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Strategic Management Practices and Performance of Non-Profit Organizations; A Case of Care International Rwanda

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# Strategic Management Practices and Performance of Non-Profit Organizations; A Case of Care International Rwanda

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# **Abstract**

The general objective of the study is to examine the influence of strategic management practices and performance of Non-Profit Organizations with a case study of Care International Rwanda. The study objectives were: To investigate the effect of strategic formulation on the performance of Care International Rwanda, to establish the influence of strategic implementation on the performance Care International Rwanda, to assess the influence of strategic evaluation and control on the performance of Care International Rwanda. The study used descriptive research design while population and sample size were 83 meanwhile census sampling technique was applied. In data collection, questionnaires will be used to collect primary data and presentation was used through tables. Data was analyzed using SPSS software to generate the needed statistics. The study performed pilot study to determine validity and reliability of data collection instrument. The findings showed that strategic formulation is correlated with performance of non-profit organization at the level of 81.6%; Further, strategic implementation correlated with performance of non-profit organization at strong positive correlation of .842. The results affirmed that there is positive correlation between strategic evaluation, control and performance of non-profit organization at 0.795. The study concluded that strategic formulation, strategic implementation, strategic evaluation and control contribute significantly to the performance of Care International Rwanda. In recommendation, research recommended that management needs to put more effort in implementation the formulated strategies to be sure that objectivities, mission and vision will be achieved as the they planned. Further, Effective utilization of resources in suitable manner contributes to the performance of nonprofit organization.

**Keywords:** Strategic management, non-profit organizations, strategic evaluation, strategy formulation, Care International Rwanda

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#### 1.0 Introduction

Strategic Management practices are described as art and science of formulating, implementing and evaluating cross-functional decisions that enable an organization to achieve its objective. Strategic Management is the on-going process of formulating, implementing and controlling broad plans guide the organizational in achieving the strategic goods or service given its internal and external environment. In Germany, the top management has to put into consideration the available resources, and in addition, carry out an assessment of the internal and external environments in which the organization competes to improve the organizational performance (Adieri, 2016). Strategies are important to companies because they guide top management to set direction, focus effort, define or clarify the organization, and provide consistency or guidance in response to the environment. Hormazd (2015) revealed that strategic management practices are the different approaches that organization undertakes to achieve its objectives. They entail formulation of the organization's mission while including broad statements about its purpose, philosophy and goals. The organization must ensure that it focuses on its areas of strength so that it cannot fail to meet its objectives.

According to DeMars (2015), NPOs comprise of numerous groups and institutions that are completely or to a great extent independent of the government, with a primary focus on humanitarian efforts rather than commercial objectives (DeMars, 2015). Stoddard (2018), opines that an NPO is best described as any organization, agency or institution that is established on voluntarily basis to pursue selfless goals, with no profit-making intent and operates outside government influence. To a large extent, NPOs are known to rely on donations or fees for services, and this gives them the leeway operate autonomously from both the private and public sectors. Others partner with and operate primarily under government contracts, while others operate under some mix of the two (Green & Mathias, 2015).

In Mozambique, NPOs can be classified basing on the type of activity. For example, those that act as development catalysts, serve as public service contractors or people organizations, those that operate as organizations that specialize either in service delivery, or provide sector support and networking functions. In Tanzania, Burke, (2017) stated that strategy management increases the quality of business decisions; it creates a more proactive management posture, helps to unify the organization, and also promotes the development of a constantly evolving business model that will produce sustained profitability for the business. Basically, using the strategic management approach, where managers at all levels of a business interact in planning and implementation has great behavioral consequences almost similar to those of participative decision making. Non-profits, on the other hand, face several obstacles and increasingly benefit communities (assisted people). It explains why some have adopted or are attempting to establish strategic management. For non-profit organizations that only understand this process for businesses or multinationals, this issue remains a "myth." As a manner of demonstrating that strategic management can be developed in non-profit organizations, that problems can be overcome, that solutions can be found, and that advantages can be realized. This essay will look at one of Rwanda's Stratford Peer Reviewed Journals and Book Publishing Journal of Strategic Management Volume 7/|Issue 7/| Page 64-83/| November/2023/ Email: info@stratfordjournals.org ISSN: 2616-8472



largest humanitarian groups. CARE International as a major humanitarian organization addressing global poverty, was founded globally in 1945 and in Rwanda in 1984.

CARE Rwanda worked on a variety of development initiatives from 1984 to 1994, including maternal health, forestry, and water and sanitation. As a result of the Genocide against Tutsi in Rwanda in 1994, the organization closed its Kigali office from April to July 1994, while providing cross-border relief from Uganda to 150,000 displaced people in eastern Rwanda, and from Burundi and Zaire (now the Democratic Republic of Congo) to 120,000 displaced people in southwest Rwanda. Shelter, food, basic home survival supplies, water, seeds, and tools were distributed as part of the emergency operations. Through this example, the study aims to encourage non-profit organizations to create strategic management in order to improve service delivery to communities and contribute more consistently to the millennium objectives

#### 1.1 Problem Statement

Non-profit organizations play an important role in society. They cater the needs of their respective communities when the government is incapable of meeting social needs Furthermore, these Free services are provided by organizations to communities. Lekorwe and Mpabanga (2017), contend that the operational sphere of NPOs makes it hard to monitor accountability, not only of the organization but also that of its stakeholders leading to the failure of non-Governmental organizational at 32% at globally level between 2019-201. Wagner (2018) indicated that lack of establishing clear mission and vision as well as poor plans of allocating resources increase the number of Non-government organizations failed to achieve on its goals in developing countries. In addition to, the impacts of strategic management practices on organizational performance is evident both in the private and public sectors (Latif & Gohar, 2019). NGOs need to be at the forefront of adopting these practices due to the evidence from other organizations that strategic management is the way forward especially in fragile business environments.

However, strategic management practices are more than just a documented set of goals to be attained over given timelines. They involve strategic formulation, implementation, evaluation and control to meet organizational objectives. According to Adieri (2019), lack of strategic formulation is among the main reasons for failure of non-profit organization to fulfill the objectives intend to improve community standard life Zambia other than just financial constraints. However, having the know-how capacities of strategic formulation, implementation and control without an acknowledgement of how important other strategic management practices are can lead to business failure (Adieri, 2015). The research done by Ignace (2021) indicated that 25% of non-profit organization failed to meet its objectives in western province, Rwanda due to lack of effective strategic implementation and evaluation how planned activities are implemented daily to daily. By consideration above background studies none research has been conducted about influence of strategic management practices and performance of Non-Profit Organizations in Rwanda. To fill this gap researcher interested in examining the influence of strategic management practices and performance of Non-Profit Organization using a case of Care International Rwanda.



# 1.2 Objective of the Study

#### 1.2.1 General Objective

The main objective of the study was to examine the influence of strategic management practices and performance of Non-Profit Organizations

# 1.2.2 Specific Objectives

- 1) To investigate the effect of strategic formulation on the performance of Care International Rwanda.
- 2) To establish the influence of strategic implementation on the performance Care International Rwanda.
- 3) To assess the influence of strategic evaluation and control on the performance of Care International Rwanda.

#### 1.3. Research Hypothesis

**H0**<sub>1</sub>: There is no significance effect of strategic formulation on the performance of Care International Rwanda.

 $H0_2$ : Strategic implementation has no influence on the performance Care International Rwanda.

H0<sub>3</sub>: Evaluation and control does not have influence on the performance of Care International Rwanda.

#### 2.0 Literature Review

#### 2.1 Theoretical Literature

#### 2.1.1 Non-Profit Organizational Performance

Organizational performance refers to the actual output or results of an organization as measured against its intended goals and objectives. For years, many organizations have measured organizational performance using the balanced scorecard; by tracking and measuring performance in multiple dimensions such as: social responsibility (community outreach); employee stewardship, return on investment (ROI) among others (Thompson & Strickland, 2021). For the purpose of this study, the variables tested to measure non-profit organizational performance in relation to strategic management practices were: effectiveness of strategic plans in meeting organizational objectives, quality service delivery, satisfying beneficiaries. In the management of both NPOs and commercial entities, the ultimate measure of management's performance is the metric of management effectiveness which includes: execution, or how well management's plans are carried out by the employees of the organization; leadership, or how effectively management communicates the vision and strategy of the organization to the employees; delegation, or how well management gives assignments and communicates instructions to employees; return on investment, or how well management utilizes the resources (financial, physical and human) of the organization to bring an acceptable return to shareholders; conflict management, or how well management is able to utilize confrontation and collaboration skills; management's ability to be flexible and appeal to common interests; motivation,



how management attempts to understand the needs of others and inspires them to perform (Bryson, 2018).

# 2.1.2 Strategic Formulation

Strategic formulation refers to the process through which an organization defines its overall long-term direction and scope. It involves establishing the way an organization creates value through the configuration of its activities and resources in the markets in which it operates. Strategic formulation is a purposeful, deliberate exercise to develop a company's competitive advantage and thus enhance its performance (Gimbert et al., 2018). Organizations have different approaches to strategy formulation, an aspect that has led to controversies. In the conventional approach (the 'descriptive' or 'design' school of thought), strategy development is mainly the result of a systematic, rational process of deliberate planning by a top management team, which is then communicated to the organization for implementation. In large organizations, this process typically occurs through formal strategic planning systems. An alternative approach, based on descriptive studies of strategy formation, sees strategy as the result that emerges from a complex, multi-level process of organizational decision-making (Mintzberg & Waters, 2016). The realized strategy is thus the outcome of two simultaneous processes: on the one hand, the execution of the strategy as conceived by the top management team (deliberate strategy) and, on the other, the cumulative effect of day-to-day decision-making in a changing environment which eventually results in the formation of emergent strategies.

# 2.1.3 Strategic Implementation

Strategic implementation comes in as a vital part of the process of strategic management so as to turn formulated strategies into actions and results, it ensures that the strategic objectives, mission and vision of the organization are achieved as successfully as planned. Strategic implementation is the practice of putting strategies as well as policies into action during the development of programs, budgets and procedures. This process is referred to most of the times as operational planning and mostly involves day to day decision making in resource allocation (Wheelan and Hunger, 2020). Strategy implementation is defined as the manner in which an organization develops, utilizes, and amalgamates organizational structure, control systems, and culture to follow strategies that lead to competitive advantage and a better performance (Bryson, 2018). It is the translation of chosen strategy into organizational action so as to achieve strategic goals and objectives. Organizational structure allocates special value developing tasks and roles to the employees and states how these tasks and roles can be correlated so as to maximize efficiency, quality, and customer satisfaction-the pillars of competitive advantage. A good strategy without proper implementation is like a poor strategy or no strategy at all. However, having a good strategic plan is half the battle won through effective strategy implementation (Carlos, 2015). Pearce (2013) identified two dimensions of strategy implementation as structural arrangements, and the selection and development of key roles. Effective strategy implementation is affected by the quality of people involved in the process. He claimed that the quality of people such as skills, attitudes, capabilities, experiences and other characteristics are required by a specific task or position.



# 2.1.4 Strategy evaluation and control

Strategy evaluation and control is a process in which corporate activities and performance results are monitored so that actual performance can be compared with desired performance. Managers at all levels use the resulting information to take corrective action and resolve problems. For effective evaluation and control measures, managers must obtain clear, prompt, and unbiased information from their Subordinates (Herman, David, 2014). Evaluation and control also have the ability to pinpoint weaknesses in previously implemented strategic plans and makes the entire process to begin all over. This stage is critical in guiding the organization through the strategy implementation process. It will also decide whether or not the first step, Strategy Formulation, is successful. In the event that the outcomes are not met, this phase permits the business to rethink its strategic orientation (Kabeyi, 2019). Evaluation and control improve strategic development through attempting to predict the future, preparing the organization to be proactive and reactive in response to changing circumstances, making the non-profit organization more adaptable and proactive; it facilitates operational consistency; it allows for the determination and adjustment of realistic organizational goals; and it increases the value of the organization to the consumer.

#### 2.2 Empirical Literature

### 2.2.1 Strategic formulation and performance of non-profit organizational

The study conducted by Adera (2014) about the factors affecting the performance of nongovernmental organizations in Kenya with a case of Action Aid International. The study considered four specific objectives, to determine how strategic formulation contribute to the performance Action Aid International, to establish influence of strategic evaluation and control on the performance of Action Aid International, to examine the influence of staffing strategy on the performance of Action Aid International and to investigate effect of financial management strategy on the performance of Action Aid International. The study used mixed approaches of quantitative and qualitative to collect the required data form large population of 4892 while sample size was 2138 selected using multistage sampling techniques and stratified random sampling method. The data indicated the alpha Cronbach of 0.82 which confirmed the valid and reliability of data collection instruments. The findings reveled that majority of respondents responded that evaluation and control support non-profit organization to achieve its objectives at 43% of respondents agreed and 46% strongly agreed the statement. The responses confirmed with strong mean of 4.5 and low standard deviation of 0.2, further, the respondents revealed appropriate strategic formulation lead to the performance of project at strong positive correlation of 0.91 which strategic formulation has significance contribute on the performance of organization.

Franklin (2018) did research about the influence of strategic formulation on the performance of insurance companies in South Africa. The objective of the study was to determine strategic formulation performed by insurance companies to build competitive advantage. The research used both descriptive and correlational studies research design while population of 834 was considered and sample size was calculated using silvan's formula to get sample of 346 form 24 insurance companies where the top managers, middle and operational managers were selected during research. The sampling technique

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applied was non probability sampling technique through purposive sampling technique. During data collection various data collection instruments were used such as interview guide and questionnaires for collecting primary data and documentary review to obtain the necessary secondary data. The results showed that Strategic formulation has been found to have a positive impact on the profitability of insurance companies in South Africa. In the South Africa insurance industry, there is also a strong and positive correlation between strategic formulation and improved service delivery at r=0.89. Furthermore, strategic formulation improves customer satisfaction where 45% strongly agreed and 51% agreed the statement. The study concluded that strategic formulation improves customer satisfaction, quality service and profitability.

# 2.2.2 Strategic implementation and Performance of non-profit organizational

The study done by Willoughby, Julia (2020) observed strategic implementation on the performance non-governmental organizational in India, the study objective was to establish contribution of strategic implementation on the effective resources, to determine the strategic implementation on the financial performance of non-governmental organizational and to examine the strategic implementation on the performance employees in nongovernmental organization. The study used mixed quantitative and qualitative approaches where top managers were asked using interview guide and questionnaires were administered to the middle and operational managers. During data analysis research applied descriptive method, tendency measurement and inferential statistical. The research performed pilot study to determine the validity and reliability of data collection instruments, the results showed that showed that majority of respondents responded that strategic implementation improves performance of resource at 82% followed by 36% agreed and 57% strongly agreed that strategy implementation improves employees skills, 54% agreed and 38% agreed and strongly agreed respectively that strategic implementation reduce ineffective financial resources. On the other hand, all variables indicate that there is positive correlation with performance of non-governmental organization. The study concluded that strategic implementation contributes to the performance of nongovernmental organizational through financial useful, imparting and improving employee's knowledge and skills as well as appropriate utilization of organization resources. At the end research suggested other researches to conduct research about influence of strategic implementation on the organization using other variables such strategic planning and impact of strategic implementation on mitigate unexpected environmental that affect the performance of organization.

Wagner (2018) examined the factors caused poor performance of non-governmental organizational in Malawi. The study applied descriptive as research design whereas population considered was 682 with sample size of 371 selected using non probability sampling technique particularly judgement sampling technique. The data collection instrument adopted was questionnaires and documentation methods, questionnaire was formulated using likert scale ranging from strongly agree to strongly disagree. Pilot study was done to examine the extent data collection are valid and reliability, the results showed that alpha Cronbach is adequate at 0.72. The findings showed that lack of establishing clear mission and vision as well as poor plans of allocating resources leads to the poor

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performance of Non-governmental organizational. Further, research concluded that to negligence of strategic management practices is the main reason of poor performance of organization. In recommendation, organizations are suggested to set clear mission, vision and proper strategic to allocate resources.

# 2.2.3 Strategic evaluation and control on the performance of Non-Profit organization

Shih, Chiang and Hsu (2021) examined the contribution of control on the service delivered by non-profit organization in Australia. The study adopted both quantitative and qualitative approaches for sample size of 87 selected form the population of 148. The study used stratified random sampling technique while data collection was collected using the questionnaires and documentary review, the data was presented using tables and analysis was done using descriptive statistical. The respondents revealed that strategic control reduced beneficiaries' complaints at 43% strongly agreed and 52% agreed the statement. Further, the number of services delivered increase due to strategic control at strong positive correlation of .92. The study concluded that effective control maintains the standard of service delivered by non-profit organization to the beneficiaries. The recommended that management should continue to assess how service delivered meet with community needs due to non-profit organization emphasize on development of community life.

Paul and Israel (2021) did research about impact of strategic evaluation and control on the performance of public organization in Rwanda, a case study of water and Sanitations corporations. The study used both quantitative and qualitative approach to sufficient information required to accomplish the objective of the study. The population was 189 and sample size of 134 selected using purposive sampling procedures to get eligible participants, questionnaires and interview were utilized to collect data form the field where questionnaires were submitted to operational and middle managers while top managers were interviewed. The findings showed that 80% revealed that strategic evaluation and control reduce the wastage of resources, 75% indicated that evaluation and control prevent delay of project implemented by organization, 85% stated evaluation and control increase performance of employees as well as accountability. Lastly 67% strongly agreed and 30% agreed that organization cannot achieve on its objective without proper strategic evaluation and control. The concluded that organization performance is achieve through combination of strategic management practices including effectiveness of strategic evaluation and control. However, research advised organization to empower bottom line staff in strategic evaluation and control as the implementers of organization activities.

#### 2.3 Theoretical Framework

Balanced scorecard was created by Kaplan and Norton (2002), the model is used to examined how organization strategy contributes to the performance of objectives, measures target and initiatives. Kaplan and Norton (2007) came up with the balanced score card which in their argument took into account the activities that touch the four main stakeholders of an organization. The financial aspect addresses the actions of the organization towards shareholders for the organization to be financially successful; on the internal processes the organization considers the processes to implement in order to satisfy customers and shareholders; on learning and development the organization focuses on how

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to foster potential to change and growth; and on customers the organization focuses on the actions to customers that can make it achieve its objectives.

The resource-based view (RBV) of Wernerfelt (1984) suggests that competitiveness can be achieved by innovatively delivering superior value to customers. The extant literature focuses on the strategic identification and use of resources by a firm for developing a sustained competitive advantage (Barney, 2013). Further, the resource-based theory stipulates that in strategic management, the fundamental sources and drivers to organizations' competitive advantage and superior performance are mainly associated with the attributes of their resources and capabilities which are valuable and costly-to-copy (Platts and Bourne, 2012). Building on the assumptions that strategic resources are heterogeneously distributed across organizations and that these differences are stable overtime. According to RBV theory, firms have collections of unique resources and capabilities that are valuable, rare, inimitable and non-substitutable and which are able to provide them with a sustainable competitive advantage

The resource dependence theory was postulated by Pfeffer and Salancik in 1978. Organizational success in Resource Dependency Theory (RDT) is defined as organizations maximizing their power RDT characterizes the links among organizations as a set of power relations based on exchange resources. RDT proposes that actors lacking in essential resources will seek to establish relationships with (i.e., be dependent upon) others in order to obtain needed resources. Also, organizations attempt to alter their dependence relationships by minimizing their own dependence or by increasing the dependence of other organizations on them (Lewis, 2014). Within this perspective, organizations are viewed as coalitions alerting their structure and patterns of behaviour to acquire and maintain needed external resources. RDT is consistent with ecological and institutional theories of organizations where organizations are seen as persistent structures of order under constant reinterpretation and negotiation, interacting with an indeterminate environment of turbulence and a multitude of competing interests.

#### 2.4 Conceptual Framework

A conceptual framework is a synthetization of integrated components and variables which help in capturing and solving a real-world problem. It is analytical tool used for viewing the deductive resolution of an identified issue. In this research, Conceptual Framework guides researcher is shown in Figure 1.



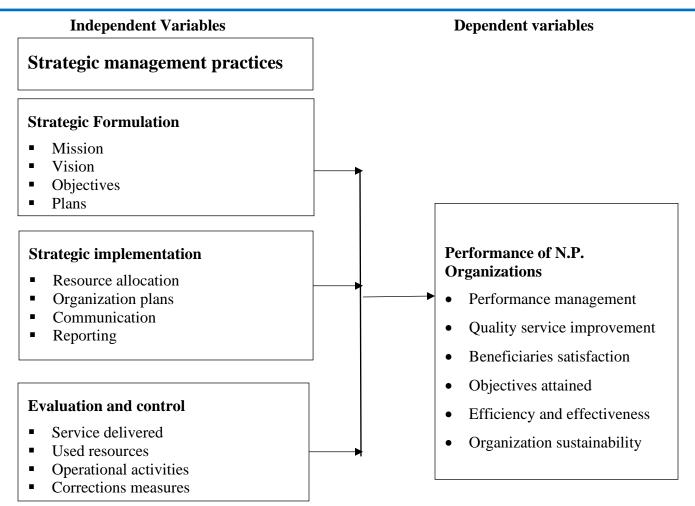


Figure 1: Conceptual Framework

Source: Researcher (2023)

The conceptual framework is developed to establish relationship between variables which is tool support researcher to measure how independent variable influence dependent variable, the study considers strategic formulation, strategic implementation and strategic formulation as the variables used to test strategic management practices. On the other hand, performance of non-profit organizational was test using management performance, objective attained, quality service improvement, beneficiary's satisfaction and organization sustainability. The strategic management practices are the key component stimulates performance of organization due to strategic is roadmap support management to achieve on its objectives, the poor or good performance of organizational is mainly caused by how strategic are formulated after well formulated strategies the next step is to ensure that strategies are implemented effectively. Further clear strategic evaluation and control is necessary to avoid any change or deviation that may limit or hinder performance of organizational.



### 3.0 Methodology

Research design refers to a framework which acts as the blueprint for data collection, measurement, and analysis which explains the procedure necessary for obtaining the information needed to solve a research problem (Cooper & Schindler, 2014). This research utilized descriptive research design since research used descriptive statistical and inferential statistics. Furthermore, the study employed quantitative research approach. Quantitative approach entails the use of tools such as questionnaires, or data analysis procedure including tables, that use numerical data. The target population for this study was top, middle and operational staff of Care International Rwanda whose number was 83 participants. The study sample size is equal to the population (83) participants since the number of populations is less than 100 respondents as suggested by Saunders, Lewis and Thornhill (2016) who indicated that researcher considers population as sample size once, the number of populations is below 100 participants. In this research, the census sampling process was utilized to get the participants from Care International Rwanda. This study adopted a structured questionnaire as data collection tool to collect both quantitative data. The questionnaires were issued consisted of closed ended questions. Additionally, a likert scale was used with options ranging from strongly agree to strongly disagree on a 4-point scale. Using a small population size of 8 respondents, a pretest conducted before administering the questionnaire to the wider study population. The data collected was edited and keyed into SPSS tool for analysis. Descriptive statistics such as mean, standard deviation and percentage distribution was used to analyse the data.

### 4.0 Findings and Discussion

# 4.1.1 The effect of strategic formulation on the performance of Care International Rwanda

This section elaborates the effect of strategic formulation on the performance of Care International Rwanda, responses were analyzed using Likert scale ranging from Strongly Disagreed to strongly Agreed, mean and standard deviations. Researcher was interested in asking such as question due to strategic formulation play great role to the performance of organization via different corners.

Table 1: The effect of strategic formulation on the performance of Care International Rwanda

Responses	SA	A	D	SD	Mean	Std. dev
Care international Rwanda formulates mission		54.1	1.9	0.4	3.4	.55
to improve performance of organization						
Vision setting is done to improve performance	40.6	52.7	5.7	1.1	3.32	.63
of Care international Rwanda						
Objectives setting influences performance of	40.5	49.6	6.4	3.5	3.27	.73
Care International Rwanda						
Formulation plans boosts performance of Care	39.4	49.6	6.8	4.2	3.24	.75
International Rwanda						
Strategic evaluation and controls method are	40.2	51.5	4.5	3.8	3.28	.72
used to stimulate performance of Care						
International Rwanda						

**Source: Primary Data (2023)** 

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Table 1 shows the effect of strategic formulation on the performance of Care International Rwanda. The study was interested in knowing whether Care international Rwanda formulates mission to improve performance of organization. The findings showed that 43.6% strongly agreed and 54.1% agreed the statement. However, 1.9% disagreed and 0.4% strongly disagreed the statement, the respondents agreed the statement at strong mean of 3.40 and standard deviation of 0.55. Researcher asked the respondents whether Vision setting is done to improve performance of Care international Rwanda, the results showed that majority of respondents agreed at 40.6% and 52.7% strongly agreed. Even though majority of respondents agreed, few of them disagreed at 5.7% and 1.1% strongly disagreed, furthermore results showed that respondents agreed at mean of 3.32 and standard deviation of 0.63., the results affirmed the statement positively. The researcher asked the respondents whether objectives setting influences performance of Care International Rwanda. The findings revealed that 40.5% strongly agreed and 49.6% agreed. Contrary, 6.4% disagreed and 3.5% strongly disagreed the statement while respondents agreed at mean of 3.27 and standard deviation of .73. Concerning to the formulation plans boosts performance of Care International Rwanda, the following responses were obtained 39.4% strongly agreed and 49.6% agreed. Despite 6.8% disagreed and 4.2% strongly disagreed the statement, meanwhile statement was confirmed at mean of 3.24 and standard deviation of 0.75. The study established that strategic evaluation and controls method are used to stimulate performance of Care International Rwanda at agreement of 40.2% strongly agreed and 51.5% agreed.

Contrary, 4.5% disagreed and 3.8% strongly disagreed the statement. On the other hand, respondents agreed at mean of 3.28 and standard deviation 0.72, the results affirmed that strategic evaluation contributes significantly to the performance of organization. The results obtained by researcher was in line of Adera (2014) indicated that strategic management practice provides clear procedures and outlines measurable goals. The strategic formulation provides guidelines for organization members to work organization activities in same lines. The management require to put more effort in evaluation how formulated strategies are supporting the organization to achieve on its target without misuse of resources. Poor strategic formulation affects negatively performance of business. Non-profit organization set adequate and appropriate vision and mission to enhance the competitive advantage of organization using available resources in environment. Strategic formulation enables the organization and business level to settle on the best course of action for the firm through a strategic choice. It is where firms develop and choose a set of options or strategies, strategic formulation gives organization the one direction to be followed during daily activities which improve the productivity of organization in different corners constitute organization.

# 4.1.2 The influence of strategic implementation on the performance Care International Rwanda



Table 2: Influence of strategic implementation on the performance Care International Rwanda.

Responses	SA	A	D	SD	Mean	Std. dev
Strategic implementation enables	36	48.9	9.8	5.3	3.15	.80
proper allocation of resources at Care						
International Rwanda						
Effective implementation of	36.4	48.9	10.2	4.5	3.17	.78
organization plans stimulates						
performance of Care International						
Rwanda						
Effective communication improves	37.1	47.7	9.5	5.7	3.23	.81
performance of Care International						
Rwanda						
Implementation reporting process is	34.7	42.7	16	6.9	3.48	.76
done to raise performance of Care						
International Rwanda						
Implementation human resources	33.7	40.6	21.9	3.8	3.10	.79
development strategies promote						
performance of Care International						
Rwanda						

Source: Primary data, 2023

Table 2 shows influence of strategic implementation on the performance Care International Rwanda. Concerning on strategic implementation enables proper allocation of resources at Care International Rwanda, 36% strongly agreed and 48.9% agreed. Oppositely, 9.8% disagreed and 5.3% strongly disagreed the statement. Also, respondents agreed the statement at mean of 3.15 and standard deviation of 0.80. Further, effective implementation of organization plans stimulates performance of Care International Rwanda at agreement of 36.4% strongly agreed and 48.9% agreed. However, few respondents refused the statement where 10.2% disagreed and 4.5% strongly disagreed the statement. In addition to, respondents agreed at mean of 3.17 and standard deviation of .78.

The findings revealed that effective communication improves performance of Care International Rwanda at 37.1% strongly agreed and 47.7% of the respondents agreed the statement. However, 9.5% and 5.7% disagreed and strongly disagreed respectively. Further, results showed that respondents agreed ant mean of 3.13 and standard deviation of 0.68. On the other hand, researcher asked the respondents whether implementation reporting process is done to raise performance of Care International Rwanda,34.7% and 42.3% strongly agreed and agreed respectively. Despite of 16% disagreed and 6.9% strongly disagreed the statement. On the other hand, respondents agreed at mean of 3.48% and slightly deviation of 0.76 standard deviation

The findings concurred by research done by Willoughby and Julia (2020) examined the contribution of strategic implementation on the performance non-governmental



organizational in India who concluded that strategic implementation contributes to the performance of non-governmental organizational through financial useful, imparting and improving employee's knowledge and skills as well as appropriate utilization of organization resources. Strategic implementation aims to develop and implement actionable plans and tactics by each functional unit to enhance the performance of organization. Further, strategic implementation is institutionalization of strategy, which aims at matching the firm's institutions with its strategies to attain on desired results. This is a crucial as well as sensitive stage that may require; restructuring of the firm, culture change, technological, review of firm reward system, policy changes and system changes to boost performance of organization.

# **4.1.3** The influence of strategic evaluation and control on the performance of Care International Rwanda

Table 3: The influence of strategic evaluation and control on the performance of Care International Rwanda

Responses	SA	A	D	SD	Mean	Std. Dev
Service delivered is evaluated to improve performance of Care International Rwanda	47.0	50.8	1.9	0.4	3.44	.55
Used resources is evaluated to maintain performance of Care International Rwanda	40.8	49.2	7.9	2	3.4	.58
Evaluation of operational activities lead to the performance of Care International Rwanda	41.2	49.2	8.4	.8	3.41	.59
Evaluation how corrections measures are applied enhance performance of Care International Rwanda	42	45.5	10.6	1.9	3.27	.72

Source: Primary data (2023)

Table 3 shows that service delivered is evaluated to improve performance of Care International Rwanda at agreement of 47.0% strongly agreed and 50.8% agreed. However, 1.9% disagreed and 0.4% strongly disagreed the statement, the mean of respondents was 3.44 and standard deviation of .55, organization need to evaluate how the service offered to the beneficiaries are satisfy their needs to be sure the sustainability of organization. Furthermore, researcher asked whether used resources is evaluated to maintain performance of Care International Rwanda, the following responses were provided by respondents, 40.8% strongly agreed and 49.2% agreed. Although, 7.9% disagreed and 2% strongly disagreed, also respondents agreed at mean of 3.4 and standard deviation of 0.58. Researcher sought to find out whether evaluation of operational activities lead to the performance of Care International Rwanda, 41.2% strongly agreed and 49.6% agreed. Contrary, 8.4% disagreed and 0.8% strongly disagreed the statement. Meanwhile, respondents agreed at strong mean of 3.41 and standard deviation of 0.59. The study indicates that evaluation how corrections measures are applied enhance performance of Care International Rwanda, 42% strongly agreed and 45.5% agreed. Despite of majority agreed the statement, few respondents answered oppositely, where 10.6% and 1.9%



disagreed and strongly disagreed the statement, addition to, respondents agreed at mean of 3.27 and standard deviation of 0.72; evaluating how the errors and mistakes have been corrected improve performance of non-profit organization at extensively level.

The study agreed with Shih, Chiang and Hsu (2021) examined the contribution of control on the service delivered by non-profit organization in Australia. The study concluded that effective control maintains the standard of service delivered by non-profit organization to the beneficiaries. Non- profit organization strategies need to be constantly reviewed as some may be rendered ineffective at some point due to dynamic and volatile nature in the environment. The success of strategic evaluation requires clear set of parameters which will be measured against pre-set performance measurements standards. The evaluation and control are the important tool to ensure the non-profit organization is performed in line of mission and vision as well as objectives set to improve the community life.

# **4.1.4** The influence of strategic management practices and performance of Non-Profit Organizations

Table 4: The influence of strategic management practices and performance of Non-Profit Organizations

Responses	SA	A	D	SD	Mean	Std. Dev
Quality service improvement characterizes	46.6	49.6	3.0	0.8	3.42	.59
performance of Care International Rwanda						
Beneficiaries satisfaction indicates	45.1	47.3	4.9	2.7	3.34	.69
performance of Care International Rwanda						
Objectives attained clarifies performance of	41.7	42.0	12.9	3.4	3.21	.79
Care International Rwanda						
Strategic management leads to effectiveness	35.2	44.3	17.0	3.5	3.11	.80
and efficiency of Care International Rwanda						
Strategic management maintains	42.4	50.4	4.9	2.3	3.32	.62
sustainability of Care International Rwanda						

Source: Primary data (2023)

Table 4 illustrates the influence of strategic management practices on the performance of non-profit organization. The researcher was interested in knowing whether quality service improvement characterizes performance of Care International Rwanda, majority of respondents agreed at 49.6% and 46.6% strongly agreed with mean of 3.42 and standard deviation of 0.59. On the other hand, 3.0% and 0.8% disagreed and strongly disagreed the statement. Also, the study revealed that beneficiary's satisfaction indicates performance of Care International Rwanda at agreement of 45.1% strongly agreed and 47.3% agreed with strong mean of 3.34 and standard deviation of 0.69. However, 4.9% disagreed and 2.7% strongly disagreed the statement.

The respondents indicated that objectives attained clarifies performance of Care International Rwanda at the level of 42% strongly agreed and 41.7% agreed with highest mean of 3.21 and low standard deviation of 0.79, the results indicates strong agreement of respondents. Furthermore, strategic management leads to effectiveness and efficiency of



Care International Rwanda, where the results showed that 35.2% of respondents chose strongly agreed and 44.3% agreed while respondents agreed at mean of 3.11 and standard deviation of 0.79. However, low disagreement results were obtained, 17.0% disagreed and 3.5% strongly disagreed the statement. At the end, researcher asked whether strategic management maintains sustainability of Care International Rwanda, the results showed that 50.4% of the respondents agreed and 42.4% strongly agreed with mean of 3.32% and standard deviation of 0.67. On the other hand, 4.9% disagreed and 2.3% strongly disagreed the statement. The findings were in line of research done by Mintzberg (2011) argued that strategic management practices attempt to combine short-term planning and long-term planning leading to the increase of production. Strategic management practices provide all employees with clear goals and directions to the future of the organization which makes to create commitment at workplace as well as putting more effort to increase production and satisfy the beneficiaries. Strategic management practices bring long term impact on the organization productivity as well as creating strong measures to attain on competitive advantages.

# **4.2** Correlational Analysis between strategic management practices and performance of Non-Profit Organizations.

Researcher applied correlational analysis to measure the relationship between independent variables and dependent variable. Independent variables were constituted by three elements including strategic formulation, strategic implementation and strategic evaluation and control while dependent variable is performance of non-profit organizations. The results are shown in Table 5.

**Table 5: Pearson Correlation Matrix** 

		Strategic formulation	Strategic implementation	Strategic evaluation and control	Performance of NPOs
Strategic formulation	Pearson Correlation Sig. (2-tailed)	1.000			
	N	83			
Strategic implementation	Pearson Correlation	.763**	1.000		
	Sig. (2-tailed)	.000			
	N	83	264		
Strategic evaluation and	Pearson Correlation	.782**	.789**	1.000	
control	Sig. (2-tailed)	.000	.000		
	N	83	83	83	
Performance of NPOs	Pearson Correlation	.816**	.842**	.795**	1.000
	Sig. (2-tailed)	.000	.000	.000	
	N	83	83	83	83

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

#### Source: Primary data, 2023

The table 5 indicates how independent variables correlated with dependent variable, the results showed that there is high positive relationship between strategic implementation and performance of non-profit organization because of the positive value for correlation



coefficient at the level of 0.816 (81.6%). Thus, appropriate strategic formulation guides organization members how organization activities will be executed to achieve on desired results. Furthermore, strategic implementation contributes to performance of non-profit organizations at high positive correlation of 0.842 (84.2%). Implementation of strategies helps non-profit organization to maximize outcomes using available resources on particular period. This is agreed with Rong (2012) who indicated that good strategy formulated but not being implemented successfully will not serve its purpose. Further, the finding indicated that strategic evaluation and control contributes to the performance of non-profit organizations where the results indicated coefficient correlation of .795 (79.5%). Organization makes evaluation to find out where there is deviations and low performance compare to targeted, this help managers to improve weak side. Strategic management practices are the most part to make organization successful on its service provide to the community.

# 4.3 Regression Analysis

**Table 6: Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.901ª	.81.2	.728	.45476

**Source: Primary Data (2023)** 

a. Predictors: (Constant), Strategic formulation, strategic implementation and strategic evaluation and control

Table 6 shows that regression analysis revealed (R = .901) which is a favorable connection while the R square of 0.812 indicated that the model's predictors, strategic formulation, strategic implementation and strategic evaluation and control computes 81.2% correlation with the dependent variable as performance of non-profit organization. Further, the research concluded that combination of all components of independent variable improve performance of non-profit organization. Strategic management practices are regarded as the practices and actions required to undertake in order to achieve organizational effectiveness

**Table 7: Analysis of Variance (ANOVA)** 

Mode	el	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2491.004	3	1003.668	4853.228	.000 <sup>b</sup>
	Residual	573.769	80	.207		
	Total	3064.773	83			

Source: Primary Data (2023)

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Predictors: (Constant), formulation, implementation and evaluation and control

Dependent Variable: performance of non-profit organizations

Table 7 shows that the model indicates that 81.2% of the differences in performance of non-profit organizations (2491.004 out of 3064.773), while other variables not considered by the model where it can compute 18.8% percent (573.769 out of 3064.773). F value of the model is 4853.228, where significantly different from zero. P-value of 0.000 is below predetermined level which indicates statistical significance of independent variables to the dependent variable. In recommendation, the model is good to indicate the influence of strategic management practices and performance of Non-Profit Organizations.

**Table 8: Regression coefficients** 

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	В	Std. Error	Beta		
(Constant)	1.283	.165		7.775	.000
Strategic formulation	.229	.028	.323	8.194	.000
Strategic implementation	.231	.015	.165	15.387	.000
Strategic evaluation and control	.118	.016	.229	7.374	.000

Source: Primary Data (2023)

Dependent Variable: Performance of non-profit organization

The recognized regression equation was:

$$Y = b0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$
, by replacing  $\beta$  with its value equation becomes,

$$Y = 1.283 + 0.229X1 + 0.231X2 + 0.118X3 + .45476$$

Table 8 shows the responses of the regression coefficients. The performance of non-profit organization was established through determination of unstandardized Coefficients (B). In reference to the T-statistics, the higher strategic formulation, strategic implementation and strategic evaluation and control lead to the performance of non-profit organizations. Where the results indicated that, a unit change due to appropriate strategic formulation improves performance of Care international Rwanda at 0.229 times while unit change due to effective implementation of strategies enhance performance of Care international Rwanda at the rate of 0.231 times and a section change from capacity of management to evaluate and control strategic management practices influence performance of Care international at 0.118 times. All p-values in the research were less than 0.05, it explains that variables are statistically confirming independent variables influence performance of non-profit organization as dependent variables significantly. The results were supported by Adieri, (2016) stated that strategic management practices are important to companies because they guide top management to set direction, focus effort, define or clarify the organization, and provide consistency or guidance in response to the environment.



# 4.4 Results of Hypotheses Testing

**Table 9: Results of Hypotheses Testing** 

Hypothesis developed	Beta (β)	P-values	Decision on Ho	$\mathbb{R}^2$
Strategic formulation	.229	.000	Rejected	
Strategic implementation	.231	.000	Rejected	.812
Strategic evaluation and control	.118	.000	Rejected	

Source: Primary Data (2023)

Table 9, indicates various hypothesizes tested by research to ensure whether hypothesizes were accepted or rejected, these hypothesizes are as followed there is no significance effect of strategic formulation on the performance of Care International Rwanda. The second is strategic implementation has no influence on the performance Care International Rwanda while the last one is evaluation and control does not have influence on the performance of Care International Rwanda. Basing on the hypothesizes tested. All are rejected because p-value were less than 0.005 which means that all variables have significantly statistical on performance of non-profit organization. The findings showed that strategic management practices have big contribution on performance of non-profit organization once strategic formulation, strategic implementation and strategic evaluation and control are applied in effective way. Strategic management practices elaborate actions and techniques implemented by organization to attain competitive advantage as well as create value for stakeholders.

#### 5.0 Conclusion

The study concluded that strategic management practices contributes to the performance of non -profit organization through strategic formulation, strategic implementation, strategic evaluation and control. The study concluded extremely that strategic formulation contributes to the performance of non-profit organization, particularly Care International Rwanda. Strategic formulation provides roadmap for organization the necessary practices needed to be implemented to maximize the performance of organization. Without effective strategic formulation, non-profit cannot be able to scan environment changes as well as setting appropriate measures to build the future competitive advantage. Further, the results concluded that strategic implementation contributes to the performance of non-profit organization at significance level. Capacity of organization to implement formulated strategic improve performance of organization in various angles, productivity, quality service, revenues gained as well as performing over competitors. Organization loses its competitive advantage once it fails to implement its strategies' even if organization has the best strategies. The study confirmed completely that evaluation and control play great contribution to the performance of non-profit organization through various phases such as evaluated how resources available are used to meet organization objectives, evaluation helps organization to ensure the quality of service rendered meet with beneficiaries needs and wants, evaluation and control determined the effective of organization operational to enhance the productivity and service offered to the beneficiaries. Basing on the findings



obtained, strategic formulation, strategic implementation, strategic evaluation and control contribute significantly to the performance of Care International Rwanda.

#### 6.0 Recommendations

The findings showed that strategic formulation works well once strategic implementation is done in proper manner. The research recommended that management needs to put more effort in implementation the formulated strategies to be sure that objectivities, mission and vision will be achieved as the they planned. The strategic formulation is the roadmap of organization. Therefore, research recommended organization to formulated suitable and strong strategies before starting implementation of organization operations. Effective utilization of resources in suitable manner contributes to the performance of non-profit organization. Hence researcher advised non-profit organizations to maintains effective utilization of resources in appropriate manner to avoid misuse of resources leading to the organization poor performance.

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