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Strategic Planning and Organizational Performance in Non-Profit Organizations in Rwanda: A Case of World Vision, Kigali, Rwanda

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Abstract

The general objective of this study is to assess the effect of strategic Planning on Organization performance in Non – Profit Organizations in Rwanda, a Case study of World Vision Rwanda (Kigali). The specific objectives were; to determine the effect of Stakeholder involvement, resource allocation, and risk planning in strategic planning on organization performance in Non-profit organizations in Rwanda. The total population was 300, and the sample size was 171, calculated using the Yamane formula. Both stratified and purposive sampling techniques were employed. This research used a descriptive design with a correlation-regression size effect for each specific study objective. The present research used qualitative and quantitative approaches. They are concerned with the specific objectives of this study. The findings showed a strong positive relationship between stakeholder engagement, effective resource allocation, and effective risk planning with organizational performance. Whereby stakeholder engagement has 0. Four hundred seventy-two correlations, resource allocation has 0.502 correlations, and risk planning has 0.893 correlations with organizational performance in non-government Organizations. Further, the findings showed that R Square is high, indicating a high contribution of independent variables to dependent variables. Adjusted R Square shows that considering stakeholder engagement, resource allocation, and risk planning during strategic planning contributes up to 52.1% to organizational performance. This assumes that non-governmental organizations are urged to consider stakeholder engagement, resource allocation, and risk planning during strategic planning to ensure organizational performance. The study concludes that for proper organizational strategic planning, similar organizations are recommended to engage critical stakeholders during planning practices.

Keywords: *Strategic Planning, Organizational Performance, Non-Profit Organizations, World Vision, Kigali*

1.1 Background of the Study

Globally, organizations, particularly non-government organizations, have embraced strategic planning to accelerate their performance. Due to its perceived role in organizational effectiveness, strategic planning has been widely adopted over time and across sectors (Diamond & Khemani, 2016). The strategic planning process is used to establish objectives, set goals, schedule activities to achieve those goals, and track progress. Previous studies suggest that strategic planning allows the organization to determine what is important and understand what every organizational element, from business systems to human resources, must achieve to contribute to individual, team, and organizational success (Georgopoulos & Tannenbaum, 2017). It allows the organization's members to understand what is important and how their role, efforts, and performance contribute to its short- and long-term success. Strategic planning allows you to consider unlikely, unexpected, or unplanned obstacles that may interfere with the organization's performance and plan ahead of time how you will identify and resolve such unexpected occurrences (Conrad & Poole, 2018).

Without a strategy, an organization becomes a bunch of individuals; hence, strategy is required to ensure collective actions and concentration efforts toward achieving organizational plans and objectives. Many organizations today focus on becoming more competitive by launching strategies that will give them an advantage over their competitors. This necessitates the development of workable strategies (Kombo & Tromp, 2019). Strategic planning is an essential component of strategic management. Formulating a direction for an organization encompasses drafting strategies to stand out in the competition and is helpful for the company's survival, growth, and expansion (Madon, 2019). Strategic planning determines where the organization is going over the next several years, how it will get there, and how it will know if it gets there. Assessing the level of success or otherwise of a corporate body depends on its established strategic plans relative to the organization's performance on all operations fronts. Formulating, implementing, and evaluating a strategic plan is irrefutably significant in profit and not-for-profit organizations (Agwata & Kariuki, 2018). The African Member States committed to pursuing a standard continental strategic plan for the next 50 years through Agenda 2063. This strategic plan will guide what will be achieved and the tactics used (Christina, 2021).

East African countries (EAC) have released a new strategic plan for 2019–2023 as a roadmap for mobilizing resources and ensuring effective allocation of resources (Patrick, 2020). Considering its importance, Rwanda Utilities Regulatory Authority (RURA) recently released a new strategic plan for 2022–2027 as a tool to enable an institution to effectively respond to the needs, opportunities, and challenges within all sectors using resources effectively, productively, and efficiently (RURA, 2022). There is no doubt that non – profit organizations play a vital role in all aspects of the life of the world's population. It is a general belief that NGOs are a backbone to support people with low incomes and the voice of marginalized people in society (Megersa, 2020). Today, there is pressure on non-government organizations to demonstrate development success to donors in a clear, comprehensive, compelling, and innovative manner guided by the organization's strategic plan (Tola, 2019).

World Vision International is an evangelical Christian humanitarian aid, development, and advocacy organization that works in 29 out of 30 districts, supporting more than 1.8 million people through 26 area development programs, especially children. World Vision Rwanda supports the most vulnerable children and their communities with interventions in education, child protection,

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health and nutrition, water, sanitation, and hygiene (WASH), and economic empowerment. The organization achieves its mandate by creating five-year strategic goals and objectives that align with World Vision's global strategy and the Government of Rwanda's National Strategy for Transformation (The New Times, 2022).

In the past strategy (2016–2020), World Vision aimed at improving the resilient livelihoods of small-holder farmers, agro-businesses, and entrepreneurs; improving maternal and child health, nutrition, and WASH; and improving the quality of education and life skills for children and youth in targeted communities, among others (The New Times, 2022). In their areas of operation, World Vision saw a 46.4% increase in parents and caregivers who could provide for their families without needing external assistance, which was attributed to the organization's programmatic interventions to enable families to be self-reliant. Among its priorities, World Vision Rwanda committed to supporting one million people with access to clean water by 2024, a target for which the organization has achieved 68% water coverage in their areas of operation. Based on the lessons drawn from their previous strategy, World Vision set its new country strategy (2021-2025) in a hybrid event on February 8, 2022, bringing together its key stakeholders, partners, and donors (Oboko, 2018).

In its strategic plan for 2021–2025, World Vision envisions empowering parents and caregivers with the appropriate knowledge, values, skills, and behaviors to care for and love children in stable and unstable contexts (World Vision, 2021–2025). The new strategy will contribute to the sustainable well-being of two million of the most vulnerable children by 2025 through close collaboration with partners. In the same strategy, World Vision considers the impact of the COVID-19 pandemic on the Rwandan population and therefore seeks to remain committed to fighting against the pandemic and its effects. World Vision's global WASH business plan for 2021 to 2025 outlines the organizational commitment to investing $1 billion over the next five years to extend the impact of WASH work across 41 prioritized countries in six regions, with an emphasis on reaching the world's most vulnerable, especially in fragile contexts (Barnett, 2019).

1.2 Problem Statement

Strategic Planning is intended to help governments, communities, and Organizations deal with and adapt to their changing internal and external circumstances. It can help clarify and resolve the most important pressing issues they face. It enables them to build on Strengths, take advantage of opportunities, and become much more effective in what seems to be a more hostile world (Shahin, 2011). Most non-governmental organizations (NGOs) face budget constraints, structural and capability gaps, and inadequate leadership while implementing strategies. As strategic plans are blueprints with no effect on how they are implemented, NGOs need help implementing the strategy due to the unpredictability of policy priorities, changing the focus of certain development players, funding limitations, and relationship management. While it is generally acknowledged that change is essential for an organization’s development, more than 70% of change-oriented attempts in the name of change strategies fail (Higgs & Dulewicz, 2016). Furthermore, according to Harvard Business Review (2017), the rate of effectively applied strategies is between 10% and 30%. A common criticism of the strategic planning.

the process is that it creates a document that ends up gathering dust on a shelf because the company lacks or fails to make effective use of the valuable knowledge depicted in the strategic planning document (Barnett, 2019). Several studies have looked at the relationship between strategic planning and organizational success. Material (2019) investigated the relationship between multi-dimensional strategic planning activities and firm results. A study conducted by Klimenko & Kalgin (2018) in Russia did focus on strategic planning, which the federal government had adopted. It was noted that through strategy implementation, an organization can cut down on its costs, and this improves its performance. Shimwa (2019) revealed a positive linkage between strategic planning and project performance. However, none of these studies assessed the extent to which strategic planning affects organizational performance, particularly in non – government organizations, no analysis of stakeholder contribution in strategic planning with organization performance, and researchers did not examine if risk planning and resource allocation have a relationship with organizational performance in a non-government organization. Therefore, that is the gap that this study would like to fill in answering the question, "What is the effect of strategic planning on organization performance in Non -profit Organizations in Rwanda?"

1.3 Objectives of the study

i. To determine the effect of stakeholder involvement in strategic planning on organizational performance in non – government organization;
ii. To evaluate the effect of resource allocation in strategic planning on the organizational performance in non – government organizations;
iii. To examine the effect of risk planning in strategic plan on organizational performance in non-government organization.

2.0 Literature Review

The section presents the theoretical literature of the study, the empirical review and theoretical framework.

2.1 Theoretical Literature

The section presents the strategic planning practices, organizational performance and measures and organizational performance.

2.1.1 Strategic Planning Practices

Strategic Planning has been explained by various researchers and scholars in different but complementary ways. Strategic Planning is an essential component of strategic management, the process of formulating a direction for an organization that encompasses drafting strategies to stand in the competition and is helpful for the company's survival, growth, and expansion. Strategic management begins with strategic Planning, at which point the organization decides upon its mission statement and objectives and relates the organization to the business environment, implementation, and evaluation. Mary (2022) defines Strategic Planning as the process by which Organization Leaders define their future vision and identify the goals and objectives of their organization. The process includes determining the order in which those objectives should be achieved so the organization can achieve its stated vision. Strategic Planning typically represents mid- to long-term goals with a life span of three to five years, though it can be extended. Conrad & Poole (2018) state that the need for strategic planning definition is more to create a place for Planning than to reorganize the place it already occupies in terms of strategy. The study summarized various definitions of Planning into a single satisfactory definition: "Planning is a formalized procedure that produces an articulated result in an integrated decision-making system. According to Ford (2019), Strategic Planning is the formulation and alignment of an organization's resources and activities to the environment in which it operates. This author defined strategic Planning as a company's systematic and more or less formalized effort to establish primary company purposes, objectives, policies, and strategies. It involves the development of detailed plans to implement policies and strategies to achieve objectives and primary company purposes.

2.1.2 Organizational Performance and measures

Organizational performance refers to the actual output or results of an organization as measured against its intended outputs, goals, and objective (Iriye, 2019). There are four types of organizational performance measures, first being human resource outcomes, second organizational outcomes, third financial accounting outcomes, and lastly capital market outcomes. Human resource outcomes related to a change in employee behavior included employee satisfaction, turnover, and absenteeism. Organizational outcomes contain labor productivity, customer satisfaction, and quality of product services. Financial accounting outcomes included three measures such as returns on assets, return on equity, and profitability. Capital market outcomes reflect how the market evaluates an organization which consists of three indicators, which are stock price, a growth rate of stock price, and market returns.

2.1.3 The need for Strategic Planning in an organization

Strategic planning is part of the contemporary managerial tool kits not only for dealing with the inevitable uncertainty in the management environment but also for stimulating organizational performance (Kombo & Tromp, 2019). The strategic plan is the master of other plans. It guides on how to achieve a specific organization's goal. What determines the importance of strategic planning is the small number and the long term, organization-wide impact of the decisions in the strategic plan. The corporate strategic planning sits above and informs all other plans in the organization. "Failing to plan is planning to fail". This often-heard quote from Alan Lakein, the popular author on time management, is a reminder that many of the day-to-day operational struggles we face in organizational life had their seeds sown in the past, when we failed to think ahead (Makiko, 2018).

Strategic planning gives an overall strategic direction to the management of the organization especially in areas like financial strategy, marketing strategy, organizational development strategy and human resources strategy, to achieve success. These other kinds of planning, some of which are confused with strategic planning are intended for parts of the organization, or specific functions or processes within the organization. All of these other types of planning should be guided and informed by the strategic plan. Strategic planning also provides sound for decision-making in an organization by facilitating the setting of objectives, which forms a basis for measuring performance (Madon, 2019) studied the influence of strategic planning on organizational performance and the survival of organizations. The study made an assessment of the planning-performance relationship in organization and the extent to which strategic planning affected performance of First Bank of Nigeria McLane and Atrill (2019) states strategic planning contributions to Organization performance by generating relevant information, providing a better understanding of the importance of the environment, and through reducing uncertainty.

2.1.4 Organizational Performance

The ability of an organization to achieve its goals and optimize results is referred to as organizational performance. Organizational performance in today's workforce can be defined as a company's ability to achieve goals in a competitive environment**.** Performance in organizations takes many forms depending on whom and what the measurement is meant for. Organizational performance may be defined as an analysis of a company's performance as compared to its goals and objectives. Within corporate organizations, there are three primary outcomes analyzed: financial performance, market performance and shareholder value (Robert, *et al*, 2020). Furthermore, performance is a measure of properly using the organizational resources towards meeting the objectives and targets. It is the core of any organization, since performance is a determinant of the ability of the organization to continue its operation and survive the highly competitive market. Performance also measures the health of the competitiveness with other market players and thrives such that it can expand to other regions (Wangiru *et al*, 2020). Performance of any organization is one of the mechanisms to gain people's commitment towards achieving the stated objectives of the organization (Meyer, 2017). 2.2 Empirical Literature

The present research carried out empirical literature taking into consideration specific objectives. This part reviews the past studies on effects of Resource allocation, risk planning and Stakeholder involvement in strategic planning on organization performance of Non-Profit Organizations**.** Looking at the NGO sector, one may find that many Non-Government Organizations do not have well drafted strategic plan and the few that have the plans are written in a very complex way. These are either too lengthy or too complicated to implement and are therefore not put into use**.** For strategic planning to be effective and useful, there must be commitment and involvement across all levels of the organization, overcome inherent problems such as; rivalry among departments, projects, resistance to change, risk planning, resources allocation and so on (Emily ,2018).

2.2.1 Effect of Stakeholder involvement in strategic planning on organization performance

In the Non-Governmental Organizations (NGO) sector, the values and expectations of different stakeholder groups in organizations play an important part in the development of strategy. As organizations strive to position themselves within turbulent environments, their strategy formulation efforts would be fruitless, more so in their implementation if pertinent stakeholders are not involved in the process. Clear understanding of the potential roles and contributions of the many different stakeholders is a fundamental pre- requisite for a successful participatory strategy formulation process. Stakeholders are those whose interests are affected by the organization's activities or those whose activities strongly affect the organization; they are those who possess information, resources and expertise needed for strategy formulation and implementation; and they are those who control relevant implementation instruments (Norrell, 2016). Stakeholder involvement is critical for any given course of action the strategic planning team determines. It offers important insight into planning, facilitates their "buy in" and support for the strategy, allows greater ownership, facilitates better decisions and may identify issues not addressed by the executive team (Oboko, 2018). Their involvement is a valuable prelude to the formulation of mission statements for effectiveness of strategies and critical to implementation success. The criteria stakeholders use to judge the organization's performance influence how the organization pursues strategies and manages resources effectively over the long term while increasing stakeholder satisfaction.

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Stakeholders by their very definition are important to an organization; however, for practical reasons it's not possible to include all stakeholders in the actual strategic planning sessions. Although all key stakeholders cannot be involved in the actual planning sessions, they should all be involved in the process (Patterson & Radtke, 2019). A study carried out by Neil Jeffery - Doughty Centre Associate at Cranfield University School of Management UK on Stakeholder Engagement: A Road Map to Meaningful Stakeholder Engagement, Diamond and Khemani (2016), emphasized that Stakeholder engagement is relevant to any type of organization: business, public or civil society. It is important in the context of running an organization responsibly and is integral to the concept of Corporate Responsibility. An organization cannot be serious about corporate responsibility unless it is serious about stakeholder engagement and vice versa. Stakeholder engagement is crucially different to stakeholder management: stakeholder engagement implies a willingness to listen; to discuss issues of interest to stakeholders of the Organization; and, critically, the Organization has to be prepared to consider changing what it aims to achieve and how it operates, as a result of stakeholder engagement (Diamond & Khemani, 2016).

In Russia, Klimenko and Kalgin (2018) in strategic planning that is applied in the federal government noted that strategic management implementation helps an institution to cut down on costs and this enhances performance. According to Johansson (2017), successful project execution and achievement rely heavily on addressing the desires and expectations of those involved, and failure to do so can result in a slew of project failure issues. This idea was echoed by Georgopoulos and Tannenbaum (2017). Who contends that simply identifying stakeholders is insufficient; instead, managers and owners must value each stakeholder's interest in order to communicate their expectations on project resolutions (Njenga & Ingabire, 2021). In Africa, Meyer (2017), the study in Sub Saharan African countries revealed that the strategic plan goals and objectives remain a source of guidance and focus, the implementation plan delves into the messy work of getting the job done while constant control, follow up and updates are made. Formulating a strategy is much easier than implementing it correctly and creating a brilliant strategy is nothing compared to executing it successfully.

In Kenya in the Proposed NGO Policy, Norrell (2016), focuses on the extent to which the various stakeholders, donors, volunteers, beneficiaries, employees and collaborators among NGOs are involved in strategy formulation. The NGO sector plays a vital role in Kenya's socio-economic development initiatives with most of them operating in many of the same areas as the public sector, and act as partial substitutes for public provision. Stakeholder involvement is a facilitating process designed to integrate the views of all stakeholders into a decision-making process. Involving stakeholders is perceived to be an effective tool in addressing sustainability issues related to strategy and policy formulation and implementation of related programs and projects. Benefits include a higher level of ownership and enhanced transparency and accountability.

In Rwanda, according to MININFRA under stakeholder engagement plan 2021, they emphasized that SEP identifies actions required to promote productive involvement of stakeholders in decision-making and execution. It can be formal or informal and highly detailed or broadly framed, based on the needs of the project and the expectations of its stakeholders. According to the ESF and the ESS10 specifically, the SEP describes the timing and methods of engaging with stakeholders and range of information to be communicated to them as well as information to be sought from them throughout the life cycle of the project, distinguishing between Project Affected People (PAPs) and other interested parties. An effective stakeholder engagement depends on mutual trust, respect and transparent communication between the Organization and its stakeholders. Therefore, the implementation of the plan is crucial for the success of Organization projects and for the sustainability of investments in the long term. It thus improves decision-making and performance.

2.2.2 Effect of Resource allocation in strategic planning on organization performance

Resource allocation in many ways influences Organization performance. Oboko (2018) emphasized that correct distribution of resources is vital for utilization, endurance and accomplishment of an organization goals. The availability of workers, skills, information, funding and time is a timely essential ingredient. This shows how organization can influence the process of implementation. Resource distribution is crucial especially when aligned to the objective which is usually stated with its sources of resources. Implementation of strategies require a firm to have in place resources that include the human resources, the financial resources and the physical resources. Without resources, an organization will not be able to put the formulated strategies into practice (Zhang, *et al*, 2019). Differences in resources and capabilities have positive implications on organizational performance.

According to resource-based view, organizations allocating adequate resources have high chances of improving performance as compared to those that overlook the allocation of resources. In the end, this influences the decision-making process and the overall organizational performance (Thompson & Strickland, 2017). Resource allocation is believed to affect how a firm will invest and even take advantage of the arising opportunities; hence an organization must aim at effectively allocating its resources at a cost-efficient and differentiated manner than its competitors for increased performance and competitive advantage (Wangiru, *et al*, 2020). The study by Sitzmann & Bell (2017), further indicated that in most organizations, production requires limited specific resources of the firm and their allocation to different uses is one of the managers' most important responsibilities hence equity should be considered in all areas of the organization (Sitzmann & Bell, 2017).

Kogan, *et al*., (2017) investigated on technological innovation, resource allocation and growth. The study established that how well resources are defined and allocated will contribute to the effective running of the organization. This allocation needs careful planning since the process can sometimes be hard. It was also established that when the resources are not allocated as expected it will become very hard to implement the strategy of an organization. The study revealed that the way one allocates the resources will automatically have a direct or indirect effect on the level of productivity and performance. It was concluded that effective resource allocation plays a key role in letting the managers understand how the employees work, hence making it much easier to assign tasks to the resources according to the skills of the employees. The non-financial terms of performance include effective and efficient quality of service delivery, proper use of organizational resources, expansion of the firm into new market regions, increase in production and product lines and satisfaction of customers in terms of their needs, preferences and getting products where and when they want them (Pretorius, 2016).

2.2.3 Effect of Risk Planning in Strategic Planning on organization performance

The process of identifying, quantifying, and mitigating any risk that affects or is inherent in a company's business strategy, strategic objectives, and strategy execution is known as strategic risk management. These risks may include: Shifts in consumer demand and preferences, Legal and regulatory change, Competitive pressure, Merger integration, Technological changes, senior management turnover, Stakeholder pressure (Rost, 2020). Strategic risk represents the greatest dangers and opportunities company faces. By taking steps to manage it at the organizational level, companies can shape their future success while minimizing downside exposure (Rost, 2020). Risk Management aims at enabling organizations to face uncertainties by dealing with threats and taking advantage of opportunities presented in the environment to improve financial performance. Risk planning and management includes: the identification and the assessment of risks essential to the Organization and then providing responses in a way that will decrease their effects and optimization of the shareholders' value (Hopkin, 2010).

Companies find integrating risk into strategy to be a significant challenge, according to research conducted as part of the Association of International Certified Professional Accountants and North Carolina State University's Enterprise Risk Management Initiative for the 2017 Global Risk Oversight Report. Fewer than 20% of organizations in Europe and the UK or in the US surveyed for the report believe their risk management processes provide a unique competitive advantage. Only about 50% of respondents from around the world agreed with the statement, "Risk exposures are considered when evaluating new strategic initiatives. (Mike, 2018). According to a study conducted by Albuquerque, Koskinen, and Zhang (2019) managing risks will contribute to effective project implementation and organization performance. However, risk management would play a significant role in the project's success and sustainability. Risk management makes decisions to manage the uncertainties whilst decision theory prescribes the correct course of action that would be applied to deal with the risk. Organizations face several risks. The risks can interfere achievement of the strategic as well as operational objectives. Risk happens because of ambiguity and is present in all activities whatsoever the size or difficulty, in the financial sector (Barnett, 2019). Risk is a wide concept than the traditional view of merely a threat. It includes threats which would lead to failure to achieve objectives and opportunities which if exploited could offer an improved way of achieving the desired outcomes but could potentially have negative impacts (Irechukwu, *et al*., 2019).

2. 3 Theoretical Framework

This section presents relevant theories that will be adopted in assessing the effect of strategic Planning on Organization performance in Non- Profit Organizations. This research will be conducted in the framework of three theories. These are, Strategic Choice Theory, Resource - Based View Theory and Stakeholder theory**.**

2. 3.1 Strategic Choice Theory

According to John Child in 1972, the 'strategic choice' perspective was originally advanced as a corrective to the view that the way in which organizations are designed and structured is determined by their operational contingencies. The strategic choice perspective proposes that strategy, structure, and process must fit environmental circumstances and that these conditions may change over time (Thompson *et al*, 2005). This focus on behavior assumes that organizational actors possess the discretion to act of their own free will. It is further grounded on the assumption that managerial decisions about how organizations respond to environmental challenges are essential determinants of the organizational performance and this underlies the strategic orientation enquiry. The utility of strategic choice is that it brings managerial agency and decision-making more directly into the equation. For Child (1997), strategic choice refers to the process whereby power holders within organizations decide upon courses of strategic action'. While an appreciation of the role of management has a historical legacy, the concept of strategic choice in its contemporary guise came to the fore with the work of (Kochan *et al*.,1984). Here, managerial discretion via strategic choice was highlighted as a key dimension explaining variation in the diffusion and operation of industrial relations mechanisms and HRM practices. Understanding of strategic choice itself has also evolved with earlier conceptions criticized for ignoring power, path dependency and the role of emotion and identity in framing decision-making. Nonetheless, strategic choice remains a concept of management, for management (Harney, 2016).

2.3.2 Resource-Based Theory

The resource-based theory was introduced by Barney in 1991. The theory is a model that sees resources as key to superior firm performance. If a resource exhibits characteristics such as being valuable, rare and imitable organization attributes (VRIO), the resource enables the firm to gain and sustain competitive advantage (Jama, 2017). First, this model assumes that firms within an industry (or within a strategic group) may be heterogeneous with respect to the bundle of resources that they control. Second, it assumes that resource heterogeneity may persist over time because the resources used to implement firms' strategies are not perfectly mobile across firms. This theory combines concepts from organizational economics and strategic management. In this theory, the competitive advantage and superior performance of an organization is explained by the distinctiveness of its capabilities (Opano *et al*, 2015). RBV theory relies on resources which are tangible or intangible that must be heterogeneous and immobile, have VRIO attributes to become VRIO resources that provide a competitive advantage. A resource must fulfill 'VRIO' criteria in order to provide competitive advantage and sustainable performance. A 'VRIO' criterion is explained below.

1. Valuable (V): Resources are valuable if it provides strategic value to the firm. Resources provide value if it helps firms in exploiting market opportunities or helps in reducing market threats. There is no advantage of possessing a resource if it does not add or enhance value of the firm.

2. Rare (R): Resources must be difficult to find among the existing and potential competitors of the firm. Hence resources must be rare or unique to offer competitive advantages. Resources that are possessed by a several firms in the marketplace cannot provide competitive advantage, as they cannot design and execute a unique business strategy in comparison with other competitors.

3. Imperfect imitability (I): Means making copy or imitate the resources will not be feasible. Bottlenecks for imperfect imitability can be many and these include; difficulties in acquiring resource, ambiguous relationship between capability and competitive advantage or complexity of resources. Resources can be basis of sustained competitive advantage only if firms that do not hold these resources cannot acquire them.

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4. Organization (O): Organization implies that a company having an organized management system, processes, structures, and culture to capitalize on resources and capabilities. According to Barney, valuable resource 'must enable a firm to do things and behave in ways that lead to high sales, low costs, high margins, or in other ways add financial value to the firm' (1986, 658). Barney also emphasized that 'resources are valuable when they enable a firm to conceive of or implement strategies that improve its efficiency and effectiveness' (Barney 1991,). RBV helps managers of firms to understand why competences can be perceived as a firms' most important asset and, at the same time, to appreciate how those assets can be used to improve business performance Diamond & Khemani (2016).

RBV of the firm accepts that attributes related to past experiences, organizational culture and competences are critical for the success of the firm (Campbell & Luchs, 1997). The Resource Based View (RBV) takes an 'inside-out' view or firm-specific perspective on why organizations succeed or fail in the marketplace. The RBV draws upon the resources and capabilities that reside within the organization in order to develop sustainable competitive advantages. However, not all the resources of firm will be strategic and hence, sources of competitive advantage. Competitive advantage occurs only when there is a situation of resource heterogeneity and resource immobility (Madhani, 2010).

2.3.3 Stakeholder Theory

The traditional definition of a stakeholder is "any group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984). The general idea of the Stakeholder concept is a redefinition of the organization. In general, the concept is about what the organization should be and how it should be conceptualized. Friedman (2006) states that the organization itself should be thought of as grouping of stakeholders and the purpose of the organization should be to manage their interests, needs and viewpoints. This stakeholder management is thought to be fulfilled by the managers of a firm.

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2.5 Conceptual Framework

Independent variables **Dependent variables**

(Strategic Planning practices) **(Organization Performance)**

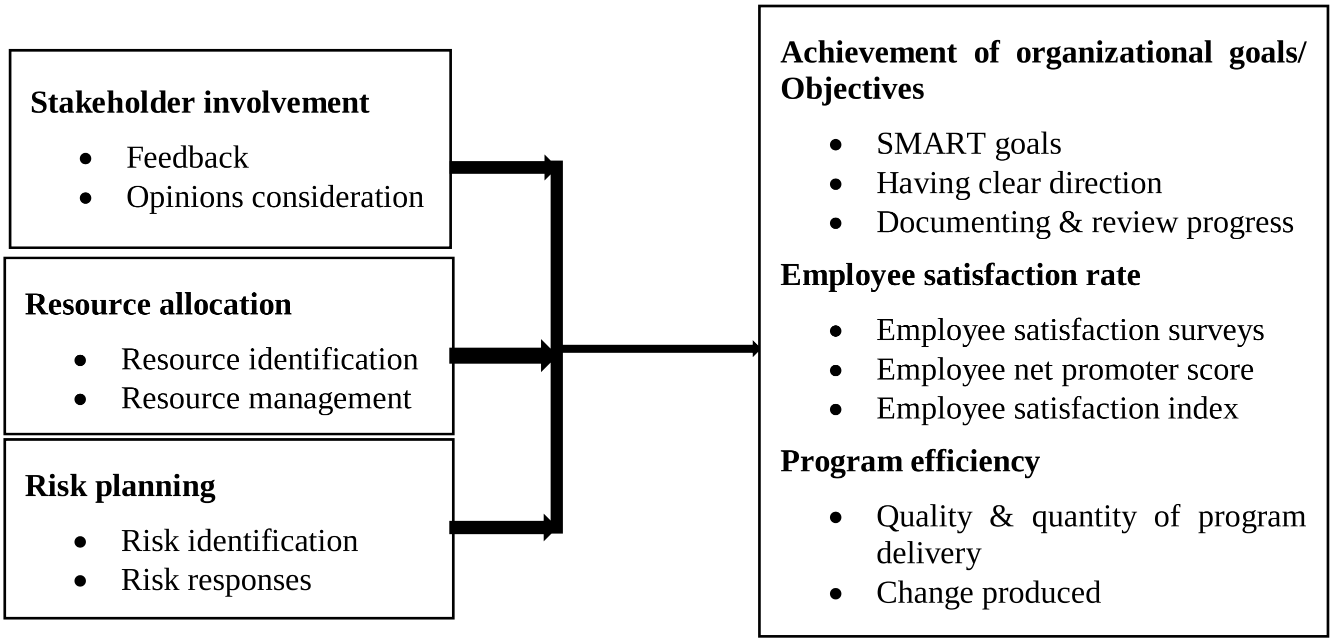

Figure 1: Conceptual framework

3.0 Research Methodology

This research used descriptive research design with correlation-regression size effect for each specific objective of the study. The target population for the present research was departmental heads, middle to lower level staff and some of the stakeholders of World Vision -Rwanda (Kigali) recommended or observed to have full information about the Organization and for research purpose. According to the website information of WVR, the total number of employees in Rwanda are more than 300. The researcher determines sample size using Slovene's formula and respondents were selected using relevant both probability and non-probability methods to obtain a Sample size of 171 respondents. The researcher used both qualitative and quantitative data. Information analysis was performed through the use of SPSS version for facilitating the analysis of the strong correlation between variables. Tables and charts utilized for processing the edit and the code. The study used both descriptive statistics and inferential statistics. In descriptive statistic the study used mean and standard deviation while in inferential statistics used regression and correlation analysis (Linear Model).

4.0 Research Findings and Discussion

The findings indicated that most of the respondents were male, representing 67.3%, compared to their counterpart females, representing 32.7%. Regarding the age distribution of the respondents, the preponderance is those between 36 and 46 years, represented by 74.3%, followed by those

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between 25 and 35 years old, represented by 25.7%. The findings indicated that most respondents were Master holders, represented by 53.8%, compared to their counterpart's bachelors, 46.2%. Regarding respondents' experience, the majority had ten years, represented by 57.3%, followed by those between 5 and 10 years, represented by 32.7%, and the least were those between 1 and 5 years.

4. 1 Presentation of Findings

4. 1.1 Effect of stakeholder involvement in strategic planning on organizational performance in non -government organizations. Under this section, researcher was interested in assessing the extent to which involving stakeholders in strategic planning influence organizational performance in non – government organizations in Rwanda, evidence from World Vision Rwanda. Table 1 illustrates the findings with respect to the attributes under stakeholder involvement.

Table 1: Stakeholder involvement considered

Stakeholder involvement considered	SD	D	N	A	SA	N	Mean	Std
Stakeholder feedback during strategic planning influence organization performance in non – government organizations	0%	0%	1.8%	11.4%	86.7 %	171	4.44	0.502
Considering stakeholder' opinion during strategic planning influence organization performance in non - government organizations	0%	0%	0%	13.1%	86.5%	171	4.35	0.512
Stakeholder participation in strategic planning process influence organization performance in non – government organization	0%	0.3%	0.3%	39.3%	60.2%	171	3.39	1.085
Considering stakeholder's needs and priorities during strategic planning process influence organization performance in non-government organization	0%	0%	1.0%	43.4%	55.6%	171	4.49	0.515
Get stakeholders to understand constituents of strategic planning organization performance in non-government organization	5.2%	12.8%	7.5%	21.6%	52.9%	171	3.62	0.860

Regarding the influence of stakeholder feedback during strategic planning on organizational performance in non-government organizations, the findings showed that respondents agreed with the statement at a mean of 4.44 and a standard deviation of 0.502. Statistically, about 86.7 % strongly agreed with the statement, 11.4% agreed, and 1.8 neither agreed nor disagreed. The findings revealed that respondents agreed with the statement at a mean of 4.35 and a standard deviation 0.512. About 86.5% strongly agreed with the statement, and 13.1% agreed. On the linkages between engaging stakeholders in strategic processes and organizational performance in non–governmental organizations, the findings showed that 60.2% strongly agreed with the statement, 39.3% agreed with the statement, 0.3% neither agreed nor disagreed, and 0.3%

disagreed with the statement. The findings revealed that 55.6% strongly agreed with the statement and, 43.4% agreed with the statement, only 1.0% disagreed. The results showed that respondents agreed with the statement at a mean of 3.62 and a standard deviation of 0.860. About 52.9% strongly agreed with the statement, 21.9% agreed with the statement, 7.5% neither agreed nor disagreed, 12.8% disagreed with the statement, and 5.2% strongly disagreed.

Moreover, the findings of this study have been supported by the study of Christine (2017), who revealed that involving stakeholders during organizational planning enhances performance in terms of designing smart goals, mainly which are realistic and relevant and which improve employee satisfaction as a result of being valued and considered. Above all, the findings in this section strongly imply that involving stakeholders during strategic planning significantly contributes to organizational performance, particularly in non-governmental organizations.

4.1.2 Effect of resource allocation in strategic planning on organizational performance in non – government organizations

The second objective of this study was to examine the contribution of resource allocation in strategic planning of an organizational performance especially in non – government organizations. Table 2 illustrates the findings.

Table 2: Resource allocations considered in strategic planning

Resource allocations considered	SD	D	N	A	SA	N	Mean	Std
Identifying resources during elaboration of organizational strategic planning influence its performance	0%	0%	0%	16%	84.0%	171	4.44	0.502
Considering only available resources during elaboration of organizational strategic plan influence its performance	0%	0%	0%	21.0%	78.9 %	171	4.58	0.520
Deploying resources timely during elaboration of organizational strategic plan influence its performance	0%	0%	0%	24.0%	74.8%	171	4.68	0.492
Prioritizing allocation of resources during organizational strategic planning influence its performance	3.0%	10.3%	5.3%	15.2%	66.2 %	171	3.44	1.115
Align available resources with strategic objectives during elaboration of strategic planning influence performance	6.0%	13.3%	5.3%	14.2%	61.1%	171	3.37	1.238

Table 2 covers the findings on the linkages between the effective allocation of resources and organizational performance in non-governmental organizations. Considering the influence of resource identification during the elaboration of organizational strategic planning on its performance, the findings revealed that 84.0% strongly agreed with the statement, and 16% agreed with it. Generally, respondents agreed with the statement at a mean of 4.44 and a standard deviation of 0.502. Regarding the influence of considering only available resources during the elaboration of organizational strategic planning on its performance, about 78.9% strongly agreed with the statement, and respondents supported the statement positively at a mean of 4.58 and a standard deviation of 0.520. On the attribute that assessed the influence of timely deploying resources during the organizational strategic plan and its performance, about 74.8% strongly agreed with the statement, and 24% agreed with it. On this attribute, the respondents agreed with the statement at a mean of 4.68 and a standard deviation of 0.492.

Regarding the influence of prioritizing the allocation of resources during organizational strategic planning on its performance. The findings showed that 66.2% strongly agreed with the statement, 5.3% neither agreed nor disagreed with the statement, 10.3% disagreed with the statement, and 3.0% strongly agreed with the statement. Respondents also argued that prioritizing the allocation of resources during organizational strategic planning ensures strategic alignment, optimal resource utilization, enhanced focus, and improved time management and alignment with stakeholder expectations. These factors collectively contribute to improved performance by directing resources to the most critical areas and enhancing organizational effectiveness in achieving strategic goals. Finally, aligning available resources with strategic objectives during the elaboration of strategic planning influence performance. The findings revealed that respondents agreed with the statement at a mean of 3.37 and a standard deviation of 1.238. Statistically, about 61.1% strongly agreed, 14.1% agreed, 5.3% neither agreed nor disagreed, 13.3% disagreed, and 6.0% strongly disagreed with the statement.

4.1.3 Effect of risk planning in strategic planning on organizational performance in non-government organization

The third objective of this study was to assess the effect of risk planning in strategic planning on organizational performance in non-government organization considering the case of World Vision Rwanda.

Table 3: Risk planning considered in strategic planning

Risk planning	SD	D	N	A	SA	n	Mean	Std
Risk identification during elaboration of strategic planning influence organizational performance	2.0%	5.3%	1.8%	3.7%	87.2%	171	4.39	0.508
Identifying risk responses during elaboration of strategic planning influence organizational performance	0.3%	2.5%	1.5%	17.0%	78.7 %	171	4.05	0.463
Setting measures and action plans for any future risks and dangers during elaboration of strategic planning influence organizational performance	0.5%	1.5%	3.5%	23.8%	70.7%	171	4.55	0.518
Setting risk mitigation during elaboration of strategic plan influence organizational performance	0%	0%	0%	37.8%	62.2%	171	3.16	1.201
Setting measures to assess risks during elaboration of strategic plan influence organizational performance	0%	0%	0%	47.1%	52.9%	171	4.09	0.431

The study was interested in assessing whether risk identification during the elaboration of strategic planning influences organizational performance. The findings showed respondents agreed with the statement at a mean of 4.39 and a standard deviation of 0.508. About 87.2% strongly agreed with the statement, 3.7% agreed with the statement, 1.8% neither agreed nor disagreed with the statement, and 2.0% strongly agreed with the statement. On the linkages between identifying responses during the elaboration of a strategic plan and its influence on organizational performance, the findings showed that respondents agreed with the statement at the mean of 4.05 and standard deviation of 0.463, whereby 78.7% firmly with the statement, 17.0% agreed with the statement, 1.5% neither agreed with the statement, 2.5% disagreed with the statement, and 0.3% strongly disagreed with the statement. The researcher also assessed the influence of setting measures and action plans for any future risks during the elaboration of strategic planning influence on organizational performance. The majority, represented by 70.7%, strongly agreed with the statement, followed by 23.8% who agreed with the statement, 3.5% neither agreed nor disagreed with the statement, 1.5% disagreed with the statement, and 0.5% strongly disagreed with the statement. The findings in the role of setting risk mitigation during the elaboration of a strategic plan and its influence on organizational performance, the respondents asserted with the statement at the mean of 3.16, and standard deviation of 1.201 whereby the preponderance represented by 62.2% strongly agreed with the statement and 37.8% agreed with the statement. Finally, the study assessed the influence of setting measures to assess risks during the elaboration of strategic plans and its influence on organizational performance. About 52.9% strongly agreed with the statement, 47.1% agreed with the statement, and the respondents agreed with the statement at a mean of 4.09 and standard deviation of 0.431.

4.1.4 Organizational performance

The aims of elaborating strategic planning is to facilitate an organization towards success or toward performance. The study looked at the influence of stakeholders' involvement in elaboration of strategic planning, effective resource allocation during elaboration of strategic planning and the importance of risk planning during elaboration of risk planning towards dependent variable which was organizational performance. The study considered setting smart goals, documenting progress, having clear direction, employee's satisfaction. Table 4 illustrates the findings on the dependent variable

Table 4: Organizational performance

Organizational performance	SD	D	N	A	SA	N	Mean	Std
The goals set by the organization are SMART (Specific, measurable, achievable, relevant and time-based.	0%	0.8%	9%	5.1%	85.1%	171	4.37	0.499
Progress is documented and reviewed regularly, weekly, quarterly or annually	0%	0.3%	0.5%	40.6%	58.6%	171	4.46	0.528
The organization has a clear direction of where it is heading or where it wants to go.	0%	0%	0.3%	55.6%	44.1%	171	4.10	0.547
Management carries out employee satisfaction surveys to have an in-depth look at how the team feels about different work-related issues. For example, about working culture, job satisfaction.	0.7%	0%	4.3%	86.2%	8.8%	171	3.85	0.653

Regarding the indicator of setting thoughtful goals, respondents agreed with the indicator at the mean of 4.37 and standard deviation of 0.499; about 85.1% strongly agreed with the statement, 5.1% agreed with the statement, and 9% neither agreed nor disagreed. On the indicator of documenting the progress consistently, the findings showed that respondents agreed with the statement at the mean of 4.46 and standard deviation of 0.528. The majority of the respondents strongly agreed with the statement, represented by 58.6%, followed by 40.6% who agreed with the statement, 0.5% neither agreed nor disagreed with the statement, and 0.3% disagreed with the indicator. On the indicator of ensuring that the organization has a clear direction of where it is heading or wants to go. Respondents agreed with the indicator at a mean of 4.10 and standard deviation of 0.547; the majority of 44.1% strongly agreed with the statement; finally, regarding the findings on management carrying out employee satisfaction surveys to have an in-depth look at how the team feels about different work-related issues. The findings showed respondents agreed with the indicator at a mean of 3.85 and a standard deviation of 0.653. About 86.2% agreed with the indicator.

4. 1.5 Correlation between strategic planning and organization performance

Researcher applied correlational analysis to measure the relationship between independent variables and dependent variable. Independent variables were stakeholder involvement in strategic planning, effect of resource allocation in strategic planning and effect of risk planning in strategic planning and dependent variable is organizational performance in non – governmental organizations. Table 5 illustrates the findings

Table 5: Correlation matrix

Statement		Stakeholder's engagement	Resource allocation	Risk planning	Organizational performance
Stakeholder's engagement	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	171			
Resource allocation	Pearson Correlation	.112**	1		
	Sig. (2-tailed)	.000			
	N	171	171		
Risk planning	Pearson Correlation	.417**	.242**	1	
	Sig. (2-tailed)	.000	.000		
	N	171	171	171	
Organizational performance	Pearson Correlation	.472**	.502**	.893**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	171	171	171	171

The findings showed that there is a strong positive relationship between stakeholder engagement effective resource allocation and effective risk planning with organizational performance. Whereby stakeholder engagement has 0. 472 correlations with organizational performance and p value of 0.000. Resource allocation has 0.502 correlations with organizational performance and p value of 0.000. Risk planning has 0.893 correlations with organizational performance in non-governmental and p value 0.000. The findings showed that the study is statistically significant because p – value is less than 0.05 or 5%.

Table 6: Regression analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.693[a]	.602	.521	.32398
Predictors: (Constant), Stakeholder engagement, resource allocations and risk planning				

The findings show that R Square is high which indicates there is high contribution of independent variables to dependent variables and Adjusted R Square shows that considering stakeholder engagement, resource allocation and risk planning during strategic planning contributes up to 52.1% to the organizational performance. This gives us an assumption that, non-governmental organizations are urged to consider stakeholder engagement, resource allocation and risk planning during strategic planning as a way of ensuring organization performance.

Table 7: Analysis of variance (ANOVA)

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	1584.02	3	491.032	12421.965	.000[b]
Residual	36.05	168	.055		
Total	1718.07	171			

Based on the results of the ANOVA, the regression model is highly significant in explaining the variation in the data. The F-value indicates a strong relationship between the independent variables and the dependent variable. The p-value is statistically significance because it is less than 5% or 0.05.

5. 0 Conclusion

Based on the interpretation of collected and analyzed data during this study which assessed the effect of strategic planning on organizational performance in non-profit organizations: a case of World Vision, Kigali -Rwanda, the overall findings indicated that there is a positive relationship between stakeholder engagement during organizational strategic planning, effective resource allocation during organizational strategic planning and risk planning during organizational strategic planning with organizational performance.

6.0 Recommendations

Based on the collected data and analysis from the interpretation, the study concludes with the following major recommendations:

For proper organizational strategic planning, similar organizations are recommended to engage key stakeholders during planning practices, and non-government organizations are urged to establish a specific department of strategic planning and implementation to ensure proper follow-up and execution of planned activities; organizational strategic planning should be dynamic and reserve the space for adjustment wherever it is necessary, and lastly, for proper strategic planning purpose, organizations are recommended to hire experts in the field as a way of early capturing risks and effective allocation of resources.

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