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Strategic Controls and Organizational Performance in Rwanda. A Case of Duterimbere IMF PLC

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Abstract

The purpose of this study was to investigate the influence of strategic controls on organizational performance in Rwanda, with the case study of Duterimbere IMF PLC. The study was guided by four specific objectives: the influence of implementation control, premise control, special alert control, strategic surveillance control, and organizational performance. Using the Granular Formula, a sample size of 127 was calculated from a target population of 188. This research used an exploratory design. This design allowed the research to use mixed approaches, such as quantitative and qualitative data. The researcher used a questionnaire and interview guide as data collection instruments, and employed SPSS Version 26 for the analysis of quantitative data, while content analysis techniques were used for qualitative data. The information from each item of the questionnaire and interview was coded and categorized, and then the data were presented and discussed. The findings showed that regarding setting performance standards, the majority of respondents agreed with the statement, with a mean of 4.74 and a standard deviation of 0.440. About 74.0% strongly agreed with the statement. Concerning the extent to which monitoring and evaluation as an implementation control contributes to organizational control; the results showed that the majority of respondents strongly agreed with the statement, at 51.2%. Regarding setting measures to collect, respondents agreed with the statement, with a mean of 4.69 and a standard deviation of 0.466. About 68.5% strongly agreed with the statement, and 31.5% agreed with the statement. The study concluded that implementation control, premise control, special alert control, and strategic surveillance contribute significantly to organizational performance. The combination of these independent variables influenced organizational performance at 74.1%. This conclusion was also supported by a P-value of 0.000, which is below the predetermined level of 0.05, indicating statistical significance of the independent variables to the dependent variable.

Keywords: *Strategic Controls, Organizational, Performance, Duterimbere IMF Plc, Rwanda*

1.1 Background of the Study

In this era of digital change, organizations are expected to respond appropriately and relevantly to ensure that their performance indicators are on track. Strategic control enables an organization to move forward in the direction of its long-term objectives by regulating its strategic orientation. Over the past few years, the global economy has undergone a number of changes. These changes have caused the banking sector to face a variety of challenges and have spurred a flurry of efforts aimed at enhancing performance. The basic objective of microfinance organizations is to improve performance through sustained profitability and expansion. However, there are a number of market operating conditions that can hamper these efforts, such as the level of competition, stakeholder management, political environment, business legal regime, cost of doing business, new innovative products, internal organizational structure, emerging technologies, and effects of globalization. Nkechi (2018) asserts that management should place more emphasis on improving the strategic special alert control process and monitoring its implementation for organizations seeking to achieve and maintain a competitive advantage in the banking sector. This is to avoid problems that may arise from the improper adoption of special alert control. Effective implementation of special alert control measures leads to a reduction in non-performing loans and an expansion of the loan portfolio, ultimately leading to the attainment of a competitive advantage.

Over the past three decades, massive losses and bank failures have increased the value of competent strategic control in the global formal financial sector. In the 1980s, fraud and poor management contributed to a 200% increase in bank failures in the United States. Additionally, the African Development Bank's 2009 research estimates that 70% of African microfinance institutions fail as a result of inadequate strategic control. According to Armstrong (2010), Mondy (2009), Pearce and Robinson (2011), and other scholars, businesses that create competitive advantages often experience higher profitability and more success. However, it is important to note that not all businesses will achieve the same level of success in every sector. In the case of microfinance institutions, it becomes crucial for them to adopt strategies that enable their survival and facilitate the achievement of their overarching goals of growth and development. Microfinance institutions have the potential to expand and perform better. However, this can only happen if they have good market conditions and other favorable circumstances. Political stability and widely available skilled labor are just two examples of such market conditions. The administration of microfinance institutions and the characteristics and nature of stakeholders are just a few of the factors that Allen and Carletti (2010) and Jones (2010) have identified as having a significant impact on the performance of these organizations.

Many microfinance organizations frequently enter international markets because the majority of nations have adopted free economies. This has intensified bank competition. As a result, if microfinance institutions are to be profitable, they must improve their competitiveness by using strategic management skills. Today, the strategic control system is becoming increasingly important for realizing any organization's objectives in businesses all over the world. The strategic control system has only recently become valuable to Rwanda and has been applied in private, public, and civil society institutions. One of the key organizational objectives is to increase productivity in order to achieve sustainable development. In order to achieve the intended organization's goals, it is crucial for managers at all levels to keep an eye on whether organizational expenses are being spent for planned activities to reach predetermined goals. According to Miller (2003), poor strategic control can result in fraud, corruption, asset theft, and dishonest financial reporting. Osmond (2011) connects an organization's strategic controls to the security of financial transactions and information. Organizations create strategic controls tailored to the nature of their activities and routinely audit them to ensure their efficacy. Because of this, this study aims to evaluate how strategic control affects organizational performance in Rwanda using data from the Duterimbere IMF

1.2 Problem Statement

Leveraging an organization's strengths and weaknesses can help management to maximize external opportunities and reduce external threats and as well as difficulties (Tatar et al., 2015). Strategic controls, on the other hand, deal with the reasons why certain organizations succeed while others fail, according to Melchorita (2013). Strategic controls have a significant positive impact on financial institutions like commercial banks' performance. There is currently intense rivalry in the Rwandan banking sector from new players including mobile phone firms and foreign banks (CBK, 2015). Strategic controls would significantly help to reduce this competition and improve bank performance in this regard. One strategy adopted by Rwandan microfinance institutions to lessen competition is the use of market expansion techniques to attract a broader customer base, such as creating new branches and operating outside of Kigali city (Abade, 2017). The use of Strategic Surveillance Control (SSC) has become increasingly important in organizational management. However, there is a gap in the implementation and effectiveness of SSC globally. This gap is evidenced by various studies and research conducted on organizational performance. A study conducted by Ogundana (2020) found that SSC positively affects organizational performance. The study was conducted on Nigerian SMEs and found that SSC significantly and positively influenced organizational performance. Similarly, a study by Tariq et al. (2018) found that SSC positively impacted organizational performance in Pakistani organizations. However, other studies have shown a gap in the implementation and effectiveness of SSC. A study by Ouma et al. (2019) found that although SSC was used in Kenyan public sector organizations, its effectiveness was hindered by poor implementation and lack of resources. A similar study by Bolton and Kacperczyk (2020) found that although SSC was used in Polish organizations, its effectiveness was hindered by poor communication and coordination.

Strategic control, in terms of premise control, Premise control is a management technique that involves controlling the physical environment to influence behavior and improve organizational performance. While there is some disagreement among authors about the effectiveness of premise control, the general consensus is that it can have a positive impact on organizational performance. One study found that premise control can increase employee satisfaction and productivity (Robbins, Coulter & DeCenzo, 2017). Another study found that premise control can improve safety in the workplace (Krause, Seymour, &Sloat, 1999). However, some authors have raised concerns about the potential negative impact of premise control on employee autonomy and morale (Hackman & Oldham, 1976). A study by Amabile (1998) found that controlling environments decrease creativity and innovation among employees. Despite these concerns, the use of premise control continues to be a popular management technique in many industries. In a survey of 400 US organizations, 85% reported using some form of premise control (Schneider, Smith, &Hanges, 2003). Additionally, a study by Conroy and Emerson (2004) found that strategic control can lead to reduced innovation.

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There is an effective strategic control-driven positive substantial correlation between a company and institutional performance in Kenya, according to Mwangi's (2016) study he carried out on the impact of firm activities on performance of Microfinance Institutions in Kenya. Microfinance institutions in Kenya unfortunately still struggle because of the dynamic setting in which they operate. The global financial crisis, rising inflation, fluctuating exchange rates, greater competition from banks and non-banks, technical advancements, product innovation, and new legislation are just a few of the difficulties (2014). Although implementation control can help organizations introduce new products, services, or processes while minimizing the risks associated with innovation. For example, a study by Cooper et al. (2005) found that implementation control was positively related to the success of new product development it also influences negatively the organizational performance. This viewpoint argues that implementation control can hinder innovation, reduce flexibility, and create resistance to change. For example, a study by Oreg et al. (2013) found that implementation control was negatively related to employees' willingness to change.

The concept of Special Alert Control (SAC) refers to the practice of monitoring key performance indicators in real-time to identify and respond quickly to deviations from expected values. The effectiveness of SAC in improving organizational performance has been studied by various authors, and there is a range of views on its impact. Some studies have shown that SAC has a positive impact on organizational performance. For instance, a study by Lee et al. (2015) showed that SAC improved supply chain performance by reducing lead times, improving inventory management, and enhancing supplier responsiveness. However, other studies have reported mixed results on the effectiveness of SAC. For example, a study by Cao et al. (2017) found that while SAC was positively associated with supply chain visibility, it did not necessarily lead to improved supply chain performance. Similarly, a study by Zhang et al. (2020) found that while SAC improved the timeliness and accuracy of decision-making in construction projects, it did not necessarily result in improved project performance.

Unreliable financial statements, breaches in strategic controls, unsuccessful projects that resulted in the loss of private funds, an increase in cases of fraud involving private entities, the wasteful use of private funds, and weak financial issues all contributed to lower performance in private institutions (AOG,2017). There is a widespread belief that properly implemented strategic control systems will always result in improved organizational performance. It is also widely held that properly implemented strategic control systems will enhance the reporting process and produce reliable reports, which will strengthen the management of an entity's accountability function.

Harnessing an organization's internal strengths and weaknesses can help to optimize external opportunities and reduce potential risks (Feizaghaee et al., 2015). Strategic controls, according to Melchorita (2013), are unable to address the factors that cause certain organizations to flourish while others fail. Strategic controls have a significant positive impact on how well financial institutions like commercial banks perform. In comparison to commercial banks like the Bank of Kigali (BK), Cogebanque, Ecobank, and GT bank, the Duterimbere IMF PLC faces fierce competition from new entrants (MINECOFIN, 2015). Strategic controls will significantly help to reduce this rivalry and improve organizational performance. More studies have demonstrated the significance of strategic controls among financial institutions; however, there is still a gap in the context of looking at how strategic control assists the performance of microfinance institutions which is the gap that research would like to fulfill.

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1.3. Objectives of Study

i. To assess the influence of Implementation Control on the performance of Duterimbere IMF PLC
ii. To determine the influence of Premise Control on the performance of Duterimbere IMF PLC
iii. To investigate the influence of Special Alert Control on the performance of Duterimbere IMF PLC
iv. To examine the influence of Strategic Surveillance Control on the performance of Duterimbere IMF PLC

1.4. Research Hypothesis

i. There is no significance influence of Implementation Control on the performance of Duterimbere IMF PLC
ii. There is no significance influence of Premise Control on the performance of Duterimbere IMF PLC
iii. There is no significance influence of Special Alert Control on the performance of Duterimbere IMF PLC
iv. There is no significance influence of Strategic Surveillance Control on the performance of Duterimbere IMF PLC

2.0 Review of Related Literature

2.1 Empirical Literature

To implement the appropriate institutional goal, numerous plans, programs, and projects must be developed. Again, money is set aside to carry out these schemes, and projects. The goal of essential for productivity is to determine whether or not these plans, programs, and projects are actually guiding the organization toward its stated objectives. A commensurate modification is necessary if it is felt at any time that devoting resources to a plan, program, or project is not yielding the desired results (Wheelan, 2017). Planning or reevaluating an implementation approach is all that is necessary to avoid waste. Identification and monitoring of strategic beat points or throb points is one way to use implementation control. Examples include assessing the marketing performance of a new product following pre-testing or determining the viability of a diversification program following initial attempts to seek technological collaboration. For instance, the business must assess if the launch of a new product will actually be beneficial or whether it should be abandoned in favor of another program. Similarly, implementation control can assist determine whether a diversification strategy will be successful or not. Milestone reviews are another technique for implementation control that helps to pinpoint key moments in time, big resource allocations, or even events that occur during the implementation of a strategy. This is very analogous to how events and activities are identified in networks using the programme evaluation review technique (PERT) and critical path method (CPM). After the milestones are determined, the implementation is thoroughly reviewed to determine whether it is still necessary to achieve the organization's goals (Drucker, 2014).

Every strategy is based on a set of assumptions regarding organizational and external circumstances. There's no denying that some of these forces or components are extremely sharp, and any modification to them will surely have a substantial impact on the strategy. Premise control is crucial for identifying the key postulates and keeping track of any changes to them in order to ascertain how the strategy will alter as a result and, in turn, how it will be implemented. This assumption may, for instance, be connected to shifting governmental policy or market competitiveness (Melchorita, 2013). Change in composition as a result of sudden death viruses, widespread warfare, natural disasters, and organizational elements including improvised production technologies, the VRS (voluntary retirement scheme) program to attract high-tech workers, and market innovation initiatives. Premise control in this case serves to continuously test these hypotheses to see if they are still true. This enables the strategists to take the appropriate corrective action when it is needed rather than continuing with the strategy based on faulty or false postulations. The corporate controls department, which defines the essential assumptions and keeps a regular check on their validity, is typically given the responsibility for premise control. The study's thesis is that controls have a favorable impact on organizational performance (Jones, 2010).

This unique alert control is based on a trigger mechanism for a quick response and instant reevaluation of a given plan in light of an unanticipated and sudden incident. By creating backup plans and entrusting crisis management teams with the task of resolving unforeseen situations, special alert control can be implemented (Kotler & Armstrong, 2013). Examples of such abrupt and unexpected events include sudden changes in the federal or state governments, terrorist attacks, industrial accidents, and natural disasters like earthquakes, floods, and fire. Strategic control's goal is to determine whether an organization should stick with its current strategy or change it in light of new information. (Jule, 2011).Operational control should contribute to the organization's effectiveness and efficiency, supporting the successful execution of the chosen strategy. A wall thermostat, for example, could be used to control a home's principal medical system because the most basic sorts of control are based on physical processes. The boiler is engaged to heat the water in the radiators and bring the temperature back up to the target level if the room temperature falls below the thermostat-set goal temperature (Kotler & Armstrong, 2013).

While premise and implementation strategic controls are more targeted in nature, strategic surveillance is a more generalized and overriding control designed to keep a focus on a wide range of events both inside and outside the organization that are likely to threaten the very direction of a firm's strategy. This kind of strategic surveillance can be used to uncover events that are likely to have an impact on an organization's strategy by conducting a wide-ranging, general monitoring based on selected information sources. A formal but straight forward system for scanning strategic information that can improve the efficiency of the work and preserve much of the knowledge that is currently lost within the organization (Wiley & Sons,2014). According to Ndegwa (2013), Bamburi Cement Limited in Kenya places a high priority on strategic monitoring controls while implementing initiatives. The investigation discovered that BCL supports its surveillance control systems with business intelligence from outside publications, customer satisfaction surveys, consumer-based research, and field personnel. It was noted that the company subscribes to widely read newspapers, industry analyst reports, online international cement review magazines, Bloomberg, and other well-known online magazines like Harvard Business Review in order to aid managers in spotting trends in global business and the cement industry (HBR).

Ndegwa (2013) also revealed that farm staff, including the sales team, is given the authority to periodically evaluate market trends and alert management to any outliers through operational briefings. While community outreach workers were utilized to assist feedback on sustainable initiatives, annual customer satisfaction surveys, research, and brand health monitors were used to

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encourage feedback on products and services. Interactive due diligence was utilized to monitor the company strategically before Athi River Mining Ltd. was strategically divested in 2009. By taking advantage of capital gains on the Nairobi Securities Exchange, the objective was to boost the company's cash position amid a period of high interest rates and growing inflation (Ndegwa, 2013). Strategic surveillance, according to Schreyögg and Steinmann, (1987), is examining the firm's internal and external settings to spot new problems and trends that may eventually undermine the efficacy and success of current strategies. In order to take action before it negatively affects the possibility of an effective plan, strategic surveillance methods attempt to anticipate the need to adjust strategy. Additionally, according to these academics, for a strategic surveillance control to be successful, all parties involved in the process must be on board because top management developing and implementing the control rarely results in success.

It is hypothesized that organizations that successfully implement strategic control perform better than those that do not. According to David (2017), after a corporation successfully adopted strategic control, its track record of performance improved. It is predicted that realizing organizational effectiveness will be made easier by completing the various processes in the strategic controls process. Strategic control gives an organization direction and improves coordination and control of activities across the whole organization by establishing the organization's purpose and goals. A company's strategy gives its employees and the organization's activities a central goal and direction. According to Howe et al. (2016) and Kotter (2016), the main objective of strategic control is to help the business define its strategic intent and priorities and refocus on achieving those goals. A company's strategy gives its employees and the organization's activities a central goal and direction. Kotter (2016) adds to this claim by arguing that the main objective of strategic control is to help the company define its strategic intent and priorities and focuses on achieving the same. Strategic control, according to David et al. (2017), enables an organization to take charge of its destiny by being more proactive than reactive when deciding on its own direction. This includes initiating and influencing actions rather than merely reacting to them. It helps to draw attention to or invent in places that need it.

The procedure of strategic control has an impact on a company's decision regarding its strategy. It provides a framework for decision-making across the entire organization and clarifies potential opportunities and hazards for the future. Businesses can develop stronger strategies by using a more thorough, rational, and reasonable approach to strategic choice. Strategic controls, according to Steiner (2009), encourage and empower managers to simply examine, analyze, and accept or reject something much more frequently than they could otherwise. Strategic controls, per Stoner (2014), tend to aid organizations in being more methodical in their growth, which can aid in their becoming more focused by focusing a greater portion of their efforts on attaining the objectives they set in the controls stage.

By viewing a corporation as a system made up of subsystems, strategic controls use a systems approach. Instead of dealing with each individual portion separately without consideration of others, it enables managers to view the organization as a whole and the links between its parts. As a result, it offers a framework for better managing and coordinating an organization's operations. Other management tasks are built on the foundation of strategic controls. Strategic controls, according to Steiner (2009), are intricately woven into the fabric of management as a whole. It forces the creation of objectives, which serves as a foundation for monitoring performance, and provides a framework for decision-making across the organization. Managers have the freedom to invest their time, energy, and resources in profitable endeavors. However, establishing objectives and goals makes it simpler to evaluate how effectively a firm is working. In an organization, people will work hard to meet their stated objectives. Kotter-Grühn et al. (2015) asserts that the strategic controls process can reposition and reshape the institution. Building a market position strong enough and an organization capable enough to achieve effective performance despite unpredictable occurrences, fierce competition, and internal challenges is the essence of good strategy making (Thompson, Strickland & Gamble, 2007).

Thune and House's early study from 2000 looked at 36 organizations using the method of comparing each company's performance before and after formal strategic controls are implemented. Both informal and formal planners were discussed. On all of the employed performance indicators, the comparison revealed that formal planners outperformed informal planners. Although there is a widespread view and idea that strategic controls increase organizational success, it has been suggested that if pursued incorrectly, the anticipated value may not be realized. According to Steiner (2016), an improperly developed or chosen strategy might not produce the desired results for the organization. Strategic drift, according to Scholes and Whittington (2003), is when an organization's strategy steadily deviates away from being relevant to the dynamics at play in its environment. According to Le Breton-Miller and Miller (2008), strategy is crucial, thus its development should be controlled and not left to chance. The strategic control process' various phases cannot therefore be taken for granted.

2.2 Theoretical Framework

The study was guided by three theories: Resources Based Theory, Theory of Scientific Management, and Theory of Agency.

Penrose (2009) introduced Resource-Based Theory (RBT) by creating a framework for the efficient management of an organization's resources, diversification tactics, and commercial opportunities. The idea of seeing a corporation as a coordinated collection of resources to address and tackle how it might achieve its aims and strategic conduct was proposed in Penrose's article (Penrose, 2009; Penrose, 2009). In the 1980s, RBT started to take shape. The Theory of the Growth of the Firm served as RBT's forerunner. The work of Jay Barney, whose contributions were essential to the development of RBT, later became the preeminent paradigm in strategic management and planning during the 1990s. The fundamental components of organizational performance and competitive advantage can be identified and predicted using the RBT framework. In contrast to past managerial interest in the industry structure, which had a more macro perspective, RBT concentrated on the firm's performance from a meso perspective. RBT addresses an internally-driven approach by focusing on internal organization resources rather than externally-driven activities in order to understand the success or failure of leveraging organizational operations (Kozlenkova, Samaha & Palmatier, 2014). It speaks about company assets that are difficult to copy but could give them a long-term competitive edge (Barney, 1991).

Performance improvement over time is the core objective of all businesses, both public and private. To do this, management theorists have put in significant effort. Scientific management, commonly known as Taylorism, standardizes and rationalizes the manufacturing process to boost productivity and efficiency. Donald Winslow Taylor developed this theory, which was subsequently printed in The Principles of Scientific Management. He altered procedures and codified the connections between employees and their professions. Strategic controls and organizational theory are built on the well-known Taylorism theory. The general application of Taylor's principles is reviewed in this section before a critical examination of how they have impacted strategic controls in

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contemporary organizations. Managers from microfinance firms may use alternate intrinsic motivators instead, such as self-actualization and responsibility, to mitigate the negative effects of strategic controls and increase employee satisfaction.

As a result, Taylorism continues to be one of the traditional theories that can be utilized to guide microfinance institutions. It involves doing a scientific investigation of employment, separating planning from execution, employing a scientific recruitment and training process, and providing a pay-for-performance system. These ideas have gained widespread acceptance because they increase production and efficiency in both corporate and private service sectors. Despite assertions to the contrary, Taylorism continues to be the benchmark for how firms should be conducted. These critics cite its shortcomings as causes for its collapse, citing things like rigidity, labor opposition, and the dehumanization of working conditions. Therefore, using the example of Duterimbere IMF PLC Rwanda, this study will be used to ascertain how and what strategic controls affect the organizational performance in microfinance institutions. To make up for its faults, it is currently revised, modernized, and frequently used in conjunction with other management techniques, such as the Human Relations Movement.

The agency theory is involved in organizations where the authority permits all suborandonates to participate in organizational activity, with a primary focus on the formation of correlation of activity in the institution. (Eisenhardt, 2009). The agency theory is based on how managers battle with their earnings and the performance of the organization, and it is limited on the advantage that managers intended to acquire in the organization (Xingxing, 2012). Theoretical difficulties have arisen when leaders construct the subordinate objective and when determining whether the orientated workers cause the predicted problem. It is challenging to oversee a worker to make sure that all tasks are completed on time in a company. Regarding this study, the main focus is on the strategic controls utilized in Rwanda to improve the performance of microfinance firms. In order to prevent organizational failure and develop an effective management strategy for performance, this theory aids the authority in sharing all issues that arise in their organizational performance and success. In order to emphasize additional strategic controls systems employed in organizational performance, this theory will be applied in the study.

2.3 Conceptual Framework

This section describes the conceptual framework, factors that relate strategic controls to organizational performance in Rwanda, and their practical implications for achieving the predetermined research aims. We described the connection between independent and dependent variables in this section.

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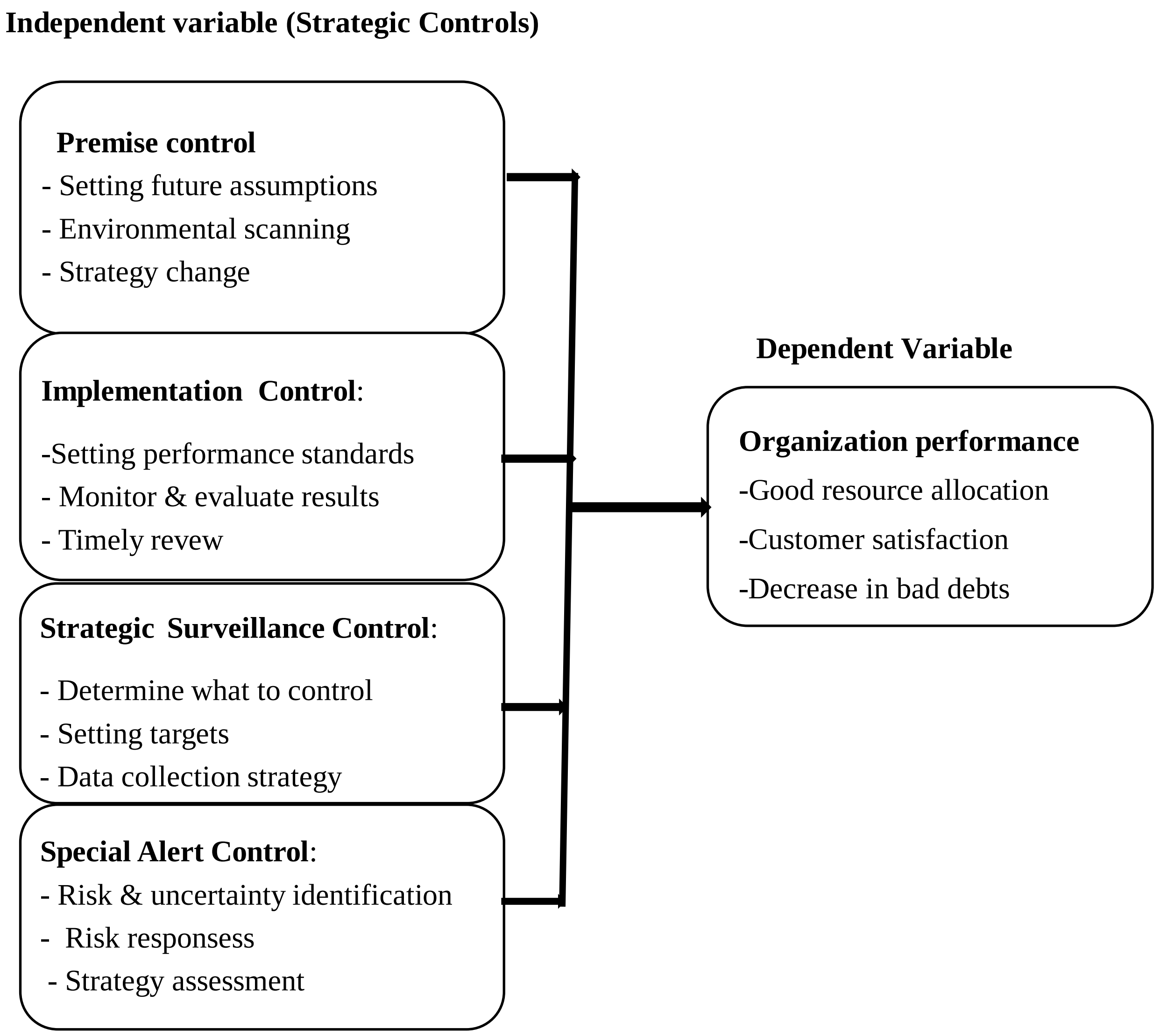

Figure 1: Conceptual framework

3.0 Research Methodology

This study employed descriptive research design. The target population of Duterimbere staff which includes human resources department, Customers care services, ICT Department, Loan department, Online banking, Operation department (deposit and credit), Investment department Therefore, the total populations will be 188participants from different levels in Duterimbere IMF PLC Rwanda. The sample size was 127 respondents. The study used questionnaires and interview guides to collect primary data various departments. Quantitative data was analyzed using SPSS software while qualitative data was analyses thematically.

4.0 Research Findings and Discussion

The findings indicated that, the majority of the respondents were male 74(58.3%) compared to their counterpart's females 53(41.7%). Having gender different participated in the study implied that, the study captured different opinions towards responding to the main and specific objectives of the study. About age distribution of the respondents 63(49.6%) were between 31 and 40 years old, 38(29.9%) of respondents were between the age of 41 and50 years, 13(10.2%) were below 30 years old, 10(7.9%) were between 51 and 60 years old and the least which is equal to 3 were those above 60 years olds represented 2.4%. Regarding to experience at work, 49(38.6%) had working experience of between 5 and 8 years, 31(24.4%) had working experience of between 9-12 years,25(19.3%) had working experience of above 12 years, and 22(17.3%) had working experience of between of between 1 and 4 years. The majority were university holders105 (82.7%) of the respondents followed those held diploma 22(17.3%).

4.1 Descriptive Statistics

The findings were presented in form of percentages, mean, standard deviation and standard error mean. Standard deviation was calculated to support in the calculation of standard error. Responses were analyzed using Likert scale ranging from Strongly Disagree (SD), Disagree (D), Neutral (N), Agree (A) and Strongly Agree (SA). Moreover, in the analysis, standard error less than 2 means that the mean is more accurate in reflection to the actual population and the results are considered reliable. For inferential statistics, correlation analysis, regression analysis, coefficients of determination and analysis of variance were presented.

4.1.1 Implementation Control and Organizational performance in Rwanda

The studies looked at how setting performance standards as implementation control, monitor and evaluate as an implementation control and timely review operations as implementation control influence organizational control.

Table 1: Implementation control and organizational performance in Rwanda

Statements	SD	D	N	A	SA	n	Mean	Std
Setting performance standards as implementation control stimulate organizational performance	0	0	0	33(26.0%)	94(74.0%)	127	4.74	0.440
Monitor and evaluate results as an implementation control led to organizational performance	0	1(0.8%)	3(2.4%)	58(45.7%)	65(51.2%)	127	4.42	0.583
Timely review operations influence organizational control	0	2(1.6%)	2(1.6%)	51(40.2%)	72(56.7%)	127	4.48	0.561

Table 1 shows the findings whether implementation control influences organizational performance at Duterimbere IMF PLC. The study was interested in knowing whether setting performance standards as implementation control stimulate organizational performance. The findings showed that majority of respondents confirmed the statements at the mean of 4.74 and standard deviation of 0.440. About 74.0 % strongly agreed and 26.0% agreed the statement. Further, Researcher asked the respondents whether Monitor and evaluate results as an implementation control led to organizational performance, the results showed that majority of respondents strongly agreed with the statement at 51.2% strongly agreed and2.4% were neither agreed nor disagreed. Even though majority of respondents agreed, few of them disagreed at 0.8%. Generally, respondents agreed with the statement at mean of 4.42and standard deviation of 0.583.

Concerning to timely review operations influence organizational control, the following responses were obtained 56.7% strongly agreed and 40.2% agreed, 1.6% were neither agreed nor disagreed with the statement. Despite 1.6% disagreed the statement, meanwhile statement was confirmed at mean of 4.48standard deviation of 0. 561.Effective implementation control plays a critical role in improving organizational performance at Duterimbere IMF PLC. During the interview, respondents said that organizations that have well-designed implementation control mechanisms in place are more likely to achieve their objectives and deliver quality products or services. Moreover, effective implementation control involves setting clear performance targets, monitoring progress towards those targets, identifying deviations, and taking corrective action. Under effective implementation, organizational performance lies in effective communication, collaboration, and coordination among different stakeholders within the organization. Therefore, investing in the implementation control as one of the strategic controls is essential for organizations in Rwanda to achieve their performance goals and enhance their overall competitiveness.

4.1.2 Premise Control and Organizational performance in Rwanda

Premise control is a management approach that emphasizes the monitoring and management of the physical environment and resources within an organization. Effective premise control practices can help organizations maintain a safe and efficient physical environment, optimize resource utilization, and promote a culture of cleanliness and orderliness that can positively impact employee productivity and morale. Researcher was interested to assess the extent to which setting assumptions on how the events will take place in the future influence organizational performance, or whether setting measures to scan environmental factors like inflation, interest rates, or industry factors like competition or supply as premise control influence organizational performance and how setting strategies to adapt changes as a premise control influence organizational control. The findings are presented in Table 2.

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Table 2: Premise Control and Organizational performance in Rwanda

Statements	SD	D	N	A	SA	N	Mean	Std
Setting assumptions on how the events will take place in the future influence organizational performance	4(3.1%)	6(4.7%)	4(3.1%)	43(33.9%)	70(55.1%)	127	4.55	0.499
Setting measures to scan environmental factors like inflation, interest rates, or industry factors like competition or supply as premise control influence organizational performance	2(1.6%)	3(2.4%)	3(2.4%)	38(31.6%)	81(62.0%)	127	4.33	0.976
Setting strategies to adapt changes as a premise control influence organizational performance	0	0	0	57(44.9%)	70(55.1%)	127	4.50	0.755

Concerning on the setting assumptions on how the events will take place in the future influence organizational performance, about 55.1% strongly agreed and 33.9 % agreed and 3.1%neither agreed nor disagreed with the statement. Oppositely, 4.7% disagreed and 3.1% strongly disagreed the statement. Generally, respondents agreed the statement at mean of 4.55and standard deviation of 0.499. Regarding to setting measures to scan environmental factors like inflation, interest rates, or industry factors like competition or supply as premise control influence organizational performance at agreement of 62.0 % strongly agreed and 31.6% agreed, 2.4% were neither agreed nor disagreed with the statement. However, few respondents refused the statement where 2.4% disagreed and 1.6% strongly disagreed the statement. Furthermore, respondents agreed with the statement at mean of 4.33and 0.976 standard deviation.

The findings revealed the findings on whether setting strategies to adapt changes as a premise control could influence organizational performance, the responses indicated that 55.1 % strongly agreed and 44.9% of the respondents agreed the statement, on the other hand, no respondents had disagreed with the statement. Generally, the respondents affirmed at mean of4.50 and standard deviation of 0. 755.The study on Premise Control and Organizational Performance in Rwanda with respect to Duterimbere IMF PLC. The overall findings imply that there was a positive correlation between premise control and organizational performance, therefore, setting assumptions on how the events will take place in the future, setting measures to scan environmental factors like inflation, interest rates, or industry factors like competition or supply as premise control influence organizational performance, and setting strategies to adapt changes as a premise control significantly influence organizational performance. Overall, the study suggests that premise control is an important factor for organizations in Rwanda to consider if they want to improve their performance.

4.1.3 Special Alert Control and Organizational Performance in Rwanda

The Special Alert Control (SAC) is a system implemented to monitor and respond to potential security threats, such as terrorism and organized crime. The SAC is comprised of various agencies and departments that work together to gather intelligence and take action when necessary. Under this section, researcher was interested to assess whether identifying risk and uncertainty for special alert control, identifying risk responses for special alert control and conducting assessments for special alert purpose influence organizational performance.

Table 3: Special Alert Control and Organizational performance in Rwanda

Statements	SD	D	N	A	SA	N	Mean	Std
Identifying risk and uncertainty for special alert control as special alert control purpose influence organizational performance	0	0	0	42(33.1%)	85(66.9%)	127	4.67	0.472
Identify risk responses for special alert control purpose influence organizational performance	0	0	0	45(35.4%)	82(64.6%)	127	4.65	0.480
Conduct assessments for special alert control purpose influence organizational performance	0	0	0	48(37.8%)	79(62.2%)	127	4.62	0.487

Regarding to identifying risk and uncertainty for special alert control as special alert control, about 66.9% strongly agreed with the statement strongly, about 33.1% agreed with the statement. Respondents agreed with the statement with the mean of 4.67and standard deviation of 0.472. Also, the study revealed that the influence of identifying risk responses for special alert control purpose influence organizational performance about 64.6% strongly agreed and 35.4% agreed with the statement and respondents agreed with the statement at the mean of 4.65and standard deviation of 0.480. Regarding to conducting assessments for special alert control purpose and whether it could influence organizational performance, about 62.2% strongly agreed with the statement and respondents agreed with the statement with the mean of 4.62and standard deviation of 0.487. The overall findings imply special alert control has a positive influence on organizational performance,

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specifically through identifying risk and uncertainty for special alert control purpose, identify risk responses for special alert control purpose and conduct assessments for special alert control purpose.

4.1.4 Strategic Surveillance Control and Organizational performance in Rwanda

This section discusses the findings regarding to the influence of strategic surveillance control on organizational performance. Under strategic surveillance control, researcher assessed whether setting measures to collect data, determine what to control and setting targets influence organizational performance.

Table 4: Strategic Surveillance Control and Organizational performance in Rwanda

Statements	SD	D	N	A	SA	n	Mean	Std
Setting measures to collect data influence organizational performance	0	0	0	40(31.5%)	87(68.5%)	127	4.69	0.466
Determine what to control influence organizational performance	6(4.7%)	8(6.3%)	5(3.9%)	32(25.2%)	76(59.8%)	127	4.29	1.113
Setting targets influence organizational performance	0	0	3(2.4%)	38(29.9%)	86(67.7%)	127	4.65	0.525

Regarding to setting measures to collect, respondents agreed with the statement at the mean of 4.69 and 0.466 standard deviation. About 68.5% strongly agreed with the statement, 31.5% agreed with the statement. Concerning to determining what to control as strategic surveillance whether could influence organizational performance, about 59.8% strongly agreed with the statement, 25.2% agreed with3.9% neither agreed nor disagreed with the statement, 6.3% disagreed with statement and 4.7% strongly agreed. Furthermore, respondents agreed with statement at the mean of 4.29 and standard deviation of 1.113. Regarding to setting targets whether could influence organizational deviation. Respondents agreed with the statement at mean of 4.65 and standard deviation of 0.525 and about 67.7% strongly agreed with the statement, 29.9% agreed and 2.4% neither agreed nor disagreed with the statement.

4.1.5 Indicators of organizational performance

One of the main and desired outcomes for every organization relies on its performance. This study has identified indicators, which prove the organizational performance especially in micro finance

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institutions which are good resource allocation, customer satisfaction and decrease in bad debts. The Table 5 illustrates how the respondents ranked these indicators according to their views.

Table 5: Indicators of organizational performance

Statements	SD	D	N	A	SA	n	Mean	Std
Good resource allocation	0	4(3.1%)	4(3.1%)	9(7.1%)	110(86.6%)	127	4.77	0.657
Customer satisfaction	0	6(4.7%)	5(3.9%)	6(4.7%)	110(86.6%)	127	4.73	0.750
Decrease in bad debts	0	0	5(3.9%)	15(11.8%)	107(84.3%)	127	4.80	0.489

The findings showed that on the indicator of good allocation of resource, respondents agreed with this indicator at the mean of 4.77 and standard deviation of 0.657. About 86.6% strongly agreed with the indicator and 7.1% agreed with the statement, 3.1% disagreed with the indicator. On the indicator of customer satisfaction. Respondents agreed with the statement at the mean of 4.73 and standard deviation of 0.750. About 86.6% strongly agreed with the statement and. Finally, on the indicator of decrease in bad debts. Respondents agreed on the statement at mean of 4.80 and standard deviation of 0.489. About 84.3% strongly agreed with the statement and 11.8% agreed with the statement. The overall findings imply that, it is always important to consider whether organizational especial micro finance institutions are working towards allocating resource effectively, making sure that customer are satisfied with the service offered and invest in decreasing bad debts.

4.2 Correlation Analysis

Researcher applied correlational analysis to measure the relationship between independent variables and dependent variable. Independent variables were implementation control, premise control, special alert control and strategic surveillance control. Dependent variable was organizational performance. This relationship is illustrated in Table 6.

Table 6: Correlation matrix

Statements		Implementation control	Premise control	Special alert control	Surveillance control	Organizational performance
Implementation control	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	127				
Premise control	Pearson Correlation	.707**	1			
	Sig. (2-tailed)	.000				
	N	127	127			
Special alert control	Pearson Correlation	.855**	.751**	1		
	Sig. (2-tailed)	.000	.000			
	N	127	127	127		
Surveillance control	Pearson Correlation	.761**	.572**	.831**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	127	127	127	127	
Organizational performance	Pearson Correlation	.820**	.751**	.892**	.899**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	127	127	127	127	127

Table 6 indicates how independent variables correlated with dependent variable; the results showed that there is high positive relationship between strategic control and organizational performance. With respect to the analyzed indicator. Implementation control has 0.820 with organizational performance; premise control has 0.751 with organizational control. Special alert control has 0.892 with organizational performance and surveillance control has 0.899 with organizational control. The overall findings imply that, it is always essential to consider these independent variables during organizational strategic control to ensure its performance in terms of effective resource allocation, customer satisfaction and decrease in bad debts.

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4.3 Regression analysis

This section illustrates the extent to which independent variables affect dependent variable. Analysis was done using regression linear. The findings are illustrated in Table 7

Table 7: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.879[a]	.854	.741	.2231

The findings show that R Square is high which indicates high contribution of independent variables to dependent variables and Adjusted R Square shows that considering implementation control, premise control, special alert and surveillance control contributes up to 74.1% to the performance of organizational. The findings on model summary stressed the contribution of implementation control, premise control, special alert control and surveillance control on the performance of organization in terms of effective resource allocation, customer satisfaction and decrease in bad debts.

Table 8: Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	6.716	4	1.679	1.310	.000[b]
1	Residual	156.308	122	1.281		
	Total	163.024	126			

Table 8 demonstrates P-value of 0.000 is below the predetermined level which indicates statistically significance of independent variables to the dependent variable. Therefore, implementation control, premise control, special alert and surveillance control affect passively towards organizational performance.

Table 9: Regression coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	16.346	1.031		15.861	.000
	Implementation control	.206	.138	-.267	-1.492	.000
1	Premise control	.231	.082	.086	.618	.000
	Special alert control	.383	.176	-.049	-.223	.000
	Surveillance control	.162	.102	.074	.463	.000

Regression line is equal to 16.346+0.206 x_1+0.231x_2+0.383 x_3+0.162x_4+ 0.2231 whereby $x_1$is implementation control, x_2 is premise control, x_3 is special alert control and x_4 is surveillance control. The findings indicated that implementation control contributes up to 20.6% % to organizational performance; premise control contributes up to 23.1% to organizational performance. Special alert control contributes up to 38.3% and surveillance control contributes up to 16.2% to organizational performance. Therefore, this implies that, microfinance institutions like Duterimbere IMF PLC should adapt this strategic control to ensure their performance.

5.0 Conclusions

With respect data collected that aimed to assess the extent to which implementation control, premise control, special alert control and strategic surveillance control during strategic control affect organizational performance. The study concluded that these independent variables with their overall considered attributes contribute significantly to organizational performance.

6.0 Recommendations

Based on the collected data that aimed to respond general and specific objectives of this study. The study concludes with the following major recommendations: microfinance institutions in Rwanda are recommended to always set performance standards, setting measures to monitor and evaluate activities and timely review operations as implementation control in order to promote organizational performance; microfinance institutions in Rwanda are recommended to set assumptions on how the events will take place in the future, setting measures to scan environmental factors like inflation, interest rates, or industry factors like competition or supply and setting strategies to adapt changes as a premise control in order to influence organizational performance; organizations are recommended to establish a systematic process to identify potential risks and uncertainties that may impact the organization, this can involve conducting regular risk assessments, engaging stakeholders, and utilizing relevant tools and techniques; Microfinance institutions are recommended to encourage collaboration and information sharing among different departments and teams within the organization. This can help in identifying risks and uncertainties from multiple perspectives and ensure a holistic approach to managing them. MFIs recommended to invest in robust systems and processes to continuously monitor and analyze the external environment, this includes assessing industry trends, regulatory changes, and emerging market opportunities to identify potential risks and opportunities for the organization; Microfinance Institutions are recommended to establish clear and measurable performance indicators: Define specific and measurable performance indicators that align with the organization's goals and objectives. These indicators should be relevant, realistic, and achievable, allowing for effective monitoring and evaluation of performance. And similar organization to Duterimbere IMF PLC, urged to identify risk and uncertainty for special alert control, identify risk responses for special alert and conduct assessments for special alert purpose.

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