research hypotheses using regression analysis was conducted using organizational performance as the dependent variable, and the four strategic leadership practices.

Hypothesis One:

Ho₁: Determining strategic direction does not influence not-for-profits organizational performance

The ANOVA results for hypothesis one shows the following outcomes presented in Table 4.23.

Table 4.23: Determining strategic direction ANOVA

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	40.963	1	40.963	265.084	.000 ^b
	Residual	44.505	288	.155		
	Total	85.468	289			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Determining strategic direction

A one-way independent sample ANOVA test was conducted to determine whether not-for-profit's organizational performance varied as a function of determining strategic direction. The result of Analysis of Variance (ANOVA) for regression coefficient shown in Table 4.23 revealed $F(1, 288) = 265.084, p < 0.001$.

Hypothesis Two:

Ho₂: Developing human capital does not influence not-for-profits organizational performance

The ANOVA test results for hypothesis two shows the following outcomes presented in Table 4.24.

Table 4.24: Developing human capital ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	39.067	1	39.067	241.846	.000 ^b
	Residual	46.361	287	.162		
	Total	85.428	288			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Developing human capital

A one-way independent sample ANOVA test was conducted to determine whether not-for-profit's organizational performance varied as a function of developing human capital. The result of the analysis of variance for the regression coefficient as shown in Table 4.24 revealed $F(1, 287) = 241.846, p < 0.001$.

Hypothesis Three:

H₀₃: Ethical practices do not influence not-for-profits organizational performance

The ANOVA test results for hypothesis three shows the following outcomes presented in Table 4.25.

Table 4.25: Ethical practices analysis of variance

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.560	1	13.560	54.150	.000 ^b
	Residual	71.868	287	.250		
	Total	85.428	288			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Emphasizing ethical practices

A one-way independent sample ANOVA test was conducted to determine whether not-for-profit's organizational performance varied as a function of emphasizing ethical

practices. The result of Analysis of Variance (ANOVA) for regression coefficient as shown in Table 4.25 revealed $F(1, 287) = 54.150, p < 0.001$.

Hypothesis Four:

Ho₄: Strategic control does not influence not-for-profits organizational performance

The ANOVA test results for hypothesis four shows the following outcomes presented in Table 4.26.

Table 4.26: Strategic control ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10.106	1	10.106	38.655	.000 ^b
	Residual	74.774	286	.261		
	Total	84.880	287			

a. Dependent Variable: Organizational performance

b. Predictors: (Constant), Strategic control

A one-way independent sample ANOVA test was conducted to determine whether not-for-profit’s organizational performance varied as a function of strategic control. The result of Analysis of Variance (ANOVA) for regression coefficient as shown in Table 4.16 revealed $F(1, 286) = 38.655, p < .001$.

4.6.6 Presentation of the qualitative data

In this study, qualitative interviews were used to obtain various perspectives on the study. According to Braun and Clarke (2006) thematic analysis is used to identify, analyze, and report themes within the data. The data collected through interviews were analyzed in a three-stage procedure as suggested in the literature by several scholars (Creswell, 2014) which involves: transcribing the analysis data, reducing the data into themes through

coding and representing the data. The conceptual framework for the thematic analysis for this study was guided by the positions of Braun and Clarke (2006). According to Braun and Clarke (2006) patterns are identified through a rigorous process of data familiarization, data coding, and theme development and revision.

1. Strategic leadership practice themes

A question was posed to the respondents on the leadership styles which contribute significantly to organizational performance in their organizations and the themes that resulted from this question are presented in Table 4.27.

Table 4.27: Strategic practice themes

Open coding	Axial coding	Selective Themes
1. Charismatic		
2. Situational		
3. Good listener		
4. Consultative	1. Charismatic leader	
5. Democratic	2. Democratic leader	
6. Conflict handler	3. Visionary leader	
7. Strategist	4. Influencer	1. Visionary leader
8. Performer	5. Servant leader	2. Team player
9. Mission focus	6. Strategic leader	3. Strategic leader
10. Goal focus	7. Situational leader	4. Servant leader
11. Planner	8. Authoritative leader	5. Goal oriented
12. Team leader	9. Dynamic leader	6. Mission oriented
13. Participative	10. Performance oriented	7. Performance oriented
14. All rounder	11. Mission oriented	
15. Transformer	12. Goal oriented	
16. Role model	13. Team player	
17. Exemplary leader	14. Servant leader	
18. Decision maker		
19. Servant		
20. Influencer		
21. Visionary		

The analysis of the interview report on ethical practices through open coding established twenty (21) themes which through axial coding were reduced to fourteen (14) themes and

which further were reduced to seven (7) main themes as shown in Table 4.27. The respondents felt that the most strategic leadership practices in their contexts were visionary leadership, team player, strategic leader, servant leader, goal oriented, mission orientation and performance oriented.

2. Ethical practices

A question was posed to the respondents to point out the things perceived to be hindering or contributing to ethical practices and the resulted is presented in Table 4.28.

Table 4.28: Ethical practices themes

Open coding	Axial coding	Selective Themes
1. Value based		
2. Consultation		
3. Transparency		
4. Ethically right		
5. Integrity	1. Integrity	
6. Accountability	2. Transparency	
7. Justice	3. Accountability	1. Dialogue
8. Respectful	4. Respectful	2. Justice
9. Open door policy	5. Dialogue	3. Accountability
10. Clear instructions	6. Honesty	4. Integrity
11. People spirit	7. Truthfulness	
12. Honest	8. Stewardship	
13. Stewardship		
14. Uprightness		
15. Confidential		

The analysis of the interview report on ethical practices through open coding established seventeen (15) which through axial coding resulted to twelve (8) themes and which further were reduced to four (4) main themes as shown in Table 4.28. The respondents felt that dialogue, justice, accountability and integrity were important ethical practices required in a strategic leader in not-for-profit organizations.

3. Challenges to strategic leadership practices

A question was posed to the respondents to point out the things perceived to be hindering strategic leadership practices in their organizations and the themes that emerged from this question are presented in Table 4.29.

Table 4.29: Challenges to strategic leadership practices

Open coding	Axial coding	Selective Themes
1. Non assertive		
2. Lack of planning		
3. Cultural stereotype		
4. Hasty decisions		
5. Incompetent	1. Rigid	
6. Inconsistent	2. Inconsistent	
7. Bureaucratic	3. Visionless	1. No consultation
8. Loss of focus	4. Mindless	2. Loner
9. No monitoring	5. Unethical	3. Incompetence
10. No evaluation	6. Inflexible	4. Inconsistent
11. Not creative	7. Incompetent	
12. Not innovative	8. Unthoughtful	
13. Uncertainty		
14. Impositions		
15. Rigidity		
16. Inflexible		

The analysis of the interview on strategic leadership practice challenge through open coding established sixteen (16) themes which through axial coding were reduced to eight (8) themes and which further were reduced to four (4) main themes as shown in Table 4.29. Respondents felt that strategic leaders failure if the ignore consultation, working alone, they are incompetent and their works and action are inconsistent.

4. Performance as a result of strategic leadership practice

A question was posed to the respondents to point out their perception on the strategic leadership practice and organizational performance and the themes that emerged from this questions are presented in Table 4.30.

Table 4.30: Performance of strategic leadership themes

Open coding	Axial coding	Selective Themes
1. Performance monitoring		
2. Consultative policies		
3. Categorization of beneficiaries	1. Monitoring	
4. Working in harmony	2. Consultative	
5. Listening culture	3. Diversification	
6. Team work spirit	4. Listener	1. Teamwork
7. Self-reliance	5. Dependable	2. Structure
8. Nurturing talents	6. Team player	3. Monitoring
9. Group sharing	7. Teamwork	4. Funding
10. Dialogue building	8. Dialogue	
11. Partnership	9. Sharing	
12. Collaboration	10. Community	
13. Networking	11. Team	
14. Openness		

The analysis of the interviews on strategic leaders’ performance through open coding established fourteen (14) which through axial coding resulted to eleven (11) themes and which further were reduced to four (4) main themes as shown in Table 4.30.

4.7 Hierarchical Regression of the Variables

A hierarchical multiple regression was performed in this study to ascertain which of the four predictor variables had the most significant contribution to organizational performance in not-for-profit organizations. The following three models were conceptualized to guide the hierarchical regression analysis:

Statistical model 1: Conditional effect on $Y = \beta_0 + \beta_1 X_1 + \varepsilon$

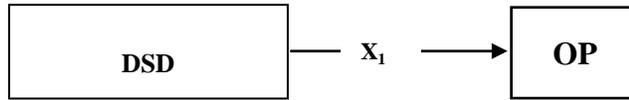


Figure 4.1: Conceptual diagram for first model

Statistical model: Conditional effect on $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$

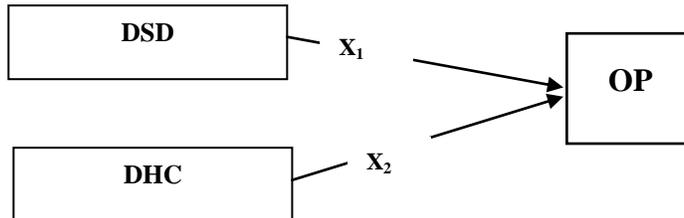


Figure 4.2: Conceptual diagram for second model

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

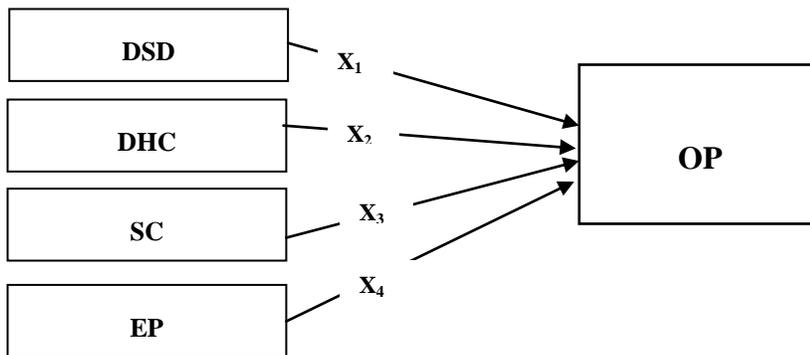


Figure 4.3: Conceptual diagram for third model

Key: OP= Organizational performance, DHC= Developing human capital, EP= Ethical practices, SC= Strategic control, and DSD= Determining strategic direction

Hierarchical multiple regression was done as follows: Model 1: predictors were determining strategic direction, Model 2: determining strategic direction and developing human capital, Model 3: determining strategic direction, developing human capital, ethical practices, and strategic control.

Table 4.31: Study's optimal model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			
						F Change	df1	df2	Sig. F Change
1	.691 ^a	.477	.476	.394	.477	261.224	1	286	.000
2	.733 ^b	.538	.535	.371	.061	37.371	1	285	.000
3	.739 ^c	.546	.540	.369	.008	2.542	2	283	.081

- a. Predictors: (Constant), DSD
- b. Predictors: (Constant), DSD, DHC
- c. Predictors: (Constant), DSD, DHC, OC, EP

Key: OP= Organizational performance, DHC= Developing human capital, EP= Ethical practices, SC= Strategic control, and DSD= Determining strategic direction

From Table 4.31, the results in model 2 show the new *r*-square value .733. The new *r*-square value is .538. The results of the *F* change value in this model 2 is 2.542. The findings in Table 4.31 also show the results of the *r* value of .691, *r*-square of .477, *r*-square change of .477 and *p*-value of .000. In model 2, the results of the two predictors, that is determining strategic direction and developing human capital are *r* = .733, *r*-square = .538, adjusted *r*-square = .540 at *p*-value = .000. In model 3, the results of predictors, that is, results for determining the strategic direction, developing human capital, ethical practices and strategic control are *r* value = .739, *r*-square value = .540 and *p*-value = .081.

Table 4.32: Study's optimal ANOVA^a model

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	40.519	1	40.519	261.224	.000 ^b
	Residual	44.362	286	.155		
	Total	84.880	287			
2	Regression	45.661	2	22.831	165.907	.000 ^c
	Residual	39.219	285	.138		
	Total	84.880	287			
3	Regression	46.353	4	11.588	85.122	.000 ^d
	Residual	38.527	283	.136		
	Total	84.880	287			

a. Dependent Variable: OP

b. Predictors: (Constant), DSD

c. Predictors: (Constant), DSD, DHC

d. Predictors: (Constant), DSD, DHC, SC, EP

Key: OP= Organizational performance, DHC= Developing human capital, EP= Ethical practices, SC= Strategic control, and DSD= Determining strategic direction

The optimal analysis of variance (ANOVA) tests for the hierarchical regressions showed the following *F*-ratio results: In first model, in the first step of hierarchical multiple regression for one predictor variable the results of $F(1, 287) = 261.224; p < .001$. In step 2, after entry of determining strategic direction the results of $F(2, 285) = 165.907; p < .001$. In the second model, the value of *F* is 165.907. The addition of ethical practices and strategic control gives a result for $F(4, 283) = 85.122; p < .001$. In the third model, the value of *F* is 85.122, ($p < .001$). In the final adjusted model, the four predictor variables each had the following results: determining strategic direction recorded a higher Beta value ($\beta = .691, p < .001$), ethical practices ($\beta = .35, p < .001$) and strategic control ($\beta = .16, p < .01$).

Table 4.33: Study's optimal regression model

Model		Unstandardized		Standardized	t	Sig.	Correlations			Collinearity	
		Coefficients		Coefficients			Zero-	Partial	Part	Tolerance	VIF
		B	Std. Error	Beta							
1	(Constant)	.814	.154		5.272	.000					
	DSD	.613	.038	.691	16.162	.000	.691	.691	.691	1.000	1.000
2	(Constant)	.653	.148		4.420	.000					
	DSD	.374	.053	.421	7.042	.000	.691	.385	.284	.454	2.203
	DHC	.286	.047	.365	6.113	.000	.676	.340	.246	.454	2.203
	(Constant)	.545	.156		3.492	.001					
3	DSD	.349	.055	.394	6.339	.000	.691	.353	.254	.416	2.405
	DHC	.273	.048	.348	5.711	.000	.676	.321	.229	.431	2.321
	EP	.008	.027	.013	.278	.781	.393	.017	.011	.722	1.385
	SC	.053	.024	.096	2.245	.026	.345	.132	.090	.872	1.147

Key: OP= Organizational performance, DHC= Developing human capital, EP= Ethical practices, SC= Strategic control, and DSD= Determining strategic direction

From the coefficient Table 4.33, the results of beta weights and their subsequent statistical significance are presented. In the first model, the result for determining strategic direction beta weight is .691, associated with *p*-value of .000. In the second model, the beta weights associated with the addition of developing human capital are: determining strategic direction is .421, *p*-value of .000 and developing human capital is .365, associated with *p*-value of .000.

In the third model, when strategic control and ethical practices are added to the model, the beta weights for determining strategic direction = .394, with *p*-value of .000; developing human capital = .348, with *p*-value of .000; ethical practices = .013, with *p*-value of .781 and strategic control = .096, with *p*-value of .026.

Table 4.33 also shows the results of the standardized coefficient values (Beta values) and *p*-values. The findings from Table 4.33 show that determining the strategic direction ($\beta =$

.394); Developing Human Capital ($\beta = .348$), and Strategic Control ($\beta = .096$). Similarly, developing human capital has $t(283) = 5.711$, $p < .001$, and determining strategic direction, $t(283) = 6.339$, $p < .001$. The variable strategic control has $t(283) = 2.245$, $p > .001$; while ethical practices has $t(283) = .278$, $p > .001$.

Table 4.34: Study's optimal correlation model

		OP	DSD	DHC	EP	OC
Pearson Correlation	OP	1.000	.691	.676	.393	.345
	DSD	.691	1.000	.739	.497	.344
	DHC	.676	.739	1.000	.484	.319
	EP	.393	.497	.484	1.000	.164
	SC	.345	.344	.319	.164	1.000
Sig. (1-tailed)	OP	.	.000	.000	.000	.000
	DSD	.000	.	.000	.000	.000
	DHC	.000	.000	.	.000	.000
	EP	.000	.000	.000	.	.003
	SC	.000	.000	.000	.003	.
N	OP	288	288	288	288	288
	DSD	288	288	288	288	288
	DHC	288	288	288	288	288
	EP	288	288	288	288	288
	SC	288	288	288	288	288

Key: OP= Organizational performance, DHC= Developing human capital, EP= Ethical practices, SC= Strategic control, and DSD= Determining strategic direction

Table 4.34 indicates that the Pearson's (r) correlation results for each predictor variables and the dependent variable. From Table 4.34, the results of the Pearson's correlation is positive. From Table 4.34, determining strategic direction has a r -value of .691, developing human capital has a r -value of .676, ethical practices has a r -value of .393 while strategic control has a r -value of .345. From Table 4.34, all the four predictor variables shows a p -value of less than .05.

4.8 Discussion of the findings

This section discussed the research findings based on the hierarchical regression analysis results and then based on the specific objectives and hypotheses of the study. The general objective of the study was to assess the effects of strategic leadership practices on organizational performance in not-for-profit organizations in Nairobi County in Kenya. This presentation is done in line with the specific objectives of the study.

4.8.1 Discussion from the results of the hierarchical regressions

Examining the results in Table 4.31 of the hierarchical regression in model 2, after inclusion of developing human capital variable as a predictor variable, the r -value moves from .691 to .733; the r -square value, has gone from .477 to .538. That is a pretty good jump from 47.7% to 53.5%. Even when we look at the adjusted r -square change it has gone from 47.7% to 6.1%, which is still 53.8% of the variability in organizational performance which is accounted for in the model which now includes developing human capital variable.

Tale 4.31 also shows the change of the r -square in model 1 up to model 3 from 47.6% to 53.5% and subsequently to 54% is equal to 0.8%. This is not based on the adjusted r -square value but it is based on the r -square value. So 0.8% increase of predictive capacity going from 69.1% to 73.3% to .8%. And that r -square change is associated with F change value of 2.542 with 1 degrees of freedom, and 283 in the denominator and the F change associated with 0.8% is not statistically significant. So this is showing that adding ethical practices and strategic control into the model increases the model's predictive capacity of predicting overall organizational performance in a statistically significant way and it

increasingly accounting percentage is accounted for by 0.8%. However, this increase is not that significant as it is very small.

Table 4.31, shows the results of the variable that was entered in model 1, that is determining the strategic direction, which reports a r of .691, r -square of .477, r -square change of .477 and p -value of .000. In model 1 in Table 4.31, the r -square value is .691 which means that determining strategic direction account for 69.1 % of the variance in organizational performance. The r -square change value of .477 means that the additional predictor variable explains 47.7% of the variance in organizational performance after statistically controlling for developing human capital, ethical practices and strategic control in the model.

In model 2, the predictors were determining strategic direction and developing human capital. Under model 2, determining strategic direction showed improved results as shown by R of .733, R -square of .538, adjusted R -square of .540 at P -value of .000. In model 2, the additional predictor variable, which is, developing human capital accounts for 73.3% of perceived organizational performance. The R -square change in this model indicates that the addition of developing human capital into the model explains an additional value of 53.8% of the variance in organizational performance even when ethical practices and strategic control have been statistically controlled.

In model 3, the predictors were determining the strategic direction, developing human capital, ethical practices and strategic control. These predictors had R value of .739, an R -square value of .540 and a P -value of .081 greater than .05. In model 3, the R -squared change value is .546 which means that all the four predictor variables explain an

additional value of 54.6% of the variance in organizational performance. This means this model did not have any significant contribution, as indicated by *P*-value for this line (.081 greater than .05).

Table 4.32 contains the results of the analysis of variance (ANOVA) that tests whether the model is significantly better at predicting the outcome than using the means as a ‘best guess’. The *F*-ratio represents the ratio of the improvement in the prediction that results from fitting the model relative to the inaccuracy that may exist in the model. Table 4.32 is split in three models: b = Predictors: (Constant), determining strategic direction, c = Predictors: (Constant), determining strategic direction, developing human capital, d = Predictors: (Constant), determining strategic direction, developing human capital, strategic control, ethical practices.

In the first step of hierarchical multiple regression, one predictor variable was entered: determining strategic direction. This model was statistically significant $F(1, 287) = 261.224; p < .001$ and explained 47.7% of the variance in organizational performance. The first model shows the *F*-ratio of 261.224 which is very unlikely to have happened by chance ($p < .001$). After entry of determining strategic direction at Step 2, the total variance explained by the model as a whole was 53.8% $F(2, 285) = 165.907; p < .001$. In the second model, the value of *F* is 165.907, which is also highly significant ($p < .001$). The introduction of ethical practices and strategic control explained additional 54% of the variance in organizational performance $F(4, 283) = 85.122; p < .001$. In the third model, the value of *F* is 85.122, which is also significant ($p < .001$).

In the final adjusted model, three out of four predictor variables were statistically significant, with determining strategic direction recording a higher Beta value ($\beta = .691$, $p < .001$) than the ethical practices ($\beta = .35$, $p < .001$) and strategic control ($\beta = .16$, $p < .01$). Therefore, we can conclude that these results mean that the final model significantly improves the ability to predict organizational performance in this study.

In the coefficient Table 4.33, we have the beta weights and the statistical significance associated with those beta weights. In the first model, we see that determining the strategic direction beta weight was .691 and it was associated to a p -value of .000 and this is statistically significant. In the second model, the beta weights associated with the addition of developing human capital are for determining strategic direction is .421 and for developing human capital is .365 and these beta weights were statistically associated with p -value of .000.

In the third model, when strategic control and ethical practices were added to the second model, the beta weights are determining the strategic direction = .394, developing human capital = .348, ethical practices = .013, and strategic control = .096. These beta weights corresponded to p -values of determining the strategic direction = .000, developing human capital = .000, ethical practices = .781, and strategic control = .026. In this model we can see that ethical practices was not a statistically significant predictor of organizational performance.

Strategic control even though was statistically significantly correlate (p -value = .026) with organizational performance, it was not a statistically significant contributor to organizational performance. Determining the strategic direction and developing human

capital were unique incremental predictors of organizational performance based on the F change which is statistically significant and also the beta weights which is also statistically significant.

Examining the standardized coefficient values (Beta values) and p -values in Table 4.29, only ethical practices does not make a unique significant contribution ($p > .05$). The best predictor of organizational performance is determining the strategic direction ($\beta = .394$) followed by Developing Human Capital ($\beta = .348$), and Strategic Control ($\beta = .096$). Developing human capital, $t(283) = 5.711$, $p < .001$, and determining strategic direction, $t(283) = 6.339$, $p < .001$ are significant predictors of organizational performance. Strategic control, $t(283) = 2.245$, $p > .001$, had slight significant prediction on organizational performance. Ethical practices, $t(283) = .278$, $p > .001$, was not a significant predictor of organizational performance. From the t -statistics, determining strategic direction had slightly more impact on organizational performance than developing human capital.

Table 4.33, gives the estimates for the beta values and these values indicate the individual contribution of each predictor to the model. These beta values tells the relationship between organizational performance and each strategic leadership practice predictor. Positive result indicates that the relationship is positive between the predictor and organizational performance whereas a negative coefficient represents the negative relationship. From the data in Table 4.33, both predictors had positive betas indicating positive relationships which also means that if any of the strategic leadership practice variable increases so does the organizational performance. The beta values also tell us the degree each predictor variable affects organizational performance if the effects of other predictors are held constant.

Each of the beta values also has an associated standard error indicating to what extent these values would vary across different samples, and these standard errors are used to determine whether or not the beta value differs significantly from zero (using the *t*-statistics). Therefore, if the *t*-test associated with a beta value is significant (if the value in the column labeled Sig. is less than 0.05) then that predictor is making a significant contribution to the model. The smaller the *p*-value (and the larger the value of *t*) the greater the contribution of that predictor in the dependent variable.

From Table 4.33 we get a very important piece of information from semi-partial correlation coefficient. If you square the values under each model, that is the part value correlation coefficient values, you get an indication of the contribution of each individual variable into the total *r*-squared. This explains how much of that variable is uniquely explained by that variable and how much *r*-squared would drop that variable was removed. For instance, from Table 4.33, if we removed determining strategic direction variable, *r*-squared would drop by .691.

Similarly, in model 2, if we removed developing human capital, the *r*-squared value would drop by .246. Likewise, in model 3, if we removed ethical practices and strategic control respectively, the *r*-squared value would drop by .011 and .090 respectively. This means the value of *r*-square would drop slightly.

Table 4.34 indicates that the Pearson's correlation between the predictor variables and the dependent variable is positive. That means as the predictor variable values go up so does the dependent variable. The table also indicates that, on a scale of 0 to 1, the values of the predictor variables are almost half way. Both the predictor variables and dependent

variables are continuous variables and they were normally distributed and they have a linear relationship hence the decision to use Pearson's (r) correlation. From Table 4.34, you can see across the diagonal they are all 1 since if you correlate a variable with itself, it becomes perfectly correlated. Correlation coefficient are always between negative one and positive one. A positive one means perfect positive and negative one means perfect negative correlation that means these variables are exactly on a straight line.

The organizational performance was correlated with four (4) of the predictors. Determining strategic direction and developing human capital had a highly significant correlation of .691 and .739 respectively. All the four predictor variables showed that they were statistically significant from the p -value which is less than .05. Determining strategic direction had a high substantial correlation of .691. Developing human capital had a high substantial correlation of .676. Ethical practices had a fair correlation of .393 and equally strategic control also had a fair correlation of .345.

Table 4.34 also indicates that the result is statistically significant from zero. The test is significant at 0.001 (1%) level. The results in Table 4.30 indicate that the levels of predictor variables are also associated with levels of organizational performance. The observed level of significance in Table 4.34 is less than the set level of significance, hence we can conclude that there is enough evidence to suggest that the correlation that was observed in this study does exist in the population. We can also see from the significance results of all the four variables that they were all statistically significant as represented by p -value less than .001.

4.8.2 Discussions on the study variable findings

The following section presents the discussion of the findings of this study as guided by the specific objectives.

4.8.3 Determining strategic direction and organizational performance

The results of the model estimates for determining strategic direction and organizational performance are shown in Table 4.15. The Pearson product moment correlation coefficient revealed a strong positive and significant correlation between developing human capital and organizational performance ($r = 0.692$, $p\text{-value} < 0.001$) as shown in Table 4.15. The Pearson's product moment correlation coefficient, r -value of 0.692 in Table 4.15 suggests that determining strategic direction explains about 69.2% of the variation in not-for-profits organizational performance. The Pearson's product moment correlation coefficient, r -value of 69.2% also indicates that there is a strong, positive linear relationship between determining strategic direction on organizational performance.

The coefficient of determination (r squared) of 0.479 means that 47.9% of organizational performance can be explained by the variable determining strategic direction. On the other hand, the adjusted r -square of 47.7% indicates that determining strategic direction in exclusion of the constant variable explained the change in organizational performance by 47.7%, the remaining percentage can be explained by other factors excluded from the model. The Pearson's correlation coefficient (r) value of 0.692 in Table 4.15 shows that there is a positive correlation between organizational performance and determining strategic direction.

The results of the standard error of the estimate in Table 4.15 is .393 which indicates that the prediction of the model is off by .393. This figure of .393 was significantly small hence not much variability was there in the prediction of the model. Further from Table 4.16 on account of the result of the p -value, it is evident that there is a very strong evidence ($p < 0.001$) to suggest a linear correlation between organizational performance and determining strategic direction. Moreover, the findings in Table 4.16 indicates that holding other factors constant, a unit increase in determining strategic direction leads to .692 increase in organizational performance.

The correlation on determining strategic direction and organizational performance can be plotted thus: $Y = \beta_0 + \beta_1 X_1 + \varepsilon$. Where: Y = Organizational performance; β_0 = Intercept; β_1 = the model regression coefficient; X_1 = Determining strategic direction, and ε = error term. Using the beta coefficient, the model changes to: $OP = 0.807 + 0.615DSD$. This model shows that determining strategic direction has a positive correlation with organizational performance. Further, determining strategic direction is statistically significant as indicated by the p -value which is less than 0.05. The t statistic is 16.281 which is greater than zero.

The other potential important piece of information in Table 4.16 is the part correlation also referred to as the semi-partial correlation coefficient. If you square the part value correlation coefficient values, you get an indication of the contribution of each individual variable into the total r -squared. This value is .692 and it explains how much of the organizational performance value is uniquely explained by determining strategic direction and that if determining strategic direction is dropped from the model, the r -

squared in the model summary would drop by .692. So if we remove determining strategic direction variable, *r*-squared will drop by .692.

The arguments for the need of not-for-profit organizations engaging in determining strategic direction has been supported by several scholars. For instance, these results concur with the study by Arasa and K'Obonyo (2012) which established a positive correlation between strategic planning and firm performance. According to Carter and Greer (2013) organizations require strategic leaders in order to achieve the triple bottom line performance.

The findings of the current study are also consistent with the study by Nthini (2013) which studied the effect of strategic leadership on performance of commercial and financial State Corporations in Kenya using a descriptive survey design with a target population of forty eight (48) and established that there was a positively strong relationship between corporate strategic direction and high customer satisfaction.

Likewise, the findings of the current study concur with the study of Gu, Weng, and Xie (2012) which observed that leadership has a direct positive impact on the speed of strategic decision making. Similarly, the current study findings are congruent with the study by Bichanga and Masika (2014) which noted the importance of leadership in determining strategic direction of an organization.

Likewise, the findings in the current study are also supported by Yaşar (2010) who suggests that in order to improve firm performance and to get sustainable competitive advantage strategic leadership practice should be used resolutely. Further the findings of the current study concur with the findings in the study by Mutindi, Namusonge, and

Obwogi (2013) which found that there is a significant linear relationship between strategic planning, strategic competitive positioning and firm performance.

The findings of the current studies concur with the study by Yazhou and Jian (2011) which noted that a number of studies suggest that, mission statement promote organizational performance to some extent. Similarly the findings of the current study find support from Dimitrios, Sakas, and Vlachos (2013) who noted that strategic leadership practice supplies a widely shared sense of long-term direction which is necessary for future organizational performance.

The findings of the current study concur with the study by Shuria, Linge and Kiriri (2015) which studied the influence of strategic leadership on humanitarian aid delivery effectiveness in Somalia using a positivism approach and correlational design from a sample of 394 and established that there was a significant and positive relationship between strategic forecasting and planning and humanitarian aid delivery effectiveness.

The findings of the current study also concur with the study by Bryson (2011) who observed that the role of determining strategic direction rests with strategic leaders. This is consistent with the arguments in the current study that established that not-for-profit organizational performance increase is directly proportional to determining strategic direction increase.

The findings of the current study also concur with the study by Taiwo and Fasogbon (2010) who through an examination of the impact of strategic planning on organizational performance and survival using a survey technique with 100 respondents from the First Bank of branches in Lagos metropolis in Nigeria found that the respondents strongly

agreed that strategic planning enhances organizational performance. These findings in the current study are congruent with the study by Nthini (2013) which studied the influence of strategic leadership on the outcome of commercial and financial state corporations in Kenya and established that the correlation of the variables was strongly significant and that strategic direction and the satisfaction of clients had strong positive correlation of 0.725.

The analysis of variance was conducted to determine whether a significant relationship do exist between the variables and the results presented in Table 4.23. From Table 4.23, since the p -value is less than 0.05 it, therefore, can be concluded that there exists a statistically significant relationship between determining strategic direction and organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results imply that the correlation is significant and that the relationship between determining strategic direction and organizational performance is causal and not by chance. The results of the ANOVA test in Table 4.23 provide support for the H_{a1} hence H_{01} is rejected because the findings support the H_{a1} beyond any reasonable doubt. This means that an increase in determining strategic direction leads to increase in organizational performance in direct proportion.

The ANOVA test results in Table 4.23 confirm that the findings of specific objective 1 is not by chance but is statistically significant. The ANOVA test results presented in Table 4.23 also indicates that the regression model has a $p < .001$ margin of error, meaning that the model used in this objective has a probability of less than 0.1% of giving false prediction. The conclusion made therefore was that the model was significant. Therefore,

we propose that determining strategic direction is positively related to organizational performance.

Hypothesis 1: Determining strategic direction is positively related to organizational performance.

4.8.4 Developing human capital and organizational performance

The results of the model estimates for developing human capital and organizational performance are shown in Table 4.17. The Pearson product moment correlation coefficient revealed that there was a strong positive and significant correlation between developing human capital and organizational performance as shown by r -value of 0.676 and $p < 0.001$ in Table 4.17. The r -value of 0.676 suggests that developing human capital explains about 67.6% of the variation in not-for-profit organizational performance. The r -value of .676 also indicates that there is a strong, positive linear relationship between developing human capital and organizational performance.

The findings of the current study also find support from the study by Munjuri and K'Obonyo (2015) which found that employee empowerment does not moderate the influence of human capital on firm performance, but has a mediating effect. Further, the findings of the current study are congruent with the study by Nzuve and Bakari (2012) which revealed that there is a very strong positive correlation between employee empowerment and firm performance.

The r -squared of 0.457 indicates that 45.7% of the variance in organizational performance is explained by developing human capital, that is, 45.7% of the variability in the not-for-profit organizational performance is accounted for by developing human

capital in not-for-profit organizations while 54.3% is attributable to random fluctuation of other unspecified variables in the model. Further, the value of adjusted r -squared is a 0.455. This value means that the study is significant because it is less than 0.8. These findings of the current study concur with the study by Odhong, Were, and Omolo (2014) concludes that human capital development is a vital benchmark of successful organizations as it is linked to improved organizational performance and sustainable competitive edge.

The standard error of the estimate in Table 4.18 shows how much of the prediction of developing human capital is off in predicting organizational performance. In this case, the prediction of the model is off by .402. The value of the standard error of the estimate was significantly small hence not much variability was there in the prediction of the model. The study findings also established that holding other factors constant, a unit increase in developing human capital leads to .676 increase in organizational performance. The significance value which shows ($p < 0.001$) indicates that there is a very strong evidence to suggest that there is a linear correlation between developing human capital and organizational performance. These findings of the current study are congruent with study by Deku (2014) which argues that the success (performance) of any organization depends on the human capital.

The model estimate was: $Y = \beta_0 + \beta_2 X_2 + \varepsilon$. Where: Y = Organizational performance; β_0 = Intercept; β_2 = the regression coefficient; X_2 = Developing human capital, and ε = error term. This model becomes $OP = 1.191 + 0.531DHC$. The beta coefficient sign in Table 4.18 show that developing human capital had positive relationship with organizational

performance. Further, Table 4.18 shows that the findings of this study show that this variable was statistically significant because of the p -value which was less than 0.05. The t statistic was found to be 15.551 which is greater than zero. The findings of the current study concur with the study of Munjuri, K'Obonyo, and Ogutu (2015) which studied the influence of human capital on performance of insurance firms and commercial banks in Kenya using a descriptive cross-sectional survey design with a sample size of 88. The results found a positive effect of human capital on firm performance.

Another important potential piece of information in the coefficient is the part correlation also referred to as the semi-partial correlation coefficient. If you square the part value correlation coefficient values in Table 4.18, you get the contribution of each individual variable into the total r -squared. However, this value according to the results in Table 4.18 is .676 which explains how much of organizational performance is uniquely explained by developing human capital and that if this variable is dropped from the model, then the r -squared value in the model summary would drop by .676. These findings concur with the study by Yusuph (2015) which investigated the impact of investing in human capital on employees' performance in Tanzania and found that there is a relationship between human capital investment and performance.

A number of studies have been conducted on the influence of human capital on firm performance. For instance, Wang, Sui, Luthans, Wang, and Wu (2014) found that authentic leadership was positively correlated to leader-member exchange and consequently followers' performance. This suggests that strategic leaders' choice to develop human capital in their organizations will have a positive influence on employees' performance and subsequently on the organizational performance. Likewise, the findings

of the current study find support from the study by Bunchapattanasakda, Wiriyakosol, and Ya-Anan (2012) which found that leadership played a very critical role of retaining employees to work with the nongovernmental organizations.

The β_2 value of 0.676 as found in Table 4.18 indicates that, as developing human capital increases by 1, the estimated increase in the mean organizational performance is about 67.6%. That is, each additional unit in developing human capital, on average, increases organizational performance by 67.6%. The intercept value of 1.191 indicates the average level increase of organizational performance when developing human capital is zero. The sign of the intercept coefficient for developing human capital (1.191) is positive. This sign of the coefficient confirms that not-for-profit organizational performance increases in direct proportion to developing human capital. The positive coefficient of 1.191 in the intercept predicts the direct positive correlation between developing human capital and organizational performance which is also statistically significant.

This study finding indicates that human capital is an essential component of strategic leadership practice and it is statistically significant in not-for-profit organizations' performance. These findings are supported by the study by Moideenkutty, Al-Lamki, and Murthy, (2011) which established that human resource management practices were positively related to organizational performance. Table 4.24 presents the results of the t -value which in normal circumstances should be greater than 1.96 while the corresponding p -value should be less than 0.05.

As indicated in Table 4.24, the t -value is 15.551 greater than 1.96 while the p -value is 0.000 which is less than .05. From these two findings, it can be further inferred that the

developing human capital was a statistically significant contributor to organizational performance. Therefore the results in Table 4.24 confirms that developing human capital increases in direct proportion to organizational performance of not-for-profit organizations.

Similarly, the findings of the current study concur with those by Lear (2012) which found that developing human capital was correlated with firm performance. However, for the current study findings to hold true to the assumption, Richardson (2014) cautions against employees (human capital) becoming dissatisfied with their organization as this may lead to negative performance. This caution supports the findings of the current study which established that developing human capital significantly and positively impacts organizational performance. Likewise, the findings of the current study concur with the study by Magoutas, Papadogonas, and Sfakianakis (2012) which established that human capital has a positive and significant effect on the growth rates of firms.

It is therefore clear from the foregoing discussions that for not-for-profit organizations to succeed in vision and mission, strategic leaders must view the available employees as critical resources from which they can improve their service delivery and subsequently their organizations' performance and competitive advantage. From reviewed literature, it was evident that most of the successful for-profit organizations had succeeded not solely because of their financial resources but because they were able to strategically combine their financial and human capital resources for the good of the organization.

Therefore, in the case of the current study findings, not-for-profit strategic leaders must acquire necessary strategic skills, knowledge and attitude to develop human capital as

critical assets for the success of the vision and mission of these vital organizations in our society. The analysis of variance was conducted to determine whether a significant relationship do exist between the variables and the results presented in Table 4.7.

From Table 4.24, since the p -value is less than 0.05 it, therefore, can be concluded that there exists a significant relationship between developing human capital and organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results also imply that the correlation is significant and not by chance. The results in Table 4.24 provide support for H_{03} hence H_{a4} is rejected because of the findings of this study support H_{03} beyond any reasonable doubt.

This finding implies that the relationship between developing human capital and organizational performance is causal and not due to chance. This means that an increase in developing human capital will lead to increased organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results support the hypothesis that increased strategic leadership practices would increase the organizational performance of not-for-profit organizations. Hence the ANOVA findings in Table 4.24 confirm that the findings are not by chance but are statistically significant. The findings of the current study concur with the study by Li, Qian, Gong, and Tao (2014) which established that employees significantly and positively impacts firm performance.

The analysis of variance was conducted to determine whether a significant relationship do exist between the variables and the results presented in Table 4.24. A one-way independent sample ANOVA test was conducted to determine whether not-for-profit's organizational performance varied as a function of developing human capital. The result

of analysis of variance test for regression coefficient as shown in Table 4.24 revealed $F(1, 287) = 241.846, p < 0.001$. From these results, the p -value is less than 0.05 and therefore it can be concluded that there exists a significant relationship between developing human capital and organizational performance in not-for-profit organizations in Nairobi County in Kenya. Also, the results in Table 4.24 imply that the correlation is significant and not by chance. These results also provide support for H_{03} hence H_{a4} is rejected because the findings of this study support H_{03} beyond any reasonable doubt.

This finding implies that the relationship between developing human capital and organizational performance is causal and not due to chance. This means that an increase in developing human capital will lead to increased organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results support the hypothesis that increased strategic leadership practices would increase the organizational performance of not-for-profit organizations. Hence the ANOVA findings in Table 4.24 confirm that the findings are not by chance but are statistically significant. This study findings are also congruent with the study by Liu, Chou, and Wang (2013) who asserted that the organizational abilities to attract and acquire human capital is a key competence for high performance firms/ organizations.

The established findings in this study confirm the assumption that developing human capital affects organizational performance in not-for-profit organizations in Nairobi County in Kenya. In support of this assertion, the findings in Table 4.17 shows a Pearson's correlation coefficient, r -value of 0.676 and the coefficient of determination, r^2 -value of 0.457. Examining the regression model it is evident that there is a high degree of fit in the model ($\beta_2 = 0.676; t = 15.551, p < 0.05$).

The ANOVA results presented in Table 4.24 shows that the regression model has a margin of error of $p < .001$. This means that the model has a probability of less than 0.1% of giving false prediction. These results are also supported by the analysis of variance results in Table 4.24 which report that: $F(1, 287) = 241.846, p < 0.001$. Hence since the p -value was found to be less than 0.05, the results are statistically significant. The conclusion made therefore is that the model is significant. Therefore, we propose that developing human capital is positively related to organizational performance.

Hypothesis 2: Developing human capital is positively related to organizational performance.

4.8.5 Emphasizing ethical practices and organizational performance

The results of the model estimates for emphasizing ethical practices and organizational performance are shown in Table 4.19. The Pearson product moment correlation coefficient revealed a strong positive and significant correlation between emphasizing ethical practices and organizational performance ($r = 0.398, p\text{-value} < 0.001$) as shown in Table 4.19. The Pearson's product moment correlation coefficient, r -value of 0.398 in Table 4.19 suggests that emphasizing ethical practices explains 39.8% of the variation in not-for-profits organizational performance. The Pearson's product moment correlation coefficient, r -value of 39.8% also indicates that there is a moderate, positive linear relationship between emphasizing ethical practices and organizational performance.

The findings in this study are also supported by the study by Shin, Sung, Choi, and Kim (2015) which showed that top management ethical leadership significantly predicts ethical climate, firm-level organizational citizenship behavior, and firm financial

performance. Moreover, Khan (2012) found positive and statistically significant linkage between corporate ethical practices in terms of values and work-related outcomes. According to Hassan, Mahsud, Yukl, and Prussia (2013), ethical practice was related to leader-member exchange relations, affective commitment, and leader effectiveness.

From Table 4.19 we also notice the result of the coefficient of determination (*r* squared) is 0.159 which indicates that 15.9% of organizational performance can be explained by ethical practices. The results of the adjusted *r*-square is .156 which indicates that ethical practices in exclusion of the constant variable explained the change in organizational performance by 15.6% while 84.4 % can be explained by other factors excluded from the model. The findings of the current study concur with the study by Ebitu and Beredugo (2015) which showed that effective performance of service industry was dependent on the strong code of ethics.

The standard error of the estimate in Table 4.19 shows how much the prediction of the ethical practice is off in predicting organizational performance. In this case, the prediction of the model is off by .500. This means that the variability in the prediction is .500. The value of the standard error of the estimate was significantly small hence not much variability there was in the prediction of the model.

The correlation Table 4.20 displays the beta coefficient values, *t*-statistic values, and the significance values. From the significance value, it is evident that there is a very strong evidence ($p < 0.001$) to suggest that there is a linear correlation between ethical practices and organizational performance. This view was also envisioned by McCray, Gonzalez, and Darling (2012) who recommended that ethical leaders build the capacity of their

followers for firm sustainability. The study established that holding other factors constant, a unit increase in ethical practices leads to .398 increase in organizational performance. The linear regression model for this variable is $Y = \beta_0 + \beta_3 X_3 + \varepsilon$. Where: Y = Organizational performance; β_0 = Intercept; β_3 = the regression coefficient; X_1 = Ethical practices, and ε = error term.

From the coefficient results in Table 4.20, the model is fitted as: $OP = 2.314 + 0.231EP$. From Table 4.20, the beta coefficients in the regression model show that the tested variable, that is, ethical practices had a positive correlation with organizational performance. Further, Table 4.20 shows that the findings of this study show that this variable was statistically significant because the p -value had value less than 0.05. The t statistic is 7.359 which is greater than zero. According to Toor and Ofori (2009), ethical practice was mediated by organizational culture and employee performance. However, according to the study by Chun, Shin, Choi, and Kim (2011), there is not a direct linkage between corporate ethics and firm performance.

Another potential important piece of information in Table 4.20 is from the part correlation which is also referred to as the semi-partial correlation coefficient. By squaring the results of the semi-partial correlation, you get the contribution of each individual variable into the value of r -square. From Table 4.20, this value is .398 which explains how much of organizational performance is uniquely explained by ethical practices and that if the ethical practices variable were to be dropped from the model, the r -square value as shown in the model summary would drop by .398.

These findings are congruent with those of Serfontein (2010) who observed that ethical practices indicated a weak though positive correlation with a p -value of 0.183. This view is also held by Saeed, Shakeel, and Lodhi (2013) who found ethical guidance and ethical values having a positive impact on employees' performance. Further, a study by Nthini (2013) found that ethical practices and strategic controls were slowly emphasized. However, according to a study by Brown and Treviño (2006) ethical leadership remains largely unexplored by researchers hence leaving a gap on the contribution of this variable in organizations.

The coefficient determination, r^2 indicates the goodness-of-fit, the value of 15.9% of the variance in the dependent variable is explained by the independent variable in the model, that is, 15.9% of the variability in the not-for-profit organizational performance is accounted for by the ethical practice variable in the organization while the remaining 84.1% could be attributed to the random fluctuation of other unspecified variables. Hence considering that coefficient of determination, r -square can be at most 1, the regression line of this study is concluded that it fits the data well very well. In this study, the value of adjusted r -square is 0.156 as shown in Table 4.24. The rule of thumb on the value of adjusted r -square is that this value should be less than 0.8. On this basis as indicated in Table 4.24 the value of r -square is less than 0.8, hence it can be declared that it is significant.

These findings are also congruent with the study by Walumbwa, Mayer, Wang, Wang, Workman, and Christensen (2011) which investigated the link between ethical leadership and performance using data from a sample size of 271 respondents from the People's Republic of China and established that ethical leadership was positively and significantly

related to employee performance. These findings also concur with the study by Yusuf, Hawkins, Musa, El-Berishy, Schulze, and Abubakar (2014) which established that ethical practices have positive impacts on the performance of the supply chain. This study also examined supply chain ethical practices and demonstrates that there is an empirical relationship between ethical practices and performance.

The β_3 value of 0.231 in Table 4.24 indicates that as ethical practices among not-for-profits increases by 1, the estimated increase in the mean organizational performance is about 23.1%. That is, each additional unit of ethical practice by not-for-profit strategic leaders, on average, increases organizational performance by 23.1%. The intercept value of 2.314 indicates the average level of organizational performance when ethical practice is zero. The sign of the coefficient of ethical practice (0.231) is positive. The study results concur with the findings of Yusuf, Hawkins, Musa, El-Berishy, Schulze, and Abubakar (2014) which looked at ethics from numerous disciplines and its application and found that ethical practices have positive impacts on the performance of the supply chain.

Table 4.24 confirms the assumption of the study that not-for-profits organizational performance increases as ethical practice increases. Hence, the results predict a direct positive relationship between ethical practices and organizational performance likewise statistically significant. In Table 4.24 the beta indicates a value of 0.231 which tells us how much ethical practices in this study affects organizational performance.

Statistically, it can be interpreted that a 1 unit change in ethical practice brings about 0.231 units change in not-for-profit organizational performance. The findings of a study by Enofe, Ogbeide, and Julius (2015) who studied the impact of business ethical code of

conduct on corporate growth revealed that there is no significant relationship between corporate growth and corporate adherence to rules and regulations.

These findings concur with the study by Lytle (2010) which established that studies on ethics and codes of ethics exist in great numbers but these kind of studies were lacking in not-for-profit organizations. These studies are also congruent with the study by Resick, et al., (2006) which identified six key attributes that characterized ethical leadership namely: character and integrity, ethical awareness, people-orientation, motivating, encouraging and empowering, and managing ethical accountability. According to Bello (2012) ethical issue were a worldwide phenomenon that required the attention of leaders in organizations as well as in businesses.

The results in Table 4.24 depicts a direct relationship between the independent variable and dependent variable. The probability reported for ethical practices in Table 4.23 are below 50% and hence they are not that significant. However, it can be inferred that from the results in Table 4.24, the slope is statistically significant. Next value which is important for interpretation in Table 4.24 is the *t*-value which in normal circumstances should be greater than 1.96 and the corresponding *p*-value should be less than 0.05.

So considering both *t*-values and *p*-values we find that ethical practices are significant with *t*-value of 7.359 and $p < 0.05$, although not statistically significant. More so the findings in the current study are congruent with the study by Kalshoven and Hartog (2009) which showed that the relationship between overall ethical practices of the leader and leader effectiveness was mediated by trust among other virtues.

The results in Table 4.24 confirm the assumption of the study that not-for-profits organizational performance increases as ethical practices increases. These findings also agree with the study by Shin (2012) who asserted that a chief executives' ethical practices were critical in fostering an ethical climate within the firm and that chief executive officers' ethical practices significantly predicted the ethical climate in the organization. The findings of the current study find support from the study of Iwu-Egwuonwu and Chibuike (2010) who noted that corporate reputation positively impacts on firm performance.

The analysis of variance was conducted to determine whether a significant relationship do exist between the variables and the results presented in Table 4.25. A one-way independent sample ANOVA test was conducted to determine whether not-for-profit's organizational performance varied as a function of emphasizing ethical practices. The result of the analysis of variance test from the regression coefficient Table 4.25 revealed $F(1, 287) = 54.150, p < 0.05$.

From these results since the p -value is less than 0.05 it therefore, can be concluded that there exists a significant relationship between emphasizing ethical practices and organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results indicate that the correlation between the two variables is significant and not by chance. The results in Table 4.25 provide support for H_{a4} hence H_{03} is rejected because the findings of this study support H_{a3} beyond any reasonable doubt.

The regression model found a low degree of fit as reflected by β_3 of .231; $t = 7.359$; $p < 0.05$. The β_3 value for ethical practices variable was 0.231. On hypothesis testing, the

results in Table 4.25 provide support for H_{03} hence these results led to accept the null hypothesis and reject the research hypothesis. Therefore, ethical practices was found to have significant effects on not-for-profit organizational performance as represented by $F(1, 287) = 54.150; p < 0.05$). The findings of the current study are congruent with the study by Musyimi (2016) which examined the effect of ethical leadership on employee performance among commercial banks in Kenya and found that ethical leadership was achieved through good corporate governance structures, code of conduct and ethics, creation of ethical control and compliance department that ensure ethical practices in the organization.

From Table 4.25, since the p -value is less than 0.05 it, therefore, can be concluded that there exists a significant relationship between emphasizing ethical practices and organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results also imply that the correlation is significant and not by chance. The results in Table 4.25 provide support for H_{a4} hence H_{03} is rejected because of the findings of this study support H_{a3} beyond any reasonable doubt. From Table 4.25 it implies that the relationship between ethical practices and organizational performance is causal and not due to chance. Hence an increase in ethical practices leads to increase in organizational performance.

In conclusion, the ANOVA test results presented in Table 4.25 shows that the regression model has a margin of error presented by p -value which is less than 0.001. This significance value for the margin of error indicates that the model has a probability of less than 0.1% of giving false prediction. Hence these results are statistically significant.

The conclusion made therefore is that the model is significant. Therefore, we propose that emphasizing ethical practices is positively related to organizational performance.

Hypothesis 3: Emphasizing ethical practices is positively related to organizational performance.

4.8.6 Strategic control and organizational performance

The results of the model estimates for strategic control and organizational performance are shown in Table 4.21. The Pearson product moment correlation coefficient revealed a moderate positive and significant correlation between strategic control and organizational performance ($r = 0.345$, $p < 0.001$) as shown in Table 4.21. The Pearson's product moment correlation coefficient, r -value of 0.345 in Table 4.21 suggests that strategic control explains about 34.5% of the variation in not-for-profit organizational performance. The Pearson's product moment correlation coefficient, r -value of 34.5% also indicates that there is a moderate, positive linear relationship between strategic control and organizational performance.

The findings in this study also concur with the study by Ndegwa (2013) which studied strategic control systems in strategy implementation and financial performance of Bamburi Cement limited using a descriptive and explanatory case study with 2 executives and 6 managers and established a significant and positive relationship between the intensity of strategic control system and financial performance of the company.

The value of the coefficient of determination (r -squared) of 0.119 indicates that 11.9% of organizational performance can be explained by strategic control variable. The adjusted r -square of 11.6% indicates that strategic control in exclusion of the constant explained

the change in organizational performance by 11.6% while the remaining percentage 88.4% can be explained by other factors excluded from the model. The Pearson's correlation coefficient (r) value of 0.345 shows that there is a positive correlation between organizational performance and strategic control.

The findings in this study concur with the study by Kamau (2013) which sought to establish strategic control practices employed by Syngenta Pollen Limited using a case study research design with an interview of four respondents and found that strategic control needs to fit to the overall strategic plan of the organization and also need to involve all the stakeholders of the organization.

The results of the standard error of the estimate in Table 4.21 shows how much of the prediction of the strategic control is off in predicting organizational performance. According to the results in Table 4.21, the prediction of the model is off by .511. This means that the variability in the prediction between the variables is .511. The value of the standard error of the estimate is significantly small hence not much variability is there in the prediction of the model.

From the significance p -value, it is evident that there is a very strong evidence ($p < 0.001$) to suggest there is a linear correlation between strategic control and organizational performance. The model used to test the relationship is: $Y = \beta_0 + \beta_4 X_4 + \varepsilon$. Where: Y = Organizational performance; β_0 = Intercept; β_4 = the regression coefficient; X_4 = Strategic control, and ε = error term.

The model was fitted as $OP = 2.472 + 0.191OC$. From Table 4.22, the beta coefficients in the regression model show that the tested variable, that is, strategic control had a positive relationship with organizational performance. Further, Table 4.22 shows that the findings of this study show that this variable was statistically significant with a p -value which is less than 0.05. The t statistic is 6.217 which is greater than zero.

The other potential important piece of information in the coefficient table is the part correlation. This is also referred to as the semi-partial correlation coefficient. If you square the part value correlation coefficient values, you get the contribution of each individual variable into the total r -squared. This value is .345 which explains how much of organizational performance is uniquely explained by strategic control and that if ethical practices were removed from the model, the r -squared in the model summary would drop by .345. So if we removed strategic control variable, r squared would drop by .345.

The Pearson's correlation coefficient, r of 0.345 in Table 4.25 suggests that strategic control explains about 34.5% of the variation in not-for-profits organizational performance. This Pearson's correlation of coefficient, r -value of 34.5% indicates that there is a weak but a positive linear relationship between (a great deal of variance shared by) the independent variables and the dependent variable. The r -square (coefficient determination) indicates the goodness-of-fit, the value of 11.9% of the variance in the dependent variable is explained by the independent variables in the model, that is 11.9% of the variability in the not-for-profit organizational performance is accounted for by strategic control variable in the organization while the remaining 88.1% could be attributed to the random fluctuation on other unspecified variables.

These findings are consistent with the study by Nthini (2013) which studied the effect of strategic leadership on performance of commercial and financial State Corporations in Kenya using a descriptive survey design with a target population consisted of all the forty eight (48) commercial and financial State Corporations in Kenya and established that balanced organizational strategic controls showed a positive strong relationship with annual employee turnover.

Hence considering that the coefficient of determination, *r*-square can be at most 1, the regression line of this study is concluded that it fits the data though not very well. In this study, the value of adjusted *r*-square value is 0.116 is shown in Table 4.25. The rule of thumb on the value of adjusted *r*-square is that this value should be less than 0.8. The value of *r*-square is less than 0.8 hence it is significant. Lear (2012) noted that effective use of strategic controls should allow the corporate leaders with the flexibility and innovation necessary to take advantage of specific market opportunities.

The β_4 of 0.345 in Table 4.26 indicates that each additional unit of strategic control, on average, increases organizational performance by 34.5%. The intercept value of 2.472 indicates the average level Organizational Performance when strategic control is zero. The results in Table 4.26 confirm the assumption of the study that strategic control has an effect on organizational performance. However, the effect of strategic control on organizational performance is observed to be very low as shown in Table 4.26. Despite the low probability, the relationship is statistically positive. Therefore, the model in Table 4.26 predicts a direct relationship between the independent variable and dependent variable. The findings agree with the study by Muraleetharan, (2013) who found that

control activities and organizations performance are statistically significant in determining performance.

In Table 4.26 the beta indicates a value of 0.345 which tells us how much the independent variable in this study affects the dependent variable. Statistically, it can be interpreted that a 1 unit change in strategic control brings about 0.345 units change in not-for-profits organizational performance. Therefore, the results in Table 4.26 depict a direct relationship between the independent variable and dependent variable. Further, the probability reported for strategic control in Table 4.26 is below 50% and hence they are not that significant. However, it can be inferred that from the results in Table 4.26, the slope is statistically significant. Next value which is important for interpretation in Table 4.26 is the *t*-value which in normal circumstances should be greater than 1.96 and the corresponding *p*-value should be less than 0.05.

Alimohammadi (2016) studied portfolio strategic control and portfolio management performance using a sequential mixed method design from a sample of 174 respondents and revealed that there is a positive and significant relationship between the use of a strategic control mechanism in portfolio and portfolio management performance.

Considering both the *t*-value and *p*-value in this study it found that strategic control is significant with *t*-value of 6.217 and *p*-value of 0.000 which is significant. So it can be said that the result of the independent variable strategic control is significant. The results in Table 4.26 confirm the assumption of the study that not-for-profits organizational performance increases as strategic control increases. These findings are confirmed by Oluwagbemiga, Olugbenga, and Zaccheaus, (2014) who found the existence of a positive

significant relationship between cost management practices and firm's performance. Therefore since cost management is an aspect of management control, the argument for cost management control practices is in line with the current study.

The analysis of variance was conducted to determine whether a significant relationship do exist between the variables and the results presented in Table 4.26. From Table 4.26 since the p -value is less than 0.05 it, therefore, can be concluded that there exists a significant relationship between strategic control and organizational performance in not-for-profit organizations in Nairobi County in Kenya. The results in Table 4.26 provide support for H_{a4} , hence H_{04} is rejected because of the findings of this study support H_{a4} beyond any reasonable doubt. A one-way independent sample ANOVA test was conducted to determine whether not-for-profit's organizational performance varied as a function of strategic control.

The result of analysis of variance test for regression coefficient as shown in Table 4.16 revealed $F(1, 286) = 38.655, p < .001$. Since the p -value is less than 0.05 it, therefore, can be concluded that there exists a significant relationship between strategic control and organizational performance in not-for-profit organizations in Nairobi County in Kenya. The results in Table 4.26 provide support for H_{a4} , hence H_{04} is rejected because of the findings of this study support H_{a4} beyond any reasonable doubt. The ANOVA test results presented in Table 4.26 shows that the regression model has a margin of error of $p < .001$. This indicates that the model has a probability of less than 0.1% of giving false prediction.

The findings in Table 4.25 indicate that strategic control had a Pearson's correlation coefficient, *r-value* of 0.345 and that the coefficient of determination value r^2 -value is 0.119. The study also established a regression model with a low degree of fit as reflected by performance ($\beta_4 = .345$; $t = 6.217$; $p > 0.05$). The β_4 for strategic control variable in this study was found to be 0.345. Hence since the *p* value, was found to be less than 0.05, the results are statistically significant. The conclusion made therefore is that the model is significant. Therefore, we propose that maintaining balanced strategic control is positively related to organizational performance.

Hypothesis 4: Maintaining balanced strategic control is positively related to organizational performance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings and conclusion of the study as guided by the specific objectives. The chapter also presents the study recommendations and the areas for future research as per the findings of the study. The study sought to examine the effect of strategic leadership practices through determining strategic direction, developing human capital, emphasizing ethical practices and maintaining balanced strategic control and organizational performance of not-for-profit organizations in Nairobi County in Kenya.

5.2 Summary of the findings

The purpose of this study was to examine the influence of strategic leadership practices on the organizational performance in not-for-profit organizations in Nairobi County in Kenya. To achieve this objective, a concurrent mixed method design was used. The response rate of this study was 95.1%, that is, 290 respondents took part in the study from the expected sample of 305 respondents. The summary of this study is presented for each research objective as follows.

5.2.1 Determining strategic direction and organizational performance

The findings of the current study revealed that determining strategic direction positively influences the organizational performance in the not-for-profit organizations in Nairobi

County in Kenya. The results of the inferential statistics results especially the analysis of variance show that determining strategic direction is a critical variable in strategic leadership practices as it has a major positive significant contribution to the organizational performance in the not-for-profit organization in Nairobi County in Kenya. This further indicates that strategic leaders use strategic planning as a component of strategic leadership practice have a significant effect on the organizational performance in the not-for-profit organization in Nairobi County in Kenya.

The results of the Pearson product moment correlation coefficient revealed a strong positive and significant correlation between developing human capital and organizational performance ($r = 0.692$, $p\text{-value} < 0.001$). This result suggests that determining strategic direction explains about 69.2% of the variation in not-for-profits organizational performance and that there is a strong, positive linear relationship between determining strategic direction on organizational performance. The results of this variable also indicates that this variable explains 47.9% of organizational performance.

Further from the results of the p -value, it is evident in the study that there is a very strong evidence ($p < 0.001$) to suggest a linear correlation between organizational performance and determining strategic direction. Therefore, we propose that determining strategic direction is positively related to organizational performance. The study findings revealed a beta value of 0.316 which means that a unit increase in determining strategic direction affects organizational performance by 31.6% in direct proportion. This indicates that strategic leaders use strategic direction planning as a component of strategic leadership have a significant effect on the organizational performance in the not-for-profit organizations in Nairobi County in Kenya.

5.2.2 Developing human capital and organizational performance

This study established that developing human capital had influence on organizational performance in not-for-profit organizations. From the results on this variable, it can be confirmed that not-for-profit organizations strategizing on developing human capital have performance advantage than those organizations that do not. This study sought to determine whether this assertion that developing human capital has effect on organizational performance in not-for-profit organizations is true.

The results revealed that there was a strong positive and significant correlation between developing human capital and organizational performance as shown by r -value of 0.676 and $p < 0.001$. This result suggests that developing human capital explains about 67.6% of the variation in not-for-profit organizational performance which also means there is a strong, positive linear relationship between developing human capital and organizational performance. The results indicate that, each additional unit in developing human capital, on average, increases organizational performance by 67.6%. From these results, it can be concluded that there exists a significant relationship between developing human capital and organizational performance in not-for-profit organizations in Nairobi County in Kenya.

The finding on this variable implies that the relationship between developing human capital and organizational performance is causal and not due to chance. This means that an increase in developing human capital will lead to increased organizational performance in not-for-profit organizations in Nairobi County in Kenya. These results support the hypothesis that increased strategic leadership practices would increase the

organizational performance of not-for-profit organizations. The established findings in this study confirm the assumption that developing human capital affects organizational performance in not-for-profit organizations in Nairobi County in Kenya.

The study also established that most of the successful for-profit organizations had succeeded not solely because of their financial resources but because they were able to strategically use effectively and efficiently the human capital resources at their disposal in the organization. Following the literature findings and the results of this study, not-for-profit strategic leaders need to use effectively and efficiently develop the human capital in their organizations' as the most critical asset for the success of these organizations in our society.

5.2.3 Emphasizing ethical practices and organizational performance

The findings on this objective revealed that ethical practices positively influences the organizational performance of not-for-profit organizations in Nairobi County in Kenya. The results of the inferential statistics especially the analysis of variance show that ethical practices is a critical variable of strategic leadership and has a moderate positive significant contribution to the organizational performance of not-for-profit organizations in Nairobi County in Kenya. This finding point to the role that ethical practices play in enhancing the organizational performance of not-for-profit organizations in Nairobi County in Kenya.

The results in Table 4.29 indicate that ethical practices have very little influence on not-for-profits organizational performance. This is shown by the coefficient value of t is 1.060 (t -obtained), which is less than 2. The t -values should be greater than 1.96 and in the

current study, this is not the case. Another important result is the p -value should be less than 0.05. The t -value is 1.060 which is less than 1.96 and the p -value is 0.301. So due to this reason, we accept our null hypothesis and say that ethical practices do not have a significant impact on organizational performance in not-for-profit organizations in Nairobi County in Kenya.

In the current study, the corresponding p -value is 0.301, which is greater than 0.05. Hence this variable is not significant. Table 4.29 also indicates that holding the other strategic leadership practices constant, on average, ethical practices has a beta value of 0.027. This means that a unit increase in ethical practices will impact not-for-profits organizational performance by 2.7% in a direct relationship. Although the model shows a positive relationship, the effect of ethical practices on not-for-profits organizational performance is very little as indicated by the value of 2.7%.

5.2.4 Strategic control and organizational performance

According to the study findings, strategic control was found to positively influence the organizational performance of not-for-profit organizations in Nairobi County in Kenya. The results of the inferential statistics especially the analysis of variance show that despite empirical studies supporting the role of this variable, it does not have a significant effect on not-for-profits organizational performance in Nairobi County in Kenya.

The results of the Pearson product moment correlation coefficient revealed a strong positive and significant correlation between strategic control and organizational performance ($r = 0.345$, p -value<0.001). This result suggests that strategic control explains about 34.5% of the variation in not-for-profits organizational performance and

that there is a low but positive linear relationship between strategic control and organizational performance. The results of this variable also indicates that this variable explains 11.9% of organizational performance.

Further from the results of the p -value, it is evident in the study that there is a very strong evidence ($p < 0.001$) to suggest a linear correlation between organizational performance and determining strategic direction. Therefore, we propose that determining strategic direction is positively related to organizational performance. The study findings revealed a beta value of 0.316 which means that a unit increase in determining strategic direction affects organizational performance by 31.6% in direct proportion. This indicates that strategic leaders use strategic direction planning as a component of strategic leadership have a significant effect on the organizational performance in the not-for-profit organizations in Nairobi County in Kenya.

The findings of this study also indicates that each additional unit of strategic control, on average, increases organizational performance by 34.5%. The results confirm the assumption of the study that not-for-profits organizational performance increases as strategic control increases. The result of analysis of variance test for regression coefficient revealed $F(1, 286) = 38.655, p < .001$. From these results, it can be concluded that there exists a significant relationship between strategic control and organizational performance in not-for-profit organizations in Nairobi County in Kenya. The results of this study also provide support for H_{a4} , hence H_{04} is rejected because of the findings of this study support H_{a4} beyond any reasonable doubt. Since the p value, was found to be less than 0.05, the results are statistically significant. Therefore, we propose that maintaining balanced strategic control is positively related to organizational performance.

5.3 Conclusion

The purpose of this study was to examine the influence of strategic leadership practices on not-for-profit organizational performance in Nairobi County in Kenya. This study drew on the findings of different research into leadership theories stated in the theoretical review section. This study found very little published literature that is closer to strategic leadership practices and not-for-profit organizational performance, although this may be changing with time as there have been scholarly calls for attention to strategic leadership practices in the not-for-profit sector. Guided by the specific objectives, this study concludes that:

5.3.1 Determining strategic direction and organizational performance

This study concludes that based on the findings, determining strategic direction is a significant contributor in improving the organizational performance of not-for-profit organizations in Nairobi County in Kenya. According to the findings, determining strategic direction had a significant strong positive contribution to the relationship on the organizational performance. The results from the analysis of variance show that determining strategic direction is a critical variable in strategic leadership practices and has a positive significant contribution to the organizational performance of not-for-profit organizations in Nairobi County in Kenya. These findings suggest that strategic leaders should consider engaging more on determining strategic direction to enhance not-for-profit organizations organizational performance in Nairobi County in Kenya. In this regard, if not-for-profit organizations strategic leaders want to improve their organizational performance significantly they should be keen on strategic planning for the organizations they lead.

5.3.2 Developing human capital and organizational performance

This study concludes that based on the findings in the current study, developing human capital is a significant and strong contributor to the organizational performance of not-for-profit organizations in Nairobi County in Kenya. According to the study findings, developing human capital had a significant strong positive contribution to the relationship on organizational performance. Results from the analysis of variance show that developing human capital is a statistically significant contributor to strategic leadership practices in the not-for-profit organizations in Nairobi County in Kenya. These findings suggest that strategic leaders should consider developing human capital to enhance the not-for-profits organizational performance in Nairobi County in Kenya. In this regard, if not-for-profit organization leaders want to improve their organizational performance significantly they should engage more the practice of developing human capital more strategically as suggest this contributes more to organizational performance.

5.3.3 Emphasizing ethical practices and organizational performance

This study concludes that emphasizing ethical practices as applied by not-for-profit organizations was statistically a significant factor in relation to the organizational performance. The findings revealed that ethical practices positively impacts the organizational performance of the not-for-profit organizations in Nairobi County in Kenya. The results of the analysis of variance evidently confirmed that ethical practices positively adds to the strategic leadership practices and has a moderate but positive contribution to the organizational performance of not-for-profit organizations in Nairobi County in Kenya. The findings suggest that more ethical practices are needed to enhance not-for-profit organizational performance as well as the reputation of these organizations.

5.3.4 Strategic control and organizational performance

This study concludes that based on the findings in the current study that strategic control was a significant factor in relation to the organizational performance in the not-for-profit organizations in Nairobi County in Kenya. According to the study findings, strategic control had a moderate positive contribution to the organizational performance in not-for-profit organizations in Nairobi County in Kenya. The results from the analysis of variance indicated that strategic control contributes to strategic leadership practices and had a positive though a very moderate contribution to the organizational performance of not-for-profit organizations in Nairobi County in Kenya. These findings also suggest that strategic leaders should consider strategic control to enhance the not-for-profits organizational performance in Nairobi County in Kenya. In this regard it can be concluded that, if not-for-profit organizations leaders want to improve their organizational performance significantly they should engage in balanced strategic control.

5.4 Recommendations

The recommendations section is presented in terms of policy and academia.

5.4.1 Recommendations for Policy Makers

Based on the findings of this study, the researcher recommends that not-for-profit organizations should adopt strategic leadership practices. Strategic leaders should adopt strategic leadership practices in order to achieve the desired organizational performance in not-for-profit organizations. Strategic leaders should treat determining strategic direction and developing human capital with the seriousness it deserves as these were

found to be significant contributors in organizational performance of not-for-profit organizations. It was evident from the reviewed literature that strategic leadership practice plays a major role in the for-profit organizations even in Kenya.

On the contrary, in this study the four identified strategic leadership practices were found to be significant in predicting not-for-profit organizational performance. From this perspective, the study recommends that the strategic leaders in not-for-profit organizations increase their strategic leadership practices as this was found to enhance organizational performance. In this study, the most significant predictors and contributors of not-for-profit organizational performance were found to be determining strategic direction and developing human capital. From this finding in the current study, the study recommends that not-for-profit organizations increase the strategic leadership practices on these two variables namely determining strategic direction and developing human capital.

5.4.2 Recommendations for Academia

The results of this study provide valuable knowledge on strategic leadership practices in the context of not-for-profit organizations. Strategic leadership practices identified were determining strategic direction, developing human capital, emphasizing ethical practices and strategic control which contribute significantly to organizational performance.

However, according to the results of this study, emphasizing ethical practices was found to have no significant effect on the organizational performance. The researcher, recommends more studies in the context of not-for-profit organizations as literature was categorical that strategic leaders need to be more proactive in ethical practices that

promote higher reputation and performance in the not-for-profit organizations' sector. Likewise strategic control did not have any significance in organizational performance. The researcher recommends more studies on strategic control practices in not-for-profit organizations in order to improve the performance of these organizations.

5.5 Study's Contribution to Theory

The contribution of the current study includes the addition to knowledge on strategic leadership practices from the context of not-for-profit organizations. This examination of the relationship between strategic leadership practices and organizational performance in not-for-profit organizations in Kenya provides a significant contribution to the strategic leadership practice literature. The knowledge achieved from the findings in this study confirms the role of strategic leadership practices in organizational performance studies. This study shows how much the not-for-profit organizational performance will be lost if those responsible of strategic leadership in this sector do not adopt strategic leadership practices as identified and argued out in this study.

Another contribution of this study is on the role of the strategic leader in relation to strategic leadership practices namely determining the strategic direction, developing human capital, ethical practices, strategic control, and organizational performance. This study contributed to the knowledge on the contribution of the strategic leader in emphasizing on these practices. The study established specifically the extent to which each of the four variables had effect on the organizational performance of not-for-profit organizations. From the findings of this study, the gap in strategic leadership practices in the not-for-profit organizations was empirically filled through this study findings.

Therefore, the findings of this study have contributed in filling the knowledge gap on the lack of extension of this kind of study to the not-for-profit sector.

5.6 Areas for Further Research

Although this study provides insight into strategic leadership practices and their effect on the organizational performance of not-for-profit organizations in Nairobi County in Kenya, it also points several areas that require further research. This study employed a concurrent mixed method research design with a sample size of 305 respondents. Future studies could employ a different research design with a bigger sample size.

The sample size in this study was drawn from not-for-profit organizations operating in one geographic region, that is, Nairobi County. Future research may consider expanding the scope. The current study was limited to four of the six strategic leadership practices (Ireland & Hitt, 2005). The study variables were taken to have linear relationship and therefore there was no moderating or intervening variable. Future studies could introduce a moderating or intervening variable for instance, operations/activities, size, and age to assess if there is any significant difference in strategic leadership practices on organizational performance.

The conceptual framework of this study can also be extended by considering more of the strategic leadership practices since the current study limited itself to only four and there could be others. For instance, future studies could consider adding more independent variables like organizational structure, organizational culture, and resource portfolio to see how these effect on the organizational performance of not-for-profit organizations.

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APPENDICES

Appendix I: Research Authorization Letters



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Department of Business and Social Sciences

REF: JKU/03/COD/BSS/1K

DATE: 11th November, 2014

TO WHOM IT MAY CONCERN

SUBJECT: INTRODUCTION OF DANIEL MWENDWA KITONGA
REG. NO. HD422-C002-0011/2012

The above named is a bona fide student of JKUAT Karen Campus pursuing a Doctor of Philosophy Degree in Business Administration (Strategic Management Option). He is carrying out a study on the “Strategic Leadership and Performance of Not- For-Profit Organizations in Nairobi County, Kenya”.

He, therefore, wishes to collect data from your organization. Kindly accord him the assistance he requires.

DENNIS JUMA
AG. ASSOCIATE CHAIRPERSON

DJ/gw



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Date:
1st December, 2015

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NAIROBI.

RE: RESEARCH AUTHORIZATION

Following your application for authority to carry out research on "*Strategic leadership and organizational performance in Not-For-Profit Organizations in Nairobi County in Kenya,*" I am pleased to inform you that you have been authorized to undertake research in **Nairobi County** for a period ending **30th November, 2016.**

You are advised to report to **the Chief Executive Officers of selected Not For Profit Organizations, the County Commissioner and the County Director of Education, Nairobi County** before embarking on the research project.

On completion of the research, you are expected to submit **two hard copies and one soft copy in pdf** of the research report/thesis to our office.


DR. S. K. LANGAT, OGW
FOR: DIRECTOR GENERAL/CEO

Copy to:

The Chief Executive Officers
Selected Not For Profit Organizations.

The County Commissioner
Nairobi County.

National Commission for Science, Technology and Innovation is ISO 9001: 2008 Certified



JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY
Setting trends in Higher Education, Research and Innovation

Daniel Mwendwa Kitonga
P.O. Box 15055
Lang'ata 00509
NAIROBI

Dear Respondent,

RE: DATA COLLECTION

I am a student at the Jomo Kenyatta University of Agriculture and Technology currently undertaking a study on **STRATEGIC LEADERSHIP AND ORGANIZATIONAL PERFORMANCE OF NOT-FOR-PROFIT ORGANIZATIONS IN NAIROBI COUNTY IN KENYA**, as a partial fulfillment for the requirements of the **AWARD OF DEGREE OF DOCTOR OF PHILOSOPHY IN BUSINESS ADMINISTRATION**.

You have been selected to participate in this study and I will highly appreciate if you spare few minutes to respond to the attached questionnaire. Your responses will be treated with utmost confidentiality and will only be used for academic purposes in this study.

Thank you in advance for your co-operation.

Yours Faithfully,

Daniel Mwendwa Kitonga
Ph.D. Student – JKUAT

Appendix II: Survey Questionnaire

SECTION A: DEMOGRAPHIC INFORMATION

Please tick (check) the answer that applies in your case.

What is your title in this organization?.....

1. Please tick your gender:

- Male
- Female

2. How long have you worked in this organization?

- 0 - 1 year
- 1 - 5 years
- More than 5 years

3. What is your highest level of education?

- Doctorate
- Masters
- Bachelors
- Diploma
- Other (Please specify) _____

4. What is the number of staff in this organization?

- 1 - 5
- 6 - 10
- 11 - 20
- 21 - 50
- More than 51

PART B: DETERMINING STRATEGIC DIRECTION

The following statements refer to how your organization/ project determines its strategic direction. Please use the scale given below to indicate the extent you agree or disagree with the statements. Please tick (✓) your preferred answer.

Key: 5=Strongly Disagree 4=Disagree 3=Not sure 2=Agree 1=Strongly Agree

1. We have a clear, compelling and realistic map to the right destination.

5 4 3 2 1

2. Our decisions are incisive, informed and bold at all levels of the organization.

5 4 3 2 1

3. There is a written a mission statement that clearly outlines who we are, what we do and for whom.

5 4 3 2 1

4. The mission and vision statements are regularly reviewed and if necessary, revised.

5 4 3 2 1

5. There is a robust and formal direction setting process (e.g. strategic planning) that results in clear strategic direction.

5 4 3 2 1

SECTION C: DEVELOPING HUMAN CAPITAL

The following statements refer to how your organization develop human capital. Please use the scale given below to indicate the extent you agree or disagree with the statements. Please tick (✓) your preferred answer.

Key: 5=Strongly Disagree 4=Disagree 3=Not sure 2=Agree 1=Strongly Agree

1. We carefully evaluate the capacity requirement for our programs, services and activities.

5 4 3 2 1

2. There is a formal human resource training and development planning in the organization and in my project.

5 4 3 2 1

3. The human capital development and training plan is integrative of the efficient running of the projects of this organization.

5 4 3 2 1

4. I inform staff/ volunteers about what needs to be done and how it needs to be done.

5 4 3 2 1

5. We describe in detail the kind of social impact we aim for in our programs and services.

5 4 3 2 1

6. There are continuous on-the-job training programs to enhance efficiency and effectiveness in service delivery.

5 4 3 2 1

7. The hiring/recruitment in this organization is guided by knowledge and skills competencies.

5 4 3 2 1

8. The staff pool is considered first to fill a vacancy when such arises.

5 4 3 2 1

9. Outstanding employee performance is rewarded and encouraged throughout this organization/ project.

5 4 3 2 1

10. All employees including volunteers are encouraged to be creative and innovative in their service delivery.

5 4 3 2 1

PART D: EMPHASIZING ETHICAL PRACTICES

The following statements refer to how your organization apply different aspects of ethical practices in daily operations. Please use the scale given below to indicate the extent you agree or disagree with the statements. Please tick (√) your preferred answer.

Key: 5=Strongly Disagree 4=Disagree 3=Not sure 2=Agree 1=Strongly Agree

1. Ethical compliance is important in this organization.

5 4 3 2 1

2. I support the staff and volunteers to meet the set ethical standards/ principles.

5 4 3 2 1

3. I clarify to those under me the ethical standards they have to know to carry out their work.

5 4 3 2 1

4. Ethical adherence cultivates the right values for this organization.

5 4 3 2 1

5. I encourage each member of this organization, staff and volunteers alike to follow the laid down ethical codes/standard/policies.

5 4 3 2 1

6. I collaboratively work with all those involved when ethical dilemma arises.

5 4 3 2 1

7. There are clear structures of communicating ethical goals.

5 4 3 2 1

8. The leadership understand the organization's policies governing relationships with sponsors, donors, clients, the community, and the public at large.

5 4 3 2 1

9. The leadership understands the organization's policies concerning the use of organizations' resources.

5 4 3 2 1

PART E: MAINTAINING BALANCED STRATEGIC CONTROL

The following questions ask how your organization apply different aspects of strategic control in projects. Please use the scale given below to indicate the extent you agree or disagree with the statements. Please tick (✓) your preferred answer.

Key: 5=Strongly Disagree 4=Disagree 3=Not sure 2=Agree 1=Strongly Agree

1. The strategic plan informs annual operational plan, guides organization's activities and is reviewed quarterly.

5 4 3 2 1

2. Work plans address the organization's objectives, targets, indicators, strategies, timelines, monitoring and budget.

5 4 3 2 1

3. We formulate premises about internal and external project environment during project defining process.

5 4 3 2 1

4. We select and prioritize projects components based on the defined assumptions.

5 4 3 2 1

5. We conduct milestone reviews as per the project management plan.

5 4 3 2 1

6. We measure project performance and its components.

5 4 3 2 1

7. We develop high quality project environmental information for early identification of strategic risks and their potential impact.
- 5 4 3 2 1
-
8. We anticipate trends and events that may affect project/ organization objectives.
- 5 4 3 2 1
-
9. We develop a series of actions to manage risks and issues in the project/ organization.
- 5 4 3 2 1
-
10. We monitor project environment and identify high impact events with low probability that may provide crisis in project management.
- 5 4 3 2 1
-
11. We have a team in our project that work with crisis management team to develop required plans, actions, tools, and techniques to respond to crisis situations and evaluate the whole direction of the project.
- 5 4 3 2 1
-

PART F: ORGANIZATIONAL PERFORMANCE

The following statements ask how your organization apply different aspects of strategic leadership practices to enhance organizational performance. Please use the scale given below to indicate the extent you agree or disagree with the statements. Please tick (√) your preferred answer.

Key: 5=Strongly Disagree 4=Disagree 3=Not sure 2=Agree 1=Strongly Agree

1. We regularly test our performance measurement to ensure they are generating meaningful and practical information.
- 5 4 3 2 1
-
2. We regularly monitor and analyze our operating environment and use that information to determine activities.
- 5 4 3 2 1
-

3. Our organizational goals and strategies are specific, measurable and manageable.

5 4 3 2 1

4. We measure the performance of our staff/ volunteers through regular performance reviews.

5 4 3 2 1

5. The staff/ volunteers performance reviews are tied to strategic and annual goals.

5 4 3 2 1

6. We measure the performance of our committees, task forces, etc., against set outcomes and expectations on at least an annual basis.

5 4 3 2 1

7. We take prompt and corrective action in response to performance information.

5 4 3 2 1

8. We evaluate our efficiency in the delivery of our programs (e.g. financial and human costs of delivering against impact received).

5 4 3 2 1

9. Unexpected project/ program results or unusual trends are investigated.

5 4 3 2 1

10. We carefully monitor our organizational performance and provide reliable information to different stakeholders.

5 4 3 2 1

How would you rate the performance of your organization/project over the past 5 years using the scale provided? Please tick (√) your preferred answer.

Key: *BE = Below expectation* *AE = As expected* *AE = Above expectation*

11. Rate your organization's ability to grow its revenue base.

<i>Operating reliance status</i>	<i>Below expectation</i>	<i>As expected</i>	<i>Above expectation</i>
Please tick (√)			

12. Rate your organization's ability to meet its expenditure needs.

<i>Operating reliance status</i>	<i>Below expectation</i>	<i>As expected</i>	<i>Above expectation</i>
Please tick (√)			

13. How is your organizations' fundraising efficiency?

<i>Fundraising efficiency status</i>	<i>Below expectation</i>	<i>As expected</i>	<i>Above expectation</i>
Please tick (√)			

Thank you for taking your precious time to fill this questionnaire.

Appendix III: Interview Guide

Interview questions for Not-for-profit leaders/managers

1. In view of the importance of strategic leadership practices on organizational performance, what type of leadership do you exhibit in running your current organization/ project? Give us an example to support your answer.

.....
.....

2. Strategic leaders must take the lead in emphasizing the right ethical practices. Give examples of some of the ethical practices that you insist your followers must adhere to.....

.....
.....

3. Name a situation(s) in which a strategic leader may fail to practice strategic leadership. Give an example

.....
.....

4. A strategic leader inspires followers towards a specific desired organizational direction. Give an example when and how you have been able to achieve this.

.....
.....

5. What specific significant change/ creativity has your strategic leadership practice been able to accomplish?

.....
.....

Appendix IV: List of not-for-profit organizations sampled

1. A Rocha Kenya
2. Abalekwa development organization
3. Action aid international Kenya
4. Active associate for community development
5. Adventist center for care and support
6. Advocacy against discrimination of disabled of Kenya
7. Africa community development organization
8. Africa Hope Centre
9. Africa peace forum
10. African youth rejuvenation network
11. Aga khan foundation
12. Agape counselling and training services
13. Agape in action
14. Aged and destitute women's welfare association of Kenya
15. Agency for peace and development
16. Agricultural development – Kenya
17. Alliance for education and empowerment in development
18. Alpha Lutheran rural empowerment
19. Alpha support development programme
20. Amani Christian community
21. Amani counselling centre and training institute
22. Amani mission Kenya
23. Amani peoples theatre
24. Amazing Grace Int'l Children's Centre
25. American centre for international labor solidarity
26. Amnesty international
27. ANPPCAN – Kenya (African network for the prevention and protection against child abuse and network
28. Appropriate grass roots interventions
29. Associated international development exchange
30. Association for development cooperative
31. Association of evangelicals in Africa
32. Association of Sisters of Kenya - AOSK
33. Association of the physically disabled of Kenya
34. Beacon of hope
35. Bella Rehabilitation Centre/School
36. Bethel Outreach Centre
37. Bethlehem Community Centre
38. Blind and low vision network – Kenya
39. Boma Rescue Centre
40. Boma welfare organization
41. Bosco Boys Nairobi
42. Bright poor students and old age programme
43. Broadview community development organization
44. Brook of cherith organization
45. Bwari foundation child fund (Kenya)
46. Camp David Centre
47. Canadian Harambee education support
48. Capacity building international
49. Care for the wild Kenya
50. CASAM (Kenya)
51. Catholic fund for overseas development
52. Catholic relief services
53. Central humanitaire medico-pharmaceutiique (CHMP)
54. Centre for development and planning management
55. Centre for education population environment and development
56. Centre for health solutions – Kenya
57. Centre for humanitarian outreach and inter-cultural exchange
58. Centre for international trade economics and environment
59. Centre for peace and democracy
60. Centre for strategic development
61. Change agents for peace international
62. Child fund Kenya
63. Child to child network of eastern and southern Africa
64. Childline Kenya
65. Children first organization
66. Children law centre of Kenya
67. Children of God relief institute, Nyumbani
68. Children's international summer villages, Kenya
69. Choose life – Africa
70. Christian aid
71. Christian blind mission
72. Christian community services
73. Christian health association of Kenya
74. Christian mission aid
75. Christian organization research and advisory trust for Africa (CORAT)
76. Churches united against HIV and AIDS in Eastern and Southern Africa
77. Coalition on violence against women – Kenya

78. Community empowerment in gender, health and environment programme
79. Community health services international
80. Community initiative support services
81. Community integrated programme on poverty alleviation
82. Community organization training programme
83. Community welfare agency
84. Compassion international Kenya
85. Computer literacy initiative of Kenya
86. Consolata youth rehabilitation programme
87. Dagoretti shangaa women empowerment
88. Daraja civic initiatives forum
89. David Sheldrick wildlife trust
90. DEAF Aid
91. DERO Community and cultural organization
92. Development volunteers Africa
93. Disabled for education and economic development support, Kenya
94. Dream builders initiative programme
95. Earthcare Africa policy monitoring institute
96. East Africa centre for law and justice
97. East African communities organization for management of lake Victoria resources
98. Eastern Africa collaboration for economic, social and cultural rights
99. Eastern Africa environmental network
100. Eastern Africa network for gender and enterprise development trust
101. Eastern community health network for sustainable development
102. Ecumenical pharmaceutical network
103. Emmaus Educational Centre
104. Environment and health action network
105. Environment networks in cities
106. Equality now
107. Family care missions
108. Family health options Kenya
109. Family support institute
110. Famine early warning system network
111. Farm Africa (Food and agricultural research management)
112. Farm concern international
113. Food for the hungry international
114. Forum for organic resource management and agricultural technologies
115. Forum SYD
116. Foundation for health and social economic development Africa
117. Foundation of people living with HIV/AIDS Kenya
118. Foundations for women's rights in Kenya
119. Fraternity for rural development and research
120. Free congregation fellowship
121. Furaha centre for the deaf
122. Future focus development
123. German development services
124. Girl child network
125. Global development of peaceful environments
126. Global E – Schools and communities initiatives – Kenya
127. Good Samaritan Children's Home
128. Grace centre international
129. Grace Children's Home
130. Greater Love Children Centre
131. Green care habitat
132. Growth point psychosocial services
133. Hands Of Care And Hope
134. Health action and research network
135. Health education livelihood project international INC
136. Heifer international Kenya
137. Helplife Africa
138. HILDE Back educational fund
139. HIV-Free generation
140. Holy Mary Mother Of Mercy Home
141. Hope for Aids – SIM Kenya
142. Hope for teenage mothers parklands
143. Hope life international
144. Hope worldwide Kenya
145. Hosanna mission international foundation in Kenya
146. ICF international
147. Ideal educational counseling center
148. Ignite the orphan Africa
149. Imani Rehabilitation Agency
150. Indigenous information network
151. Initiatives for development of east Africa region
152. Institute for law and environmental governance
153. Intensive care air ambulance
154. International Baptist missions
155. International centre for research in agroforestry
156. International coffee and tea development institute
157. International community for the relief of starvation and suffering
158. International fund for animal welfare

159. International rescue committee
160. Investing in children and their societies
161. Islamic African relief agency
162. Islamic relief Kenya
163. JAHE Mental health and HIV/AIDS
164. Jehovah Jireh Children's Home
165. Jesuit Hakimani Centre
166. Jesuit refugee services
167. JIPE Moyo Initiative
168. Joint epilepsy foundation
169. K.A.G Mathare Child Development Centre
170. Kabete children's home
171. Kenya AIDS NGOs Consortium
172. Kenya AIDS Orphans Rescue Organization
173. Kenya alliance for advancement of children
174. Kenya camel association
175. Kenya community database programme
176. Kenya community media network
177. Kenya consortium to fight AIDS, Tuberculosis, and Malaria
178. Kenya disaster concern
179. Kenya enterprise opportunity
180. Kenya foundation for youth and women programmes
181. Kenya human services development programme
182. Kenya society for the blind
183. Kenya students Christian fellowship
184. Kenya voluntary development association
185. Kenya widows and orphans support programme
186. Kibera transformation and development programme
187. Kickstart
188. Kids To Kids Foundation
189. Kituo cha sharia – centre for legal empowerment
190. Kivuli project
191. Koinonia advisory research and development services
192. Koinonia community
193. Kolping organization of Kenya
194. Kuna tumaini counseling institute
195. Kwetu Home For Peace
196. Lea Toto program children of God Institute
197. Liberty promotion centre
198. Life action initiative Kenya
199. Life in abundance
200. Little angels network
201. Liverpool VCT, care and treatment
202. Living in a visionary environment
203. Lutheran world relief
204. Maji Mazuri Children's Centre
205. Maji na ufanisi (Water and development)
206. Mama Africa
207. Mama Fauzia Children's Home
208. Mathare youth sports association
209. Mercy corps
210. Movement against substance abuse in Africa
211. Movement of men against AIDS in Kenya
212. Mukuru Educational Centre
213. Mwangaza counseling services
214. Nairobi disabled empowerment programme
215. Nairobi peace initiative - Africa
216. Nairobi place addiction treatment centre
217. National council of churches of Kenya
218. National school feeding council of Kenya
219. Nazarene compassionate organization
220. Network for integrated community empowerment programme
221. Oikocredit, ecumenical development organization, U.A
222. Organization of African instituted churches, Kenya chapter
223. Orphanage charitable organization Nairobi Embakasi
224. Outreach international
225. Oxfam
226. Pamoja charity foundation
227. Pamoja trust
228. Pamoja women development project
229. Peace & Development trust (PEACENET – Kenya)
230. Peace tree network
231. Plan international
232. Poor bright and orphans Kenya
233. Poverty eradication network
234. Rays of hope
235. Redeemed integrated development agency
236. Refugee education trust – Kenya
237. Resource center for psycho-education and counseling
238. Resource centre for slums
239. Resource institute for community and human development
240. RGC, Korogocho Street Children Programme
241. Ruai HIV/AIDS awareness campaigners and poverty eradication
242. Rural – Kenya world cultural link
243. Rural initiative approach
244. Salvation Army Kabete Children's Home
245. Save the children Canada

246. Scripture union of Kenya
 247. Shelter forum
 248. Shield women empowerment programme
 249. Siloam Fellowship Ministry Academy
 250. Simba self-help group
 251. Sisters beyond boundaries
 252. Slums first – Kenya
 253. Slums information development and resource centers
 254. Social reform centre (SOREC)
 255. SOS children’s village Kenya
 256. Spears of hope
 257. St. Benedict Children's Centre
 258. St. Kizito Boys Rehabilitation Centre
 259. St. Mary's Keris Community Centre
 260. St. Paul children care centre
 261. Stara Peace Women Group
 262. Stardom rehabilitation centre
 263. Stars Of Hope Children's Home
 264. Stitching centre on housing rights and evictions
 265. Strengthening community partnership and empowerment
 266. Student and volunteer enrichment international project
 267. Sustainable development and peace building initiatives
 268. Take heart association project
 269. The African conservation foundation – Kenya
 270. The community and organizational development centre
 271. The constitution reform and education consortium – Jukwaa la Katiba
 272. The Cradle - The Children Foundation
 273. The Kenya national committee for the prevention of alcoholism and drug dependency
 274. The Kenya organization for the environmental education
 275. The national association for the prevention of starvation Kenya
 276. The national health development organization
 277. The national integrated community development and policy change organization
 278. Transparency international
 279. Undugu society of Kenya
 280. United disability empowerment in Kenya
 281. Uplifting men and youth in Africa
 282. Urban centre international
 283. Urban slum basic education campaign
 284. Urgent action fund
 285. Vijiji projects
 286. Vision Africa
 287. Welfare initiative development network
 288. Widows of the world
 289. Woman to woman Africa
 290. Womankind Kenya
 291. Women federation for world peace – Kenya
 292. Women federation for world peace – Kenya
 293. Women for justice in Africa
 294. World children organization
 295. World conference of religions and peace – Kenya
 296. World conference on religion and peace international
 297. World council of churches
 298. World neighbours – East Africa
 299. World vision Kenya
 300. Young women’s Christian association
 301. Youth alive Kenya
 302. Youth building green program
 303. Youth educational network
 304. Youth impact network international
 305. Youth initiative Kenya

Source: Adapted from, The East African Not-for-Organization Directory, 2014/2015