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Strategic Planning Practices and Performance of Micro-Finance Industry in Rwanda: A Case of Study of Jali Finance Ltd

Ms. Francine Abeza[1] & Dr. Gitahi Njenga[2] (PhD)

[1] School of Business and Economics, Master of Business Administration (MBA), Strategic Management, Mount Kenya University, Kigali, Rwanda

[2]Mount Kenya University, Kigali, Rwanda

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Abstract

This study explored effect of strategic planning practices on performance of micro-finance industry in Rwanda. The study used a descriptive study design with a correction regression size effect with both qualitative and quantitative approaches. The study targeted 300 employees of Jali Finance Ltd and the sample size was 171 employees to be sampled utilizing purposive and simple random sampling techniques from various departments if the organization under this study with the right information. Information from primary source was gathered using questionnaire and interviews. Data collected was coded, analyzed, and presented utilizing graphs, tables, frequencies which was done using SPSS version 25.0. Correlation and regression analysis of the study variable was done. The results showed that entire strategic planning process was statistically affecting achievement of goals/ objectives (B=0.569, p-value=.000). The findings indicated regression coefficients for employee satisfaction rate. It felt that feedback during strategic planning was statistically significant to employee satisfaction rate (B=.450, p-value=0.000). Results shown that entire strategic planning process, and following the right procedures is statistically affecting employee satisfaction rate (B=0.280, p-value=.001). The second research objective demonstrated that Jali Finance Ltd provides resources with a strong agreement with 54.4%, however, only 40.8% strongly accepted management deploys resources on time to support the strategic formulation and execution. Deploying resources on time was significantly correlated with achievement of goals/ objectives (b=0.395, p-value=0.006). Thus, knowledge on risks was significantly affecting achievement of goals/ objectives increase (b=0.866, p-value=0.000). The study suggests Jali Finance Ltd prioritize improving the skills and dedication of its staff, recognizing their value as the company's most asset. Effective leadership and enhanced communication channels are recommended to foster information flow and feedback among all employees.

Keywords: *Strategic Planning Practices, Performance of Micro-Finance Industry, Jali Finance Ltd, Rwanda*

1. Introduction

Globally, the first finance was created in 1944 by Rochdale Pioneers during industrial revolution (Kisanyanya, 2018). Therefore, in 1896 in Germany after crisis in agriculture related flow of air (Fatihudin & Mochklas, 2018). However, a continental level such as Africa, previous studies indicated that large firms in advanced countries started small size microfinance. In Rwanda, the creation of cooperatives, and financial institutions were integral element to mobilize or sensitize deposits of cash at local level and they were more likely to influence banks in order to make all Rwandan to have accessibility to money and other finance related services and products through local saving and credit associations or cooperation's in order to accelerate the creation of Union des population banks (Uwingabiye, 2019).

The greatest impediment to high level of performance for banking sector activities is the lack of proper strategic planning practices to attain expected outcomes in banking sector (Teixeira & Junior, 2019). Previous research such as Shingirai (2018), Bernard (2019), Medicine (2022), and Meng-Xin Chen (2022) relied on advanced economies proposing that using strategic planning practices enhance the organizational performance. Therefore, past studies include Rama, et al., (2022), Akhtar, et al., (2022), and Haloub, et al., (2022) investigated the association between strategic planning practices and organization performance were done that advanced countries from Europe, America, and Asia. Thus, an investigation of the influence of strategic planning practices on financial; s success in Rwandan context will be done to bridge the knowledgeable gap.

Previous study has been carried out in western countries on effect of strategic planning practices on women entrepreneurs' success within SMEs (Aburaida & Nunes (2018); Ramadan &Ahmad, 2018). Few studies covering Rwanda, such as Uwambayingabire and Mulyungi (2018), and Rutembesa and Mulyungi (2018) focused on external challenges of Rwandan financial the attention of previous studies have been orientated in overall form of entrepreneurs irrespective of financial aspects. Also, they did not tackle into impacts related to the dissimilarities to banking aspects. There is a critical shortage of research in line with the strategic planning practices impacts on financial institutions in the context of their performance.

1.1 Objectives of the study

1.1.1 General objective

The general objective of this research was to examine effect of strategic planning practices on performance of financial institutions referring to Jali Finance Ltd.

1.1.2 Specific objectives

(i)To determine effect of stakeholder involvement in strategic planning on performance of Jali Finance Ltd

(ii) To evaluate resource allocation in strategic planning on performance of Jali Finance Ltd

(iii) To examine effect of risk planning in strategic plan on performance of Jali Finance Ltd.

1.1.3 Research Hypotheses

Ho1: Stakeholder involvement in strategic planning has no significant on performance no significant effect on performance of Jali Finance Ltd.

Ho2: Planning for resources allocation in strategic plan has no significant effect on performance of Jali Finance Ltd.

Ho3: Is there a linkage between risks planning in strategic planning has no significant effect on performance of Jali Finance Ltd.

2.1 Empirical Review

2.1.1 Effect of Stakeholder involvement in strategic planning on organization performance

The stakeholders are those benefits are impacted by firm's action and strongly impacted the firm, they were those have evidence, asset and proficiency expected for strategic design and execution (Norrell, 2016). Stakeholder's participation was pertinent for any provide combination of activities of strategic plan team assesses. It provided the pertinent insight into designing, encourages their purchase, and assist for strategies perform larger proprietorship, encourages good perception on making decisions and assesses problems not dealing with the management team (Oboko, 2018).

Stakeholders by their description were pertinent to an institution, for applied it was not probable to incorporate the present strategic planning sections. Therefore, all stakeholders may not be participation designing sessions, they would be included in (Patterson & Radtke, 2019). A study carried out by Neil Jeffery-Doughty Center Associate at Cranfield University School management of UK on stakeholder involvement, diamond and Khemani (2016), emphasized that stakeholder involvement was pertinent to any type of firm, business or organization society and it is very crucial to run organization correctly and was integral to the term of corporate responsibility.

A firm may not be severe on organizational duties it not it was difficulty for stakeholder involvement and vice versa. Stakeholder involvement was pertinently to stakeholder management means the commitment to understand, analysis problems of interest to stakeholder of firms (Diamond & Khemani, 2016).

In Russia, Klimenko and Kalgin (2018) in strategic planning that was adopted in the national government argued that strategic planning execution supports an organization to improve the level of success. According to Johansson (2017), successful project execution and achievement rely heavily on dealing the needs and expectations of persons who participated and did not succeed to do so may lead to slew project low performance. The idea was echoed by Georgopoulos and Tannenbaum (2017) who contends that simply identifying stakeholders was insufficient (Njenga & Ingabire, 2021).

In Africa, Meyer (2017), the research in Sub-Saharan African felt that the strategic plan objectives continue a source of guideline and rely on the execution plan investigates into the disordered of obtaining the job done while continuous follow up, monitoring and evaluation were done. The formulation of strategy was much easier than executing it adequately a vivid strategy was not compared to attain its level of success.

In Kenya in the Proposed NGO Policy, Norrell (2016), relies on the level of stakeholders, givers, helpers, offers, receivers, workers, and partners among companies were included in strategic preparation. The participation of stakeholders was encouraging the procedure planned to incorporate all partners into the procession of taking decisions was seen as adequate instruments in speaking the durability of problems associated with strategic planning and execution of projects.

In Rwanda, according to MININFRA under stakeholder engagement plan 2021, they emphasized that the identification of activities necessary for promoting generative participation of partners in making decisions and may be important in describing the rime and approaches for involving all partners and data and dissemination of information for project Affected

People and other pertinent parties. Adequate stakeholder participation relied on shared reliance, esteem and apparent dissemination of information and evidences between organization and partners. Thus, the execution of strategic planning was pertinent for performance of organization projects and for the durability of investing in strategic planning process.

2.1.2 Effect of Resource allocation in strategic planning on organization performance

Resource allocation in many ways influences Organization performance. Oboko (2018) focuses on adequate delivery of assets was pertinent and important for use, durability, and attainment of firm objectives. Available workers, knowledge, data, money, and timeline was pertinent factors. This demonstrated how firms may affect the procedure of its execution and strategic execution necessitate to organization to bear assets that comprise personnel, financial assets and physical assets and designed strategic process (Zhang, *et al*.,2019).

Research done by Sitzmann and Bell (2017), moreover, demonstrate that in firms, generation necessitates the restricted particular assets of organization and distribution of various utilizations was one of leaders' pertinent duties therefore fairness would be taken into consideration (Stzman & Bell, 2017). Kogan, *et al.*, (2017) assessed the technological advancement, the distribution of assets and development and assessed how asset were described to play a role of adequate design and execution of organizational strategies and demonstrated the way one distributes the assets would possess immediate impact on output and success.

2.1.3 Effect of Risk Planning in Strategic Planning on organization performance

Risk plans consist of the identification of quantifying, and mitigating risk that impacts or is any risk that impacts for business strategies, and implementation was recognized as strategic risk management (Rost, 2020). Strategic risk stands for the greatest dangers and chances firm's encounters. By taking steps to coordinate it the organizational degree, firms may be their performance while reducing downside exposure (Rost, 2020).

Risk Management aims at enabling organizations to encounter unpredictable by addressing and taking advantage of chance obtainable in the environment to increase financial success. Risk planning and management includes: the assessment and evaluating the risks pertinent for organization and giving answers in a way that will decrease impacts of maximization of shareholders value (Hopkin, 2010).

Organizations discover risk into strategies to a pertinent constraints, in accordance with the study carried out as part of association of international accounts and North Calorina State University Risk Management imitation for 2017 global risk over sign report. Few than 20% of organizations in Europe and UK or US gauged for support the report have faith their risk organization procedure give unique inexpensive advantage (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 contribute to the project's success and sustainable project attainment. Risk management made decisions to manage the unpredictable events with the decision theory suggests the adequate course of action that will be adopted to address with the risk. Risks may intervene in attaining strategic objectives (Barnett, 2019). The risk was a large term than the traditional view of solely would stimulate to attain objective and change that whether oppressed could provide an increase way of attaining the expected results but could possibly had undesirable effect (Irechukwu, *et al*., 2019).

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2.2 Research Gap

Previous researches were undertaken to assess the association between strategic implementation and organization success in different but complementary ways. However, to be evidenced that despite the existence of general point of view and attitude that strategic implementation increases performance, whether accidently pursued the expected value cannot tapped.

In terms of overall strategic plan, organization performance, a quick revision of previous literature reveals strategic planning as an effective method of improving performance. On contrary, other researchers said that the association between strategic planning and company organization success was shaky if not non-existent.

Barnett (2019) assessed the contribution of strategic plan on organizational development of the chosen companies within Anambra State, Nigeria. The study findings demonstrated that strategic planning did not have clear impact on the organization success. Zhang, *et al*, (2019) assessed effect of strategic planning on success of firms. The research assessed the planning success and its association with the level of planning process and the first bank of Nigeria.

A study carried out by Rost (2020), on strategic planning practices demonstrated that those practices are more likely to impact how resource and budget are allocated to multi-product organizations and accepted four objectives associated with the organizational size that is directi9ng firm activities, and investigating issues related to resource distribution.

3. Materials and Methods

The study utilized a descriptive research design with correlation-regression analysis to address the research questions. Both qualitative and quantitative approaches are employed. Questionnaires are distributed via email, and interviews are conducted over the telephone. The questionnaire may also be translated into Kinyarwanda if necessary.

The target population consists of specific staff members and stakeholders of Jali Finance Ltd who possess sufficient information about the organization. According to the company's website, the total number of employees in Rwanda is over 300. The sample size is determined using Slovene's formula. The study employs both probability and non-probability sampling methods. The sample size is calculated to be 171, representing the total population of 300 employees at Jali Finance Ltd.

The research adopts a combination of qualitative and quantitative approaches. Data collection instruments include structured questionnaires with closed-ended questions and a five-point Likert scale. Interviews, both structured and unstructured, are conducted with senior staff members. Secondary data is collected through a review of relevant literature from various sources, such as strategic plans, reports, journals, and online resources.

The researcher obtains a recommendation letter from Mount Kenya University and an acceptance letter from Jali Finance Ltd. Questionnaires are sent to respondents' emails, accompanied by explanations of the research purpose. Interview guides are designed to facilitate interviews with senior workers at their convenience.

Content validity is ensured by involving the supervisor in reviewing the research objectives and assessing the adequacy and relevance of the data collection tools. The reliability of the instruments is tested using Cronbach's alpha to measure consistency and stability. The Statistical Package for the Social Sciences (SPSS) is used for data analysis. Descriptive and inferential statistics are employed, including correlation and regression analysis. The general linear model is utilized to examine the association between research variables.

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The study obtains permission from Mount Kenya University and acceptance letters from Jali Finance Ltd. The purpose of the research is disclosed to participants. Honesty and truthfulness are maintained during data collection. Bias is minimized for reliable and valid results. The responses are used for academic purposes, and the researcher is available to provide explanations and clarification if needed.

4. **Presentation of research findings**

Table 1: Level of Performance of Jali Finance Ltd (N=)

Statement	SD %	D %	NS %	A %	SA %	Total Mean	Std.
Achievement of goals/ Objectives							
SMART goals	3.9	5.8	16.5	33.0	40.8	4.009	1.080
Documenting & review progress	21.4	15.5	3.9	26.2	33.0	3.339	1.581
Having clear direction	11.7	19.4	31.1	17.5	21.4	4.016	1.276
Employee satisfaction rate							
Employee satisfaction surveys	16.5	20.4	15.5	17.5	30.1	3.242	1.485
Employee net promoter score	16.5	12.6	26.2	29.1	15.5	3.145	1.301
Employee satisfaction index	16.5	20.4	15.5	17.5	30.1	3.242	1.485
Program efficiency							
Quality & quantity of program delivery	10.7	14.6	9.7	36.9	28.2	4.135	1.632
Change produced	5.8	7.8	6.8	26.2	53.4	4.135	1.632

Source: Primary Data (2023)

Results from the study indicated that 40.8% of respondents at of mean response of 4.009 and the standard deviation of 1.080 strongly agreed with SMART goals was commonly applied. Moreover, 33.0% of respondents at a mean response of 3.339, and standard deviation of 1.581 agreed with documenting and review progress, 21.4% of respondents, at a mean response of 4.016 and standard deviation of 1, .276 strongly accepted the Having clear direction.

Qualitative data show that strategic planning practices affect positively the performance of Jali Finance Ltd in Rwanda. The chief of strategic operations says "*, we have tried to implement different strategies which changed dramatically our performance especially in term of increasing SMART goals, documenting & review progress, and having clear direction*. However, secondary data shows that strategies adopted had positively affected the financial success as evidenced by profit increase (34% before tax from 7.1 billion to 10.8 billion).

4.2.1 Effect of Stakeholder Involvement in Strategic Planning on Performance of Jali Finance Ltd

The first objective investigated effect of stakeholder involvement in strategic planning on performance of Jali Finance Ltd. The stakeholder involvement in strategic planning was assessed through the feedback, and opinions consideration. It is very important to start with assessing effect of stakeholder involvement in strategic planning on performance of Jali Ltd. It was very important to see how those strategic are adopted at Jali Ltd. The range was strongly agree and strongly disagree.

Table 2: Stakeholder Involvement in Strategic Planning

Vision Strategy Adopted	SD %	D %	NS %	A %	SA %	Mean	Standard Deviation
Stakeholders are o involved in proving feedback during strategic planning	2.9	3.9	12.6	35.9	44.7	4.155	0.987
Stakeholder are involved in considering opinions	16.5	20.4	15.5	17.5	30.1	3.242	1.485
Stakeholder participation in s the entire strategic planning process	16.5	12.6	26.2	29.1	15.5	3.1456	1.301
Jali Finance follows the right procedures in in strategic planning process	36.9	3.9	18.4	18.4	28.2	2.9125	1.669

Source: Primary Data (2023)

Results in Table 2 shows that stakeholders are o involved in proving feedback during strategic planning show a strong agreement by 44.7% at a mean responses of 4.155 and sdv of 0.98 for the application of stakeholders are o involved in proving feedback during strategic planning. Therefore, stakeholder are involved in considering opinions evidenced by 30.1%, mean response of 3.232 and sdv of 1.485.

For the stakeholder participation in the entire strategic planning process Jali Finance follows the right procedures in strategic planning process, 29.0% confirmed the statement. Finally, if the Jali Finance follows the right procedures in in strategic planning process was strongly agreed 28.2%, mean =2.912, sdv=1.669. The Pearson correlation analysis and multivariate analysis statistics are adopted for introducing the association between study variables.

Table 3: Correlation Analysis for Stakeholder Involvement in Strategic Planning and Performance of Jali Finance Ltd

		Feedback during strategic planning	Consideration of opinion	Entire strategic planning process
Following the right procedures objectives	Pearson Correlation	-.414**	-.312**	.507**
	Sig. (2-tailed)	.000	.001	.000
	N	162	162	162
Achievement of goals/ Objectives	Pearson Correlation	.320**	.408**	-.657**
	Sig.(2-tailed)	.001	.000	.000
	N	162	162	162
Employee satisfaction rate	Pearson Correlation	.317**	.006	-.510**
	Sig. (2-tailed)	.001	.950	.000
	N	162	162	162
Program efficiency	Pearson Correlation	-.819**	-.716**	.072
	Sig. (2-tailed)	.000	.000	.470
	N	162	162	162

**.Correlation is Significant at the 0.01

**.Correlation is Significant at the 0.01

Source: Primary Data (2023)

Results demonstrated the association between research variables and constructs. Therefore, results feedback during strategic planning show a positive relations with achievement of goals/ objectives (r=0.320**, p-value=0.001), feedback during strategic planning with employee satisfaction rate (0.317, p-value=0.001). Finally, the correlation has been established between feedback during strategic planning for program efficiency (0.817**, P=0.000). Correlations are statistically significant when the level of significance was < 0.05 implying that increase for feedback during strategic planning affect achievement of goals/ objectives, employee satisfaction rate, program efficiency and vice versa.

For consideration of opinion significant correlation was established. Consideration of opinion affect employee satisfaction rate at Pearson correlation model of 0.408*, level of significance =0.048) with program efficiency (r=0.716, p=0.000). These variables were associated when the p-value is less than 0.05 suggesting that increase with consideration of opinion leads to increase in employee satisfaction rate, program efficiency and vice versa. Contrary to insignificant correlation between the consideration of opinion with achievement of goals/ objectives (0.006, p=0.950). This correlation is insignificant since the level of significance is more than 0.05 meaning that an increase in consideration of opinion did not affect achievement of goals/ objectives and vice versa.

Results on entire strategic planning process felt significant correlation between entire strategic planning process and employee satisfaction rate (r=0.657**, p=0.000) with achievement of goals/ objectives (r=0.510, p=0.000). However, insignificant relationship was found between

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entire strategic planning process and program efficiency (r=0.072, p=0.470. There is insignificant because the p value is less than 0.05 implying that any adjustment in applying a entire strategic planning process did not affect automatically program efficiency.

Results on the correlation between following the right procedures and dependent variables, there are significant correlations between following the right procedures and achievement of goals/ objectives increase (r=.407**, p-value=0.000), employee satisfaction rate (r=538, p-value=0.000). There was positive correlation since the p value was more felt that the following the right procedures did not achievement of goals/ objectives, employee satisfaction rate, and program efficiency. An interview with workers of Jali finance Ltd. Argues "*the feedback during strategic planning, consideration of opinion, entire strategic planning process, and following the right procedures is very important in term of improving achievement of goals/ objectives, employee satisfaction rateprogram efficiency".*

Table 4: Regression Coefficients between stakeholder involvement in strategic planning and Achievement of goals/ Objectives

		Unstandardized Coefficients		Standard Deviations		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	5.328	.527		10.112	.000
	Feedback during strategic planning	.045	.117	.041	.387	.699
	Consideration of opinion	.042	.081	.058	.520	.604
	Entire strategic planning process	-.472	.081	-.569	-5.799	.000
	Following the right procedures	-.054	.060	-.084	-.911	.365

Dependent Variable: achievement of goals/ objectives

Source: Primary Data (2023)

Information presented in Table 4 shows the regression coefficients of the stakeholder involvement in strategic planning was statistically significant in explaining achievement of goals/ objectives. It showed that feedback during strategic planning was not statistically significant to achievement of goals/ objectives (B=.041, p-value=0.669). Results shown that consideration of opinion was not statistically affecting achievement of goals/ objectives (B=-0.058, p-value=.604), entire strategic planning process was statistically affecting achievement of goals/ objectives (B=-0.569, p-value=.000). Finally, following the right procedures not can cause a change in achievement of goals/ objectives by 0.084.

Table 5: Coefficients of Stakeholder involvement in strategic planning and Employee satisfaction rate

Model		Unstandardized Coefficients B	Std.Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5.556	.677		8.209	.000
	Feedback during strategic planning	.721	.150	.450	4.815	.000
	Consideration of opinion	-.715	.104	-.671	-6.845	.000
	Entire strategic planning process	-.675	.105	-.555	-6.452	.000
	Following the right procedures	-.265	.077	-.280	-3.462	.001

a. Dependent Variable: Employee satisfaction rate

Source: Primary Data (2023)

The study findings indicates regression coefficients for employee satisfaction rate. It felt that feedback during strategic planning was statistically significant to Employee satisfaction rate (B=.450, p-value=0.000). Results shown that consideration of opinion was statistically affecting employee satisfaction rate at (B=-.671, p-value=0.000. Therefore, results shown that entire strategic planning process, and following the right procedures is statistically affecting Employee satisfaction rate (B=0.280, p-value=.001).

Table 6: Coefficients of Effect between Stakeholder involvement in strategic planning and Program efficiency

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sign
1	(Constant)	9.007	.306		29.387	.000
	Feedback during strategic planning	-.744	.068	-.568	-10.973	.000
	Consideration of opinion	-.475	.047	-.545	-10.047	.000
	Entire strategic planning process	-.494	.047	-.497	-10.435	.000
	Following the right procedures	.122	.035	.158	3.531	.001

a. Dependent Variable: Program efficiency.

Source: Primary Data (2023)

Information on regression coefficients for stakeholder involvement in strategic planning variables in explaining program efficiency. It showed that feedback during strategic planning was statistically significant to Program efficiency (B=0.568, p-value=0.000). Results shown that consideration of opinion was statistically affecting Program efficiency (B=-.-545, p-value=0.000. Results shown entire strategic planning process was statistically affecting program efficiency (B=0.497, p-value=0.000). Finally, following the right procedures was affecting program efficiency (B=0.158, p-value=0.001).

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4.2.2 Evaluation of effect of resource allocation in strategic planning on performance of Jali Finance Ltd

The second research objective assessed evaluation of effect of resource allocation in strategic planning on performance of Jali Finance Ltd. In order to respond to this objective of the study, the researcher assessed how effect of resource allocation in strategic planning is applied by Jali Ltd.

Table 7: Resource Allocation in Strategic Planning in Jali Finance Ltd

Resource Allocation in Strategic Planning	SD %	D %	NS %	A %	SA	Mean	Std.
Jali Finance Ltd provides resources to strategic planning process	6.8	7.8	6.8	24.3	54.4	4.1165	1.239
Organization always considers available resources in developing action plans during strategic planning	6.8	7.8	2.9	45.6	36.9	3.980	1.154
Management deploys resources on time to support the strategic formulation and execution	10.7	8.7	1.1	38.8	40.8	3.902	1.317
Resources of the organization allocated Where there are meant to be during the Strategic planning process	9.7	10.7	13.6	35.9	30.1	3.660	1.279

Source: Primary Data (2023)

Findings demonstrated that Jali Finance Ltd provides resources to strategic planning process were adopted with a strong agreement with 54.4%, mean response equal to 4.1165, std equal to 1.239, Organization always considers available resources in developing action plans during strategic planning with a strong agreement of 36.9 %, with a moderate mean equal to 3.980, However, only 40.8% strongly accepted the Management deploys resources on time to support the strategic formulation and execution with a mean response of .3.902 and std of 1.317, and 30.1% strongly agreed with resources of the organization allocated where there are meant to be during the strategic planning process with a mean response equal to 3.660 and sdv of 1.279. Results indicated the moderate association between resource allocation in strategy planning practices and performance of Jali Finance Ltd.

Table 8: Correlation Analysis Resource Allocation in Strategic Planning on Performance of Jali Finance Ltd.

		Providing resources	Considering available resources	Deploying resources on time.	Allocating resources of the organization
Achievement of goals/ Objectives	Pearson Correlation	.424**	.425**	.407**	.038
	Sig.(2-tailed)	.000	.000	.000	.704
	N	162	162	162	162
Employee satisfaction rate	Pearson Correlation	.740**	.514**	.665**	.208*
	Si.(2-tailed)	.000	.000	.000	.035
	N	162	162	162	162
Program efficiency	Pearson Correlation	-.484**	-.608**	.401**	.924**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	162	162	162	162

**.Correlation is significant at the 0.01 level (2-tailed).

*.Correlation is Significant at the 0.05 level (2-tailed).

Source: Primary Data (2023)

The study findings demonstrated that significant effect of providing resources to strategic planning process and achievement of goals/ objectives (r=0.424**, p=0.000) with employee satisfaction rate (r=0.740**, p=0.000) with program efficiency (r=0.484**, p=0.000). All variables are affecting the dependent variable because their level of significance are less than 0.05 denoting an adjustment in providing resources to strategic planning process are affecting achievement of goals/ objectives, employee satisfaction rate, program efficiency and vice versa.

Results on considering available resources in developing action plans and achievement of goals/ objectives were (r=0.425**, p-value=0.000), employee satisfaction rate (R=0.000), and with program efficiency (r=0.608, p-value=0.000) were associated with them because the p-value are less than 0.05 indicating that any adjustment the considering available resources in developing action plans may not increase performance of Jali Finance Ltd in Rwanda. Finally deploying resources on time is statistically affecting achievement of goals/ objectives (r=0.407**, p-value=0.000), employee satisfaction rate (r=0.665**, p-value=0.000), program efficiency (r=0.401**, p-value=0.000). These are affecting the level of performance for Jali Finance Ltd. However, inferential statistics for allocating resources of the organization insignificant correlation between allocating resources of the organization and achievement of goals/ objectives (r=0.0308), p-value=0.704), there are a significant association are established allocating resources of organization and employee satisfaction rate(r=0.208**, p-value=0.035), and program efficiency (r=0.924, p-value=0.000).

Stratford Peer Reviewed Journals and Book Publishing
Journal of Strategic Management
Volume 7||Issue 4||Page 42-61 ||June||2023|
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Table 9: Coefficients of Resource Allocation in strategic planning and Achievement of goals/ Objectives

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std.Error	Beta	t	Sig.
1	(Constant)	1.757	.569		3.089	.003
	Providing resources to strategic planning process	.147	.111	.169	1.328	.187
	Considering available resources in developing action plans	.173	.135	.185	1.283	.202
	Deploying resources on time	.324	.115	.395	2.808	.006
	Allocating resources of the organization	-.084	.125	-.099	-.668	.506

a.Dependent Variable: Achievement of Goals/ Objectives

Source: Data (2023)

Results show the regression of independent variables are insignificantly associated with achievement of goals/ objectives. It demonstrated that providing resources to strategic planning process was insignificantly correlated achievement of goals/ objectives (b=0.169, p-value =0.187). This implies that collaboration in providing resources to strategic planning process did not affect achievement of goals/ objectives. Considering available resources in developing action plans was insignificantly correlated with achievement of goals/ objectives (b=0.185, p-value=0.202. It denotes that considering available resources in developing action plans did not affect achievement of goals/ objectives. Deploying resources on time was significantly correlated with achievement of goals/ objectives (b=0.395, p-value=0.006), meaning that deploying resources on time affects achievement of goals/ objectives.

Table 10: Coefficients of Effect between Resource Allocation in strategic planning and Employee satisfaction rate

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std.Error	Beta	t	Sig.
(Constant)	-2.339	.439		-5.333	.000
Providing resources to strategic planning process	.885	.085	.693	10.359	.000
Considering available resources in developing action plans	-.112	.104	-.082	-1.076	.285
Deploying resources on time	.594	.089	.495	6.683	.000
Allocating resources of the organization	.044	.097	.036	.456	.649

a. Dependent Variable: Employee satisfaction rate

Source: Primary Data (2023)

Regression analysis with providing resources to strategic planning process was significantly affecting employee satisfaction rate with a level of significance of 0.000 where an increase in providing resources to strategic planning process automatically affect employee satisfaction rate by 0693 units. Regression analysis with considering available resources in developing action plans was not significantly affecting employee satisfaction rate with a level of significance of 0.285 where an increase in considering available resources in developing action plans did not lead automatically to employee satisfaction rate by 0.082 units. However, deploying resources on time affect employee satisfaction rate since b was 0.495 with a p value of 0.000. Finally, there is not clear effect between the allocating resources of the organization and employee satisfaction rate with a level of significance of 0.649 where allocating resources of the organization affect employee satisfaction rate by -0.036 units.

Table 11: Coefficient of Effect between Resource Allocation and Program efficiency

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std.Error	Beta	t	Sig.
1	(Constant)	1.348	.198		6.823	.000
	Providing resources to strategic planning process	-.123	.038	-.118	-3.198	.002
	Considering available resources in developing action plans	-.146	.047	-.130	-3.114	.002
	Deploying resources on time	-.139	.040	-.141	-3.458	.001
	Allocating resources of the organization	.944	.044	.933	21.658	.000
a. Dependent Variable: Program efficiency						

Source: Primary (2023)

Regression analysis with providing resources to strategic planning process was significantly affecting program efficiency by 0.002 where an increase in providing resources to strategic planning process affect automatically program efficiency by 0.118 units. Regression analysis with considering available resources in developing action plans was significantly affecting return on program efficiency with a level of significance of 0.002 where an increase in considering available resources in developing action plans lead automatically to program efficiency by 0.130 units. There is significance between deploying resources on time with program efficiency with a level of significance of 0.001 where allocating resources of the organization affect program efficiency by 0.028 units. In this regard, the persons in the organization were in charge of assuming the above growth strategies.

4.1.3 Effect of risk planning in strategic plan on performance of Jali ,Finance Ltd

In this section, it was imperative to begin by assessing how risk planning in strategic plan are applied at Jali Finance Ltd.

Stratford Peer Reviewed Journals and Book Publishing
Journal of Strategic Management
Volume 7||Issue 4||Page 42-61 ||June||2023|
Email: info@stratfordjournals.org ISSN: 2616-8472

Table 12: The Application of Risk Planning in Strategic Plan at Jali ,Finance Ltd

Risk Planning in Strategic Plan	Strongly Disagree %	Disagree %	Not Sure %	Agree %	Strongly Agree %	Mean	Sdv
Top Management understands well about risk management	10.7	14.6	9.7	36.9	28.2	3.372	1.325
Employees are always informed of risks and trained how to plan ahead	5.8	7.8	6.8	26.2	53.4	4.13559	1.632
There is action plans for any future risks that can affect the performance	9.7	9.7	8.7	44.7	28.2	3.728	1.169
Employees are motivated for risk planning activities	11.7	11.7	15.5	33.0	28.2	3.543	1.326

Source: Primary Data (2023)

Information demonstrated that Top Management understands well about risk management with an agreement (36.9%), mean response=3.372, by sdv=1.325. Moreover, 44.7%, mean response=3.728, sdv=1.169 strongly agreed with employees are always informed of risks and trained how to plan ahead, There is action plans for any future risks that can affect the performance and was strongly agreed by 33% at a mean response of 3.543 and sdv=1.326.

Table 13: Correlation between Risk Planning in Strategic Plan and Performance of Jali Finance Ltd

		Top Management understands well risk management	Knowledge on risks	Action plans for future risks
Employees motivation for risk planning	Pearson Correlation	-.073	.107	.121
	Sig. (2-tailed)	.464	.280	.225
	N	162	162	162
Achievement of goals/ Objectives	Pearson Correlation	-.244*	.393**	.127
	Sig. (2-tailed)	.013	.000	.203
	N	162	162	162
Employee satisfaction rate	Pearson Correlation	-.332**	.395**	.253**
	Sig.(2-tailed)	.001	.000	.010
	N	162	162	162
Program efficiency	Pearson Correlation	-.270**	-.813**	-.796**
	Sig. (2-tailed)	.006	.000	.000
	N	162	162	162

Source: Primary Data (2023)

Stratford Peer Reviewed Journals and Book Publishing
Journal of Strategic Management
Volume 7||Issue 4||Page 42-61 ||June||2023|
Email: info@stratfordjournals.org ISSN: 2616-8472

Information evidenced that the top management understands well risk management is affecting employee satisfaction rate (r=0.244**, p=0.013), with achievement of goals/ objectives (r=0.322*, p=0.001), program efficiency (r=0.270*,p-value=0.006). Results indicated strong relationship between variables since all p-value are less than 0.05. The study findings on knowledge on risks show a clear relationship with achievement of goals/ objectives (r=0.393**, p=0.000), employee satisfaction rate (r=0.395**, p=0.000), program efficiency (r=0.813, p-value=0.000). Therefore, these relationships are positively affecting the achievement of goals/ objectives, employee satisfaction rate, and program efficiency and vice versa. Moreover, strongly relationship were established between knowledge on risks and employee satisfaction rate (r=0.253**,-p-value=0.010), program efficiency (r=.796**, p=0.000) and insignificant relationship with achievement of goals/ objectives (r=0.217**, p=0.203).

Table 14: Coefficients of Regression between Risk Planning in strategic plan and Achievement of goals/ Objectives

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std.Error	Beta	t	Sig.
1	(Constant)	3.093	.444		6.961	.000
	Top Management understands well risk management	-.225	.066	-.276	-3.390	.001
	Knowledge on risks	.781	.124	.866	6.311	.000
	Action plans for future risks	-.513	.120	-.588	-4.285	.000
	Employees motivation for risk planning	.113	.067	.139	1.699	.093

a.Dependent Variable: Achievement of goals/ Objectives

Source: Primary Data (2023)

Results in Table 14, demonstrated that top management understands well risk management was affecting achievement of goals/ objectives (b=0.276, p- value=0.001). This implies that the adjustment towards top management understands well risk management affects achievement of goals/ objectives. Knowledge on risks was significantly affecting achievement of goals/ objectives increase (b=0.866, p-value=0.000), meaning that knowledge on risks was affecting achievement of goals/ objectives. The action plans for future risks was positively affecting achievement of goals/ objectives (b=0.588, p-value =0.000) and finally, employees motivation for risk planning was affecting achievement of goals/ objectives (b=0.139, p-value=0.093), meaning that it is more likely to improve the level of achievement of goals/ objectives.

Stratford Peer Reviewed Journals and Book Publishing
Journal of Strategic Management
Volume 7||Issue 4||Page 42-61 ||June||2023|
Email: info@stratfordjournals.org ISSN: 2616-8472

Table 15: Coefficients of Effect between Risk Planning in strategic Plan and Employee satisfaction rate

Model		Unstandardized Coefficients B	Std.Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2.716	.681		3.991	.000
	Top Management understands well risk management	-.432	.102	-.362	-4.248	.000
	Knowledge on risks	.787	.190	.596	4.153	.000
	Action plans for future risks	-.290	.183	-.227	-1.582	.117
	Employees motivation for risk planning	-.003	.102	-.002	-.028	.978

a. Dependent Variable: Employee satisfaction rate

Source: Primary Data (2023)

The study findings indicates that top management understands well risk management affecting employee satisfaction rate with a level of significance of 0.000 where an increase in top management understands well risk management by 0.362 units. There significant impact between knowledge on risks and employee satisfaction rate with a level of significance of 0.000 where a knowledge on risks affect employee satisfaction rate by 0.596 units.

Moreover, the action plans for future risks is not significantly affecting employee satisfaction rate with a level of significance of 0.117 where an increase in action plans for future risks did not lead to employee satisfaction rate by 0.227 units. There is no significance between employees motivation for risk planning with employee satisfaction rate with a level of significance of 0.978 where employees motivation for risk planning did not affect employee satisfaction rate by 0.28 units.

Table 16: Coefficient of Effect between Risk Planning in strategic Plan and Program efficiency

Model		Unstandardized Coefficients B	Std.Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	7.622	.312		24.448	.000
	Top Management understands well risk management	-.239	.047	-.245	-5.137	.000
	Knowledge on risks	-.493	.087	-.456	-5.680	.000
	Action plans for future risks	-.453	.084	-.433	-5.392	.000
	Employees motivation for risk planning	.038	.047	.039	.813	.418

a.Dependent Variable: Program efficiency

Source: Primary Data (2023)

Therefore, top management understands well risk management was significantly affecting Program efficiency with a level of significance of 0.000 where an increase in top Management understands well risk management automatically affect Program efficiency by 0.245 units. There is significance between knowledge on risks and Program efficiency with a level of significance of 0.000 where a knowledge on risks affect return on asset by 0.456 units. Moreover, action plans for future risks was significantly affecting Program efficiency with a level of significance of 0.000 where an increase in employees motivation for risk planning led automatically to Program efficiency by 0.433 units. Finally, employees motivation for risk planning did not affect profit margin for Program efficiency since b=0.039 with a p value of 0.418.

4.2 Discussion of Findings

The study compared and contrasted findings from previous studies on the effects of stakeholder involvement, resource allocation, and risk planning in strategic planning on organizational performance. The study supported the findings of Norrell (2016) and Oboko (2018) that emphasized the importance of stakeholder involvement in strategic planning for decision-making, problem-solving, and overall organizational performance. Neil Jeffery-Doughty (2016) also highlighted the significance of stakeholder involvement in various types of organizations for effective management and corporate responsibility.

Regarding resource allocation, the present study aligned with Oboko (2018) in acknowledging the influence of resource allocation on organizational performance. The delivery and utilization of resources, including personnel, financial assets, and physical assets, were seen as crucial for achieving organizational objectives. Sitzmann and Bell (2017) further emphasized the role of resource distribution in organizational success and output.

Regarding risk planning, the study recognized risk management as an essential aspect of strategic planning. Rost (2020) defined risk planning as the identification, quantification, and mitigation of risks that impact business strategies. Albuquerque, Koskinen, and Zhang (2019) emphasized that effective risk management contributes to successful project implementation and organizational performance. Risk management allows organizations to address and take advantage of opportunities while minimizing the negative impacts on strategic objectives.

5.1 Conclusion

In conclusion, the involvement of staff members and stakeholders in strategic planning has positively influenced the level of business success at Jali Finance Ltd. Practices such as seeking feedback, considering opinions, and following proper procedures have contributed to goal achievement, progress documentation and review, employee satisfaction, and program efficiency.

Regarding resource allocation, the study concludes that Jali Finance Ltd has effectively allocated resources in the strategic planning process. This includes providing resources for strategic planning, considering available resources when developing action plans, timely deployment of resources, and proper allocation within the organization. These practices have contributed to the high performance of Jali Finance Ltd in conducting transactions.

In terms of risk planning, the study finds that Jali Finance Ltd has implemented various strategic practices. Top management demonstrates a good understanding of risk management, there is knowledge of risks, action plans are developed to address future risks, and employees are motivated to engage in risk planning. The findings show a positive association between these risk planning practices and the overall success of Jali Finance Ltd.

Therefore, previous studies conducted in Western countries have mainly focused on the impact of strategic planning practices on banks' performance. Limited research has been conducted in Rwanda, specifically in the context of financial institutions such as Jali Finance Ltd. Previous studies also did not adequately address the unique nature and processes of strategic planning in the microfinance sector, including cooperatives and companies. This study fills a critical gap by examining the impacts of strategic planning practices on the performance of finance institutions like Jali Finance Ltd in Rwanda. By considering the specific context and nature of these institutions, the study contributes to a better understanding of the relationship between strategic planning practices and business success in the finance sector.

5.2 Recommendations

The findings of the study lead to several recommendations for Jali Finance Ltd to improve its performance through effective strategic planning practices:

Enhance staff skill and commitment: Recognizing that human capital is the most asset, Jali Finance Ltd should continue to invest in developing the skills and commitment of its staff members. This can be achieved through training programs, workshops, and other professional development initiatives. By doing so, the company can ensure that its employees have the necessary knowledge and expertise to contribute effectively to the organization's objectives.

Redefine roles and responsibilities: As strategic planning practices evolve; it is important for Jali Finance Ltd to regularly reassess and redefine the roles and responsibilities of its staff members. This should be accompanied by clear communication to ensure that everyone understands their specific tasks and how they contribute to the overall objectives. Mistakes should be addressed promptly and corrected to keep the organization on track towards achieving its goals.

Articulate leadership factors: Jali Finance Ltd should articulate and communicate the style of leadership adopted within the organization. This will help employees understand the expectations and principles that guide the company's operations and governance. Clear communication of leadership factors will keep the staff focused and aligned in their efforts to achieve organizational objectives.

Improve communication channels: It is crucial to establish and improve lines of communication between managerial and non-managerial staff. This includes implementing effective communication channels that encourage the flow of information, feedback, and ideas. Regular communication sessions, team meetings, and open-door policies can contribute to a more collaborative and productive work environment.

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Stratford Peer Reviewed Journals and Book Publishing
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