# Moderating Influence of Stakeholder Participation on the Relationship between Strategic Management and Performance Of HIV and AIDS Interventions Managed by NGOs in Nyanza Region

<sup>1</sup>Leon Awiti, <sup>PhD</sup>, <sup>2</sup>Aketch Ng'ong'a, <sup>PhD</sup>, <sup>3</sup>Wycliffe Mande, <sup>4</sup>Richard M. Imbambi, <sup>PhD</sup>, George Busieka, MBA<sup>5</sup>

<sup>1</sup>Data Scientist, United States of America
<sup>2</sup>Business Strategy Consultant, Kenya
<sup>3</sup>Human Resource, Research and Learning Practitioner, Kenya
<sup>4</sup>Lecturer, Kenya
<sup>5</sup>Business Intelligence Analyst, United States of America
\*Corresponding Author: <sup>1</sup>Leon Awiti

**ABSTRACT:-** The study examined the moderating influence of stakeholder participation on the relationship between strategic management and performance of HIV and AIDS interventions managed by NGOs in Nyanza Region. This study used a positivist and interpretive paradigms adopting an ex post facto research survey design. Both quantitative and qualitative approaches. The target population for the study was 18 the departmental heads of program management, 18 monitoring and 18 evaluation and program implementation in NGOs registered by the NGO council as implementing HIV and AIDS interventions as a major focus and operating within Nyanza Region. The study also targeted the directors of the three governing bodies for HIV programming. The population was thus 60 respondents. Non-probability purposive sampling was used to pick the respondents. The research used two instruments: questionnaires, Interviews schedules. Content validity was measured by using the Content Valid Index (CVI). The researchers used Cronbach's Alpha reliability to measure the internal consistency of the questionnaires, r(6 items) = 0.778. Data analysis was done through descriptive statistics and inferential statistics such as Pearson correlation, hypothesis testing and multiple linear regression modeling. The mean of means =3.86, this implied that stakeholder participation in the strategic planning process among NGOs managing HIV and AIDS interventions in Nyanza Region was to a large extent. The moderating effect of stakeholder participation on the relationship between strategic management and performance of HIV and AIDS interventions was positive but insignificant  $\beta_3 = 0.152(p = 0.779)$ , r(50) = 0.686(p=0.067), CL=95%. It was deduced that NGOs managing HIV and AIDS have involved stakeholders in the strategic management process to a large extent. It was also concluded that stakeholder participation does not significantly moderate the relationship between strategic management and performance of HIV and AIDS interventions managed by non-governmental organisations in Nyanza Region. The study recommended that NGOs managing HIV and AIDS interventions should entrench stakeholder participation more constructively in all stages of strategic management for effectiveness and performance of HIV and AIDS interventions managed by NGOs in Nyanza Region. There should be continued constructive engagement of donors, staff and community members in the entire strategic management process if better developmental outcomes are to be realized in the HIV and AIDS interventions in Nyanza Region.

Key Words:- Stakeholder Participation, Strategic Management, Performance of HIV and AIDS interventions

## I. BACKGROUND OF THE STUDY

Strategic management, according to Chandler (1962) and Steiner (1979) is the establishment of the basic, long-term goals and objectives of an organisation and the adoption of courses of action and allocation of resources necessary for achieving those goals. Andersen and Nielsen (2009) posit that strategic planning is a rational and systematic process of setting organizational direction. It is therefore regarded as an attitude and a process concerned with the future consequences of current decisions, how these outcomes are to be achieved, how success is to be measured and evaluated and links short, intermediate and long-range plans. Overtime, the concept and practice of strategic management has been embraced worldwide and across sectors because of its perceived contribution to organisational effectiveness and efficiency. Today organisations from both the private and public sectors have taken the practice of strategic management seriously as a tool that can be utilized to fast track their performances (Arasa & K'Obonyo, 2012). A study by O'Regan and Ghobadian (2007) reveal that 81% of companies worldwide practiced strategic management and in the United States (US) for example, 89%

practice it. Steiner (1979) noted that the framework for formulating and implementing strategies was lacking. Strategic management has received approval and disapproval in equal measures in the academic realm. Porter (1985) noted that despite the criticism leveled against strategic planning during the 1970s and 80s, it was still useful and it only needed to be improved and recast. Andersen (2000) revealed no association between strategic management and organizational performance. Beamish (2000), Allison and Kaye (2005), Akinyele and Fasogbon (2007) concluded that firms that engage in a formal strategic management process out-perform those that do not. Greenley (1986) noted that strategic management has potential advantages and intrinsic values that eventually translate into improved firm performance. It is, therefore, a vehicle that facilitates improved firm performance. Nonetheless, Poister, Pitts and Edwards (2010), observe that empirical support is still lacking whether strategic management improves performance interventions by NGOs.

In the United States, the practice of strategic management has become nearly ubiquitous among governments at all levels and in all types of non-profit organisations (Berman & West, 1998; Poister & Streib, 2005). On the one hand, this ubiquity may be simply a consequence of faddishness (Pfeffer & Sutton 2006), coercion (Radin, 2006), or normative mimesis (DiMaggio & Powell, 1983). In Australia, Non-profit organisations have slowly adopted strategic management, often at the behest of their major stakeholders and encouraged by academics and consultants, in order to be seen as professionally managed (Inglis & Minahan, 2002). On the other hand, in Asia, generally speaking, NGOs, especially those operating in the Gaza Strip (GS), have been subject to a high level of competition, scarce donor resources and donors' requirements such as greater financial accountability and stronger evidence of program influence and have been struggling with strategic management as a way of enhancing their competitiveness and credibility in the face of financiers. Therefore, thinking strategically and using strategic management are very much a part of today's NGOs reality. In Sub-Sahara Africa, Gambia, Yves (2012) revealed that Senior Management Teams of most NGOs had developed corporate strategic plans, in order to guide their progress towards the achievement of their goals. In Malawi year 1996, the British government through the Department for International Development (DiD) commissioned a study and established that NGOs in the country lacked 'focus and strategic leadership and management (James & Ndalama, 1996). In East Africa, Tanzania Council for Social Development (2004) noted that local NGOs in Tanzania are non-achievers and never realize their set goals because of lack of strategic management and organisation development process skills.

In Kenya, NGOs have been forced to constantly scan the environment for strategic positioning especially due to the rate at which grants from developed countries are reducing (Githutha, 2014). The majority of the NGOs implementing reproductive health interventions conduct some form of strategic management (Bukusi, 2003; Mutuvi, 2013). Bwibo (2000) and Bukusi found that these NGOs have vision statements and formulate missions but often stagger when they are confronted with the challenge of translating their vision and mission into tangible strategies. According to Kiliko (2000), most NGOs in Kenya are still hooked into the old long-range planning which is somewhat historic and static. There is little evidence of benefits of strategic management in these organisations hence the limited use of the strategic management practices.

According to PEPFAR (2015), PEPFAR projects have transformed the global landscape of HIV/AIDS and halted the relentless escalation of new infections and climbing mortality rates. An end-line evaluation done by Restless Development Management (2013) in Zimbabwe noted that the project had made contributions in enhancing awareness on Sexual Reproductive Health, HIV and AIDS issues among young people, increasing uptake and availability of youth friendly SRH services. An end-line evaluation on HIV and AIDS done by childFund in Ethiopia (2014) revealed that the project was relevant, efficient and effective. Another end-line survey done by CARE international in Kenya (2014) showed that their program implemented 35 counties in Kenya contributed to the reduction of HIV prevalence from 7.6% to 5.6% among adults aged 15 to 49 years and improved quality of life among persons living with HIV. USAID (2011) conducted an evaluation of the APHIA II Nyanza project, reported improved the provision of quality health services in 179 facilities and across 23 districts in Nyanza Province, information and education to almost 4,500,000 individuals, family planning services to over 340,000 people, HIV counseling and testing to more than 350,000, supported more than 90,000 clients on HIV care and treatment. The evaluation did not assess the extent to which the interventions had reduced the incidence and prevalence of HIV and AIDS interventions in Nyanza Region. It is no doubt that these results could not have been achieved without partnerships of various partners, collaborators and supporters making valuable contributions yet there is not documentation of its nature and effect on the performance of HIV and AIDS interventions.

## **Statement of The Problem**

Despite the heavy financial investments, partnerships and gains so far reported by the various agencies and NGOs implementing HIV interventions, the HIV prevalence in Nyanza Region still remain high and NACC (2014) has linked the same to poor strategic management practices and weak coordination of strategic partnerships among the implementing organizations. This has led to NGOs spreading their interventions too

wide to thin, duplication of efforts and territory fights among NGOs. Kenya AIDS Response Progress Report (2018) reports that Nyanza region has the highest HIV prevalence of 13.3% while the prevalence rate for Kenya stands at 4.8%. New infections in the region is still among the highest in East Africa and HIV/AID-related deaths accounts for a significant proportion of all deaths in this region (KNASP, 2014).

#### **Objective**

To examine the moderating influence of stakeholder participation on the relationship between strategic management and performance of HIV and AIDS interventions managed by NGOs in Nyanza Region

#### **Hypothesis**

 $H_0$ : There is no significant moderating influence of stakeholder participation on the relationship between strategic management and performance of HIV and AIDS interventions managed by non-governmental organisations in Nyanza Region

#### II. LITERATURE REVIEW

#### **Stakeholder Participation**

Stakeholders are people, groups, or institutions, such as suppliers, customers, shareholders, financial institutions, unions or local communities, which are likely to be affected by an organisation's proposed interventions (either negatively or positively), or those which can affect the outcome of the intervention (Johnson & Scholes, 2006). They depend on the organisation to fulfill their own goals and in turn, the organisation depends on them (Johnson, Scholes & Whittington, 2008). Stakeholder participation is a process through which stakeholders influence and share control over development initiatives and the decision and resources which affect them defined (World Bank, 1996). Stakeholders are therefore very influential individuals and groups who are vitally interested in the actions of an organisation looking back into the past, present and future operations plus the environment of the organisation (Pearce & Robinson, 2004). Simpson and Lyddon (1995) note that different stakeholders each with their own needs and expectations have different views of what a program ought to achieve.

The first indicator is the NGO Board, David (2003); Herman and Renz (1998); Siciliano (1997) observed that NGOs with an effective board are more likely to be successful in their strategic management than those that do not. The board of an NGO plays the governance role, which means that it is responsible for the oversight, sustainability and impact of the NGO (Tandon, 1995). In carrying out this role, the board is supposed to continuously scan the environment and anticipate the future before it arrives by seizing opportunities and recognizing and addressing threats posed by the political, economic, technological and socio-cultural factors in the task environment to the organisation (Thaw, 1997). By playing these roles the board takes the ultimate responsibility to ensure adequate resources, legitimacy and relevance. Kemp (1990) however observed that most NGO boards are preoccupied with the present and are usually reactive rather than proactive to change.

The second indicator is the NGO Management, while the main role of the board is ensuring that the direction set in the strategic plan is being adhered to, the main role and responsibility of management is the actual implementation of the strategic plan (Holzhaus, 1992). Management is responsible for organizing work, motivating and communicating with people, appraising and measuring performance and developing people in the organisation (Drucker, 1977). The stage of development of the organisation determines the role of management in strategic management. Pioneer leaders or leaders of organisations in the dependent stage are often more powerful than the board (Fowler, 2001). Such leaders often take the leading role in strategic management. This is often the case because at this stage, the board is usually not involved in fundraising and usually they do not have their own budget lines for the operations of the board. Management raises all the money for the organisation (Hudson, 1995). The problem with management leading the strategic planning process is self-interest (Pearce & Robinson, 2004).

The third indicator is donor involvement; the primary role of donors is to ensure adequate resources for NGOs, as most local NGOs are dependent on donors for their survival. If donors stopped funding NGOs most of them would cease to exist (Vivian, 1994). Donors, therefore, play a key role in strategic management in local NGOs. First, most NGOs cannot afford to fund their own strategic planning. In this case, donors play the role of financier for strategic management processes. Secondly, donors may put having a strategic plan as a prerequisite for the funding to the organization. This may force the local NGO to superficially go through a strategic management process without fully internalizing and owning it (Harding, 1994). Third, donors may push their agenda into the organizations strategic planning. They may do this by pushing the NGO into the areas that they fund. (Handy, 1988). Lastly, most donors do not usually commit to long-term funding that will ensure the implementation of the strategic plan. In addition, many donors do not fund administration costs. They fund only projects. They fund the implementation of the strategic plan without funding the implementers (Harding, 1994). This leads to lack of capacity among the local NGOs to effectively implement the strategic plans.

The fourth indicator is consultant involvement; the real value for consultants in strategic planning is to bring objectivity, expertise and focus, which may not be present in the organisation (Kubr, 1996). Consultants in strategic management come in two forms, these are strategic planning content experts and strategic planning experts (French & Bell, 1995). Strategic planning content experts are specialists in the subject matter of the particular strategic plans concerned. They come and write the strategic plans for the NGOs or at least they come to conduct an organization assessment and advise the NGO on what content the strategic plan must contain. Strategic planning experts, on the other hand, are guides to the process that the NGO follows in producing their own strategic plans. The people in the NGO produce their own content. The role of the consultant is to help the people think through different options and the consequences of those choices and then let the people make appropriate choices for their organization.

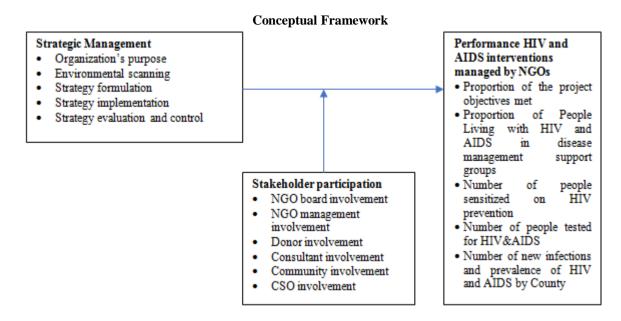
The fifth indicator is community involvement; the ultimate aim of strategic management is to position the NGO so that it can demonstrate impact in the lives of the people in the communities the NGO serves (Codrington, 2002). The final test of the organizations sustainability, legitimacy and relevance rest with the community. This calls for participation of community members in strategic management. Bryson and Einsweiler (1988) argued that community participation might result in better decisions and better community members. Active participation educates and empowers the community members at the same time it commits them and makes them responsible for the results of the strategic plan. In short, experience shows that interventions using good participatory methods gain more effective and sustainable results than those that do not (Fowler, 2002; Gubbels & Koss, 2000). One-way communities have been involved in strategic planning has been through community assessments or evaluations before the actual strategic planning. The assessments identify the needs and priorities of the communities and this is used as an input for strategic planning. The priorities are used to guide the direction of the organization so that the organization remains in sync with the needs of the communities (Kaplan, 1996).

## Stakeholder Participation and Performance of HIV and AIDS Interventions

A study done by Muparamoto and Chigwenya (2009) on Adolescents Perceptions on Sexuality, HIV and AIDS in Selected Schools in Kwekwe District, Zimbabwe documented the perceptions of in-school adolescents on sex, HIV and AIDS education programs in schools. The study employed qualitative methodology was utilized in the collection and analysis of data because it enabled an in-depth understanding of the 'why' and 'how' of adolescents' perceptions and attitudes. In this era, where beneficiary participation is considered key in all development initiatives, it becomes obvious that pupils must be meaningfully involved in the formulation of HIV and AIDS prevention strategies. In this research sex, HIV and AIDS education programs in schools are discussed within the context of post-structural arguments (Foucault), actor-oriented approach (Long) and symbolic interactionism. The study unveiled that adolescents are the missing link in school-based HIV and AIDS interventions and that unless and until they become the focal point through greater and meaningful participation, current initiatives will continue having minimal impact.

Letsie and Hlalele (2012) did a study on theoretical perspectives on community engagement in HIV prevention and programming among the Basotho Tribe in Lesotho. The study investigated the various community engagement theories and frameworks in the context of HIV and AIDS prevention, care and support and impact mitigation. Considering the current HIV and AIDS situation in Lesotho, the researchers argue that, although some public health and other practitioners have reservations about the originality and contextual relevance regarding some national and regional campaigns to curb the spread of HIV through multiple and concurrent partnerships among men and women in Southern Africa, these campaigns are essentially being implemented in the same spirit as emphasized by Skinner and others, namely that current behavior is a product of past consequences.

In conclusion, all the theories and frameworks mentioned in this article are in total agreement that community-level HIV prevention interventions that prove successful cannot be imposed on a population but should rather grow from and be owned by the population segments one hopes to reach. This, therefore, highlights the need for more social and cultural analyses of the HIV pandemic in Lesotho.



#### III. METHODOLOGY OF THE STUDY

This study used a positivist and interpretive paradigms adopting an ex post facto research survey design. Ex-post facto research is one of the several well-established quantitative design methods to establish the direction and strength of relationships among variables under study. The study used both quantitative and qualitative approaches. The target population for the study was all the departmental heads of program management, monitoring and evaluation and program implementation in NGOs registered by the NGO council as implementing HIV and AIDS interventions as a major focus and operating within Nyanza Region. The NGOs meeting this criterion are 18 (NGO Coordination Board, 2013). The study also targeted the directors of the three governing bodies for HIV programming: Kenya AIDS NGO Consortium, National AIDS and AIDS and STDs Control program and Network of People National AIDS Control Council. The directors were targeted as key informants. According to NGO Coordination Board (2013), there were 18 NGOs having HIV and AIDS intervention as the main programming focus and operating in Nyanza Region, the sample size comprised the departmental heads of program/unit management, monitoring and evaluation and program implementation. The study picked the head of each department in the 18 NGOs giving a total of 54 respondents. The other category of respondents comprised the 6 Key Informants, they were drawn from three umbrella bodies coordinating Kenya AIDS NGO: National AIDS and STDs Control program and Network of People National AIDS Control Council. The researchers used non-probability purposive sampling to pick the respondents. The research used two instruments: questionnaires, Interviews schedules. Content validity was measured by using the Content Valid Index (CVI). The researchers used Cronbach's Alpha reliability to measure the internal consistency of the questionnaires by checking how well the items are related to each other, r(6 items) = 0.778. Data analysis was done through descriptive statistics and inferential statistics such Pearson Correlation, hypothesis testing, multiple linear regression modeling.

# Stakeholder Participation and Performance of HIV and AIDS Interventions

This section analyses, interprets and discusses findings. Stakeholder participation was deconstructed in terms of NGO board involvement, NGO management involvement, Donor involvement, Consultant involvement, Community involvement and GoK office involvement. The respondents were given statements to react to in 5-point Likert Scale: 1-Strongly Disagree (SD), 2-Disagree (D), 3-Neutral (N),4-Agree(A) and 5-Strongly Agree (SA). The results were as shown in Table 1.

**Table 1: Stakeholder Participation and Performance of Interventions** 

| Statements  | SD     | D     | N     | A       | SA      | $\overline{\mathbf{x}}$ | SD    |  |  |  |
|---|--------|-------|-------|---------|---------|-------------------------|-------|--|--|--|
| Donors were actively involved in all the stages of our strategic management process | 9(18%) | 3(6%) | 4(8%) | 15(30%) | 19(38%) | 3.64                    | 1.495 |  |  |  |

| NGO board members were<br>actively involved in all the<br>stages of our strategic<br>management process        | 0(0%)  | 2(4%)  | 6(12%)  | 18(36%) | 24(48%) | 4.28 | 0.834 |
|--|--------|--------|---------|---------|---------|------|-------|
| Staffs were actively involved<br>in all the stages of our<br>strategic management<br>process                   | 0(0%)  | 3(6%)  | 0(0%)   | 18(36%) | 29(58%) | 4.46 | 0.788 |
| Community members were actively involved all the stages of our strategic management process                    | 3(6%)  | 6(12%) | 7(14%)  | 13(26%) | 21(42%) | 3.86 | 1.262 |
| Civil society Organisations<br>were actively involved all the<br>stages of our strategic<br>management process | 8(16%) | 5(10%) | 11(22%) | 16(32%) | 10(20%) | 3.30 | 1.344 |
| Consultants were actively involved all the stages of our strategic management process                          | 3(6%)  | 5(10%) | 13(26%) | 15(30%) | 14(28%) | 3.64 | 1.174 |
| Mean of means  | -      | -      | -       | -       | -       | 3.86 | -     |

Most of the respondents at 34 (68.0%), that donors were actively involved in all the stages of strategic management process 12 (24.0%) stated that donors were not actively involved in all the stages of their strategic management process with a small number of the respondents at 4 (8.0%) being undecided whether donors were actively involved in all the stages of strategic management process or not. This implied that most donors are aware of the plans and the strategies to be applied in managing HIV and AIDS interventions, they would, therefore, finance them more adequately to enable the realization of goals. Vivian (1994) noted that the primary role of donors is to ensure adequate resources for NGOs and so should be involved in the strategic management process. Nonetheless, she cautions against overreliance on donor funds as a way of sustaining projects. The item mean (3.64) < mean of means (3.86), SD=1.495, this implied donor involvement was typically low compared to other stakeholders.

Most of the respondents at 42 (84.0%), stated that NGO board members were actively involved in all the stages of their strategic management process, 6 (12.0%) were undecided/uncertain whether NGO board members were actively involved in all the stages strategic planning process or not, 2 (4.0%) stated that NGO board members were not actively involved. This connoted that the board of management ensuring that the strategic plan captures the key interest areas and focus besides ensuring that the strategic plan is being adhered to. This was in line with what Hudson (1995) observed that the NGO management often took the lead in the strategic management process in organisations. According to David (2003); Herman and Renz (1998); Siciliano (1997), the involvement of the NGO board in the strategic management process would lead to a success. The item mean (4.28)> mean of means (3.86), SD=0.834 this implied that NGO board members involvement was typically high compared to other stakeholders.

A popular majority of the respondents at 47 (96.0%), stated that staff were actively involved in all the stages of the strategic management process, the minority of the respondents at 3 (6.0%) stated that staffs were not actively involved in all the stages of strategic management process. The item mean (4.46)> mean of means (3.86), SD=0.788 this implied that staff involvement in the strategic planning process was typically high compared to other stakeholders.

A larger mass of the respondents at 34 (68.0%), stated that community members were actively involved all the stages of the strategic management process, 9 (18.0%) stated that Community members were not actively involved all the stages of the strategic management process as the least at 7 (14.0%) undecided whether community members were actively involved or not all the stages of the strategic management process. This implied that there were chances that the community views and needs would be taken into account during the formulation and the implementation of organizational strategic plans. Bryson and Einsweiler (1988) argued that community participation in strategic management might result in better decisions and better community strategic planning processes. Codrington (2002) observed that if communities are involved in making decisions that affect their lives then project impact in their lives would be more meaningful. The item mean (3.86) = mean of means (3.86), SD=1.262 this implied that community members' involvement in the strategic management process was typically average compared to other stakeholders.

Preponderance at 26 (52.0%), were for the statement that civil society organisations were actively involved all the stages of the strategic management process, 13 (26.0%) that civil society organisations were not actively involved all the stages of the strategic management process as the least at 11 (22.0%) undecided if civil society organisations were actively or not involved all the stages of the strategic management process. The involvement of other civil society organisations portends that the organisations could benchmark with some other organisations and come up with a very competitive and vibrant strategy. The involvement of other organisations would encourage sharing of experiences and best practices in strategic management processes. The item mean (3.30) < mean of means (3.86), SD=1.344 this implied that involvement of civil society organizations in the strategic management process was typically low compared to other stakeholders.

Majority at 29 (58.0%), stated that consultants were actively involved all the stages of the strategic management process, 13 (26.0%) undecided whether consultants were actively involved or not in all the stages of the strategic management process as the least at 8 (16.0%) stated that consultants were not actively involved all the stages of the strategic management process. This suggests that strategic management experts were engaged to guide the process that the NGO follows in producing their own strategic plans; this would bring rare insight into the process. Kubr, (1996) underscores the need for having consultants in the strategic management process. He notes that consultants bring in the much-needed objectivity, expertise and focus, which is often lacking in most organisations. The consultants play a very important role in helping the staff to reflect on the various existing options and give them a chance to take appropriate choices for their organization. The item mean (3.64) <mean of means (3.86), SD=1.147, this implied that involvement of consultants in the strategic management process was typically low compared to other stakeholders.

The consensus was greatest on the views of respondents that staffs were actively involved in all the stages of the strategic management process (SD=0.788). Varied opinions were greatest on the views of the respondents that donors were actively involved in all the stages of the strategic management process (SD=1.495). The mean of means =3.86, this implied that stakeholder participation in the strategic planning process among NGOs managing HIV and AIDS interventions in Nyanza Region was to a large extent.

#### **Key informant interview findings**

The respondents noted that the participation of stakeholders have been varied among the partners throughout the strategic management processes. It was noted that there was minimal participation of stakeholders external to the organization in strategy formulation process. This could negatively affect strategy implementation. It was also noted that there was minimal involvement of the coordinating bodies like National AIDS Control Council, National AIDS and STI Control Program, Presidential Emergency Plan for AIDS in the strategic management process by NGOs managing HIV and AIDS interventions in Nyanza Region. This implied that the coordinating bodies had minimal influence in shaping goals, objectives, strategic options and operational plans for more effective HIV and AIDS programming.

"None of the NGOs have engaged us in their strategic planning, implementation and evaluation because it's never a requirement; as a result, we have very little influence on their strategic choices and activities in HIV and AIDS programming." Said a Coordinator at NASCOP.

# Correlation between stakeholder participation and performance of HIV and AIDS interventions

The study conducted a bi-variate correlation test using Pearson's coefficient to analyse the direction and magnitude of the relationship between stakeholder participation and performance of HIV and AIDS intervention, the results were as shown in Table 2.

Table 2: Correlation for Stakeholder Participation and Performance of Interventions

| Var         | riables Statisti                 |                 | Stakeholder   | Performance of HIV |
|-------------|----------------------------------|-----------------|---------------|--------------------|
|             | Descri                           | ptor            | Participation | interventions      |
| Pearson's r | Stakeholder                      | Correlation     | 1.000         | 0.686              |
|             | Participation                    | Coefficient     |               |                    |
|             |                                  | Sig. (2-tailed) | •             | 0.067              |
|             |                                  | N               | 50            | 50                 |
|             | Performance of HIV interventions |                 | 0.686         | 1.000              |
|             |                                  | Sig. (2-tailed) | 0.0067        | •                  |
|             |                                  | N               | 50            | 50                 |

It was established that there was an insignificant moderate positive relationship between stakeholder participation and the performance of HIV interventions, r(50) = 0.686, p-value=0.067, CL=95%. This implied that the stakeholder participation positively impacted the performance of HIV interventions managed by NGOs in Nyanza.

## Hypothesis testing for the moderating influence of stakeholder participation

The study tested the null hypotheses (H<sub>0</sub>) using F-statistic to ascertain the statistical insignificance of the moderating influence of stakeholder participation on the relationship between strategic management and performance of HIV and AIDS interventions, the results were as shown in Table 3.

Table 3: Hypothesis the Moderating Influence of Stakeholder Participation

|                | Sum of<br>Squares | df | Mean Square | F     | Sig. |
|----------------|-------------------|----|-------------|-------|------|
| Between Groups | 7187.380          | 17 | 422.787     | 1.302 | .067 |
| Within Groups  | .000              | 32 | .000        |       |      |
| Total          | 7187.380          | 49 |             |       |      |

The study tested the null hypothesis  $(H_0)$  that there is no significant moderating influence of stakeholder participation on the relationship between strategic management and performance of HIV and AIDS interventions managed by non-governmental organisations in Nyanza Region. The F distribution table gave a reading of critical value=1.95 and the F(17,32)=1.302, 1.95>1.302, therefore we fail to reject the null hypothesis, this means that it is statistically very likely that the null hypothesis is true. The inferential analysis on stakeholder participation and its moderating effect on the relationship between strategic management and performance of HIV and AIDS interventions diverges the agency theory postulated by Jensen and Meckling (1976). The theory explicated that the success of an organizations depends on stakeholders/agents.

#### **Regression Analysis for the Performance Model**

A linear regression analysis was done to measure the relationship between the independent variable and the dependent variables. The independent variables in the function are organizations purpose, environmental scanning, strategy formulation, strategy implementation, strategy evaluation and control. The dependent variable is performance of HIV and AIDS interventions. The results are shown in Table 4, a fitted model is also shown.

The study established that the crafting of organizational purpose was most effective in enhancing the performance of HIV and AIDS interventions ( $\beta$ =3.611, p<0.001). The other variables that positively influenced performance of interventions were strategy implementation ( $\beta$ =1.598, p<0.000), environmental scanning ( $\beta$ =1.058, p<0.001) and strategy formulation ( $\beta$ =0.922, p=0.002). Strategy evaluation and control ( $\beta$ =0.667, p=0.001) was least effective in enhancing performance of HIV and AIDS interventions.

**Table 4: The Performance Linear Model** 

| Model                          | Unstand<br>Coefficie |        | t      | Sig. | 95.0% C.I. for B |        | Collinearity<br>Statistics |       |
|--------------------------------|----------------------|--------|--------|------|------------------|--------|----------------------------|-------|
|                                | В                    | S.E.   |        |      | LB               | UB     | Tol                        | VIF   |
| (Constant)                     | -                    | 13.961 | -2.971 | .005 | -                | -      |                            |       |
|                                | 41.481               |        |        |      | 69.617           | 13.344 |                            |       |
| Organization Purpose           | 3.611                | .768   | 4.702  | .000 | 2.063            | 5.158  | .623                       | 1.604 |
| Environmental Scanning         | 1.058                | .215   | 4.911  | .000 | .624             | 1.492  | .560                       | 1.785 |
| Strategy Formulation           | 0.922                | .274   | 3.369  | .002 | .370             | 1.473  | .641                       | 1.561 |
| Strategy Implementation        | 1.598                | .160   | 9.999  | .000 | 1.276            | 1.920  | .575                       | 1.738 |
| Strategy Evaluation<br>Control | 0.667                | .184   | 3.620  | .001 | .296             | 1.038  | .445                       | 2.248 |

Performance of HIV interventions managed by NGOs =  $-41.481 + 3.611X_1 + 1.058X_2 + 0.922X_3 + 1.598X_4$ 

 $+0.667 x_{5} + 15.562$ 

## Where

 $\beta_0$  is the constant

X<sub>1</sub> is organizations purpose,

X2 is environmental scanning,

X<sub>3</sub> is strategy formulation,

 $X_{\perp}$  is strategy implementation, and,

X is strategy evaluation and control.

#### **Linear Regression Analysis for Moderated Performance Model**

Linear regression was done to analyse the moderating influence of stakeholder participation in the relationship between strategic management and performance of HIV and AIDS interventions managed by NGOs in Nyanza Region. The results are shown in Table 5, a fitted model is also shown.

The findings showed that stakeholder participation does not significantly moderate the relationship between the relationship between strategic management and performance of HIV and AIDS interventions, (p=0.779). Nonetheless, the moderation effect was positive ( $\beta$ =0.152), this meant that stakeholder participation could enhance the performance of HIV and AIDS interventions managed by NGOs in Nyanza Region.

**Table 6: Moderated Performance Model** 

| Model |                           | Unstandardized<br>Coefficients |       | t      | t Sig. |         | 95.0% CI for B |       | Collinearity<br>Statistics |  |
|-------|---------------------------|--------------------------------|-------|--------|--------|---------|----------------|-------|----------------------------|--|
|       |                           | В                              | SE    |        |        | LB      | UB             | Tol.  | VIF                        |  |
|       | (Constant)                | -5.625                         | 8.374 | 672    | .505   | -22.471 | 11.221         |       |                            |  |
|       | Strategic Management      | 1.204                          | .058  | 20.710 | .000   | 1.087   | 1.321          | .782  | 1.278                      |  |
|       | Stakeholder Participation | 2.204                          | .312  | 7.058  | .000   | 1.576   | 2.832          | 1.000 | 1.000                      |  |
|       | Moderator Effect          | 0.152                          | .539  | .283   | .779   | 931     | 1.236          | .782  | 1.278                      |  |

Performance of HIV interventions managed by NGOs =  $-5.625 + 1.204X_1 + 2.204X_2 + 0.152X_2 + 9.283$ 

#### Where

 $\beta_0$  is the constant

 $\beta_1$  is the coefficient relating to the independent variable

 $\beta_2$  is the coefficient relating to the moderator

 $\beta_3$  is the coefficient for interaction term

 $e_i$ =Error term

The regression coefficient for the interaction term  $\beta_3$ , provides an estimate of the moderation effect which was 0.152.

## IV. CONCLUSIONS

It was deduced that NGOs managing HIV and AIDS have involved stakeholders in the strategic management process to a large extent. It was also concluded that stakeholder participation does not significantly moderate the relationship between strategic management and performance of HIV and AIDS interventions managed by non-governmental organisations in Nyanza Region. Engagement of donors, NGO board and staff in the strategic management process was effective in enhancing performance of HIV and AIDS interventions.

### Recommendations

The study recommended that NGOs managing HIV and AIDS interventions should entrench stakeholder participation for effectiveness and performance of HIV and AIDS interventions managed by NGOs in Nyanza Region. There should be continued constructive engagement of donors, staff and community members in the entire strategic management process if better developmental outcomes are to be realized in the HIV and AIDS interventions in Nyanza Region.

#### REFERENCES

- [1]. Akinyele, S.T., & Fasogbon, O.I. (2007). Impact of Strategic Planning on Organisational Performance and Survival. *Research Journal of Business Management*, *1*(1), 62-71. doi:10.3923/rjbm.71.
- [2]. Allison, M., & Kaye, J. (2005). *Strategic Planning for Non-Profit Organisations: A Practical Guide and Workbook* (2<sup>nd</sup> Ed.). New York: Wiley Publishers.

- [3]. Arasa, R., & K'Obonyo, P. (2012). The Relationship between strategic planning and firm performance. *International Journal of Humanities and Social Science*, 2(22), 201–213.
- [4]. Beamish, P.W. (2000). Asia-Pacific Cases in Strategic Management. New York: Irwin/McGrawHill Publishers.
- [5]. Berman, E., & West, J. (1998). Productivity enhancement efforts in public and non-profit organisations. *Public Productivity and Management Review*, 22(2).
- [6]. Bryson, J., & Einsweiler, R. (1988). *The future of strategic planning for public purposes in strategic planning: Threats and opportunities.* Chicago: Planners Press.
- [7]. Bukusi, V. (2003). A survey of strategic management practices in reproductive health NGOs operating in Kenya, Unpublished PhD thesis, Nairobi: University of Nairobi.
- [8]. Bwibo, A. (2000). A survey of strategic change management practices within no governmental organisations (NGOs) In Kenya, Unpublished PhD thesis, Nairobi: University of Nairobi.
- [9]. Chandler, A.D. (Jr.) (1962). Strategy and Structure: Chapters in the History of the Industrial Enterprise. Cambridge, MA: MIT Press.
- [10]. Codrington, G. (2002). Welcome to the future. *People dynamics*, 20(7), 6-7.
- [11]. David, F. (2003). Strategic management: Concepts and cases. New Jersey: Prentice Hall.
- [12]. DiMaggio, P., & Powell, W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality. *American Sociological Review*, 48, 61-79.
- [13]. Drucker, P. (1977). People and performance: The best of Drucker on management. Oxford: Butterworth Heinemann.
- [14]. Fowler, A. (2001). A guide to good governance of NGOs. *NGO leadership development* series no. 1 Nairobi: Kenya Council of NGOs.
- [15]. Fowler, A. (2002). International development frameworks: Policies, priorities and implications: A basic guide for NGOs. Canada: Oxfam.
- [16]. French, W., & Bell, C. (1995). Organization development: Behavioral science interventions for organizational improvement. London: Prentice Hall International.
- [17]. Githutha, E. (2014).Strategic management practices at farm concern international based in Kenya. Unpublished PhD thesis. Nairobi: University of Nairobi,
- [18]. Greenley, G. E. (1986). Does strategic planning improve company performance? *Long Range Planning*, 19(2), 101-109.
- [19]. Gubbels, P., & Koss, C. (2000). From the roots up: Strengthening organizational capacity through guided self-assessment. Oklahoma City, OK: World Neighbors.
- [20]. Harding, D. (1994). From Global to local issues: Challenges Facing NGOs. Durban: Olive Publications.
- [21]. Herman, R., & Renz, D. (1998). Non-profit organizational effectiveness: Contrasts between especially effective and less effective organisations. *Non-Profit Management and Leadership*, 9(1),32 –33.
- [22]. Holzhaus, T. (1992). Strategy and the service organization. *Human Resource Management*, 18(3), 19 21.
- [23]. Hudson, M. (1995). *Managing without profit: The art of managing third sector organisations*. London: Penguin Books.
- [24]. Inglis, L., & Minahan, S.(2002). *Stakeholders and Strategic Planning: experiences of an Australian nonprofit*. Caulfield East: Monash University.
- [25]. James, R., & Ndalama, M. (1996). Capacity Building of NGOs in Malawi. Oxford: INTRAC.
- [26]. Jensen, M.C., & Meckling, W.(1976). Theory of the firm: Managerial behavior, Agency Costs and Ownership Structure. *Journal of financial Economics* 3(4), 305-360.
- [27]. Johnson, G, Scholes, K. (2006). Explaining corporate strategy (7<sup>th</sup> ed.). London: Prentice Hall.
- [28]. Johnson, G., Scholes, K. &, Whittington, R. (2008). *Exploring corporate strategy: Text and cases* (7<sup>th</sup> Ed.). New Delhi: Dorling Kindersley (India) Pvt. Ltd.
- [29]. Kaplan, A. (1996). The Development practitioner's handbook. London: Pluto Pres.
- [30]. Kemp, R. (1990). The Need for strategic planning in the public and non-profit sector. *People*, 2(24), 15 17.
- [31]. Kiliko, M. (2000). Strategic planning within non-governmental organisations (NGOS) In Kenya. Unpublished PhD thesis, Nairobi: University of Nairobi.
- [32]. Kubr, M. (1996). *Management consulting: A guide to the profession*. Geneva: International Labor Office.
- [33]. Kenya AIDS Response Progress Report (2014). Progress towards Zero. Retrieved from http://www.unaids.org/sites/default/files/country/documents/KEN\_narrative\_report\_2014. pdf
- [34]. Letsie, R.P., & Hlalele, D. (2012). Theoretical perspectives on community engagement in HIV prevention and programming among the Basotho Tribe in Lesotho. *Stud Tribe Tribals*, 10(1), 73-82.

- [35]. Mugenda, A., & Mugenda, O. (2003). Research Methods. Nairobi: Acts Press.
- [36]. NACC (2014). Establishing a Trust Fund to Ensure Sustainable Financing of HIV and AIDS in Kenya. Nairobi: NACC.
- [37]. O'Regan, N., & Ghobadian, A. (2007). Formal Strategic Planning: Annual Raindance or Wheel of Success. *Strategic Change*, *16*(1-2), 11-22. doi:10.1002/jsc.777.
- [38]. Pearce, J. A., & Robinson, R. B. (2004). Strategic management: Formulation, implementation and control (5<sup>th</sup> Ed.). Homewood: IRWIN Inc.
- [39]. Pfeffer, J., & Sutton, R. (2006). *Hard facts, dangerous half-truths, and total nonsense: Profiting from evidence-based management*. Boston: Harvard Business School Press.
- [40]. Poister, T., & Streib, G. (2005). Elements of strategic management in municipal government: Status after two decades. *Public Administration Review* 65(1),133-142.
- [41]. Poister, T., Pitts, D., & Edwards, L. (2010). Strategic management research in the public sector: A review, synthesis, and future directions. *The American Review of Public Administration*, 40(5), 522-545.
- [42]. Porter, M. (1985). Competitive advantage: Creating and sustaining superior performance. New York: The Free Press.
- [43]. Radin, B. (2006). *Challenging the performance movement: Accountability, complexity and democratic values.* Washington, DC: Georgetown University Press.
- [44]. Siciliano, J. (1997). The relationship between formal planning and performance in non-Profit organisations. *Non-Profit Management and Leadership*, 7(4), 387 403.
- [45]. Simpson, C., & Lyddon, G. (1995). Public management reform: A comparative analysis, Second expanded edition. Oxford: Oxford University Press.
- [46]. Steiner, G.A. (1979). *Strategic Planning: What Every Manager Must Know*. New York: The Free Press Publishing.
- [47]. Tandon, R. (1995). Board games: Governance and accountability in NGOs, in Non-Governmental Organisations performance and accountability: Beyond the magic bullet. London: Earth scan.
- [48]. Thaw, D. (1997). How well do you read your organization? Ideas for a change. Durban: Olive Publications.
- [49]. Vivian, J. (1994). NGOs and sustainable development in Zimbabwe: No magic bullets. *Development and Change*. 25(issue not indicated), 167 193.
- [50]. World Bank (1996). The World Bank participation sourcebook. Washington: World Bank.

\*Corresponding Author:<sup>1</sup>Leon Awiti
<sup>1</sup>Data Scientist, United States of America