

Strategic Planning Practices by Coast Development Authority in Promoting Regional Development

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ABSTRACT

Unbalanced regional development in Kenya has persisted over time even after the government implementing and experimenting with different macro and sectorial policies. The proportion of the population living below the poverty line has been increasing in the Coast and North Eastern Regions. Despite these development challenges, Kenya is richly endowed with natural resource base which should be harnessed to address the challenges. To address the regional disparities and other development challenges, the Government through the Ministry of Regional Development Authorities (MORDA) developed the Regional Development Policy (2007) that provided guidance for sustainable development by Regional Development Authorities (RDAs). The contribution of RDAs to balance regional development cannot be understated though the full potential of these institutions have not been convincingly realised. The project proposal therefore aims at analysing strategic planning practices by Coast Development Authority (CDA) in promoting regional development so as to establish effectiveness and success of such plans, their contributions to performance and challenges faced in implementing strategic planning. CDA has been employing both multi-disciplinary and multi-sectorial approaches with success depending on close collaboration amongst all implementing institutions and stakeholders. The study employed a descriptive study design in achieving its objectives. The target population was CDA staff where a sample of 50% was selected using stratified random sampling based on management category. The views of the sample population was collected by administering a questionnaire, undertaking interviews and making observations. The information and data collected was analysed using the Statistical Package for Social Science (SPSS). The results from the study are intended to inform the design of appropriate policies and measures as well as promote the use of existing ones in the promotion of regional development with a focus on the coast region.

Keywords: Strategic Planning, Regional Development, Sustainable Development.

1. INTRODUCTION

Strategic planning and the resulting plan can be valuable management tool that help create clarity of purpose and focus and align an organization's resources. A good plan therefore requires organizational discipline and tough decisions that executives may prefer to avoid. According to Ringland (2006), scenario planning process identifies focal issues that represent a critical threat or opportunity to the organization. The scenarios are then defined and analysed and a course of action is selected. There exist substantial differences in economic performance among global economies and across regions. This suggests that many of the essential determinants of economic performance are to be found at the regional level (Porter, 2003). According to ESCAP (2001), wide disparities between regions in Asia and the Pacific remain in terms of economic conditions, access to infrastructure and opportunities for control over natural resources and local development. Balanced regional development has therefore remain the ultimate goal of any economy that strives to sustain its economic performance and improve overall standard of living based on the available resources. Regional planning practises have been practised by most economies some encompassing more than one state.

Li (2003) points out that even though nature has bestowed upon Africa abundant resources, the problem of unbalanced resource exploitation exists in every country. Nearly all African economies are based on the production and export of primary products which earns relatively less from international trade resulting in unbalanced development with weak links between export-orientated and other sectors. But there are exceptions such as Egypt, Tunisia and South Africa, where manufacturing and services has high contribution to their Gross Domestic Product (GDP). Unbalanced development is therefore synonymous with most economies in Africa where high poverty levels and high dependence on subsistence farming has been registered. Notable examples of regional development planning in the African continent include Gezirra Irrigation Scheme in Sudan, the Aswan High Dam in Egypt and Lesotho Highland Water Project where regional development has been successfully promoted. The rest of the continent is punctuated with high disparities between rich and poor regions thus further aggravating the already delicate poverty and unemployment conditions. This scenario is being experienced despite the continent's exceptionally rich natural resource base.

The establishment of Coast Development Authority in 1990 was part of the Government's strategies of promotion regional development where CDA was mandated to undertake to provide integrated development planning, coordination and implementation of projects and programmes within the Coast region. There has been implementation of various interventions aimed at improving the economic performance and hence addressing the poverty level in the coast region, although the development challenges continue to persist. This therefore calls for further analysis on the strategic planning practises by CDA in order to recommend ways of improving its performance and hence meeting the high community expectations on development. The target population was staff of Coast Development Authority, a Regional Development Authority based in Mombasa. The study focused on CDA employees and its development projects in establishing the nature of strategic planning practices and the success of strategic plans as well as the challenges faced in implementing strategic planning so as to recommend ways of addressing identified development challenges.

2. STRATEGIC PLANNING MODEL THEORY

Formalized strategic planning grew out of budget exercises in the America of the 1950s and spread rapidly. By the mid-1960s and throughout the 70s, strategic planning was occurring in most large corporations (Mintzberg, 1994). Both public and non-profit organizations recognized the usefulness of strategy formulation during the 1980s, and currently, the most well-known models of public and non-profit strategic planning have their roots in the Harvard policy model developed at the Harvard Business School. The systematic analysis of Strengths, Weaknesses, Opportunities and Threats (SWOT) is a primary strength of the Harvard model and is a step in the strategic planning model. During these times of rapid change, no institution that remain static for long can survive. Bryson (1988) provides three examples of formerly distinct arenas that are now very much interconnected: 1) domestic and international; 2) public, private and non-profit; and 3) educational and economic policies. This means that although many organizations and institutions are involved, no one is fully in charge. This requires institutions and other public entities to think and act strategically as never before. Long-range planning could be conducted with minimal involvement of stakeholders with the focus being specifying goals and objectives, while strategic planning is more focused on identifying and resolving issues. Effective strategic planning process requires the right people, good data, preparation, a structured process, and adequate resources of time and money.

It is therefore difficult to imagine an organization dedicated to continuously improving its services or products that does not have a strategic plan (Bryson, 2011). All strategic planning models should therefore begin with reviewing, refining or creating the mission statement based on stakeholders and their needs. An effective strategic planning process provides a framework within which quality tools and processes can be utilized. Although the European Union (EU) region is applying the integrated regional development approaches, they are not yet "common practice" and are still not methodologically sound. There is therefore demand to improve the ways of application of regional developments instruments and to enhance the institutions' knowledge and experiences. Rural development is improving living standards of the low income population residing in rural areas and making the process of their development self-sustaining. In 2011, the Northwest Indiana Regional Development Authority (NIRDA) committed to invest \$39.9 million on new capital projects, leveraging an additional \$124 million from other funding sources (NIRDA, 2011). According to University of Michigan (2005), the major conditions for effective regional development are: 1) giving the policy high visibility and long term commitment; 2) adopting place-based policies; 3) enhancing the effectiveness of vertical and horizontal co-ordination mechanisms; 4) and involving local actors.

According to Shimokobe (2005), there will not only be demands for comfortable social facilities but also ever greater needs for environmental development. To meet such needs, it is necessary to set objects of supply for units of demand of more than fixed quantity hence the need for a new self-governing body- livelihood zone. The world is changing, and the each country has to respond to the challenges of globalisation. Each economy must strengthen knowledge-based economy by focusing on developing a highly skilled workforce and ensuring world-class science and innovation. Unleashing the potential of the regions and all the places in them will ensure that success is sustainable and that all the regions can continue to grow. Governments and policy makers have therefore the challenge of formulating policies and strategies that reduce poverty by coming up with the development plans that focus on regions where the poor live.

2.1 Regional Development

According to Brocks & Schulitz (2006), integrated approaches to regional development and regional partnerships are gaining importance due to the increasing relevance of the regional level for social, economic, political and environmental aspects. This has led to the need to understand how regional planning is being carried out by various states and experiences from implementing successful models in countries such as the USA, Malaysia, Australia and England. The primary role of the Regional Development Authorities is to integrate and coordinate development agencies to undertake activities that impact on development of the regions. Brocks & Schulitz (2006) indicated that the concept of Regional Development has been utilized by many nations as a strategy through which equity in resource distribution and utilization can be realized. The European Union has had to respond to the increasing complexity of regional problems and RDCs have been found as good planning basis for tackling these problems and challenges.

2.1.1 Strategic planning practices

According to Log (2007), the Kenyan experience indicate existence of many players involved in regional development with no coordination amongst them which has resulted in duplication of efforts. Nevertheless, RDAs have been found to be relevant vehicles for regional development hence the need to mandate them to provide an institutional framework for coordinating regional development activities.

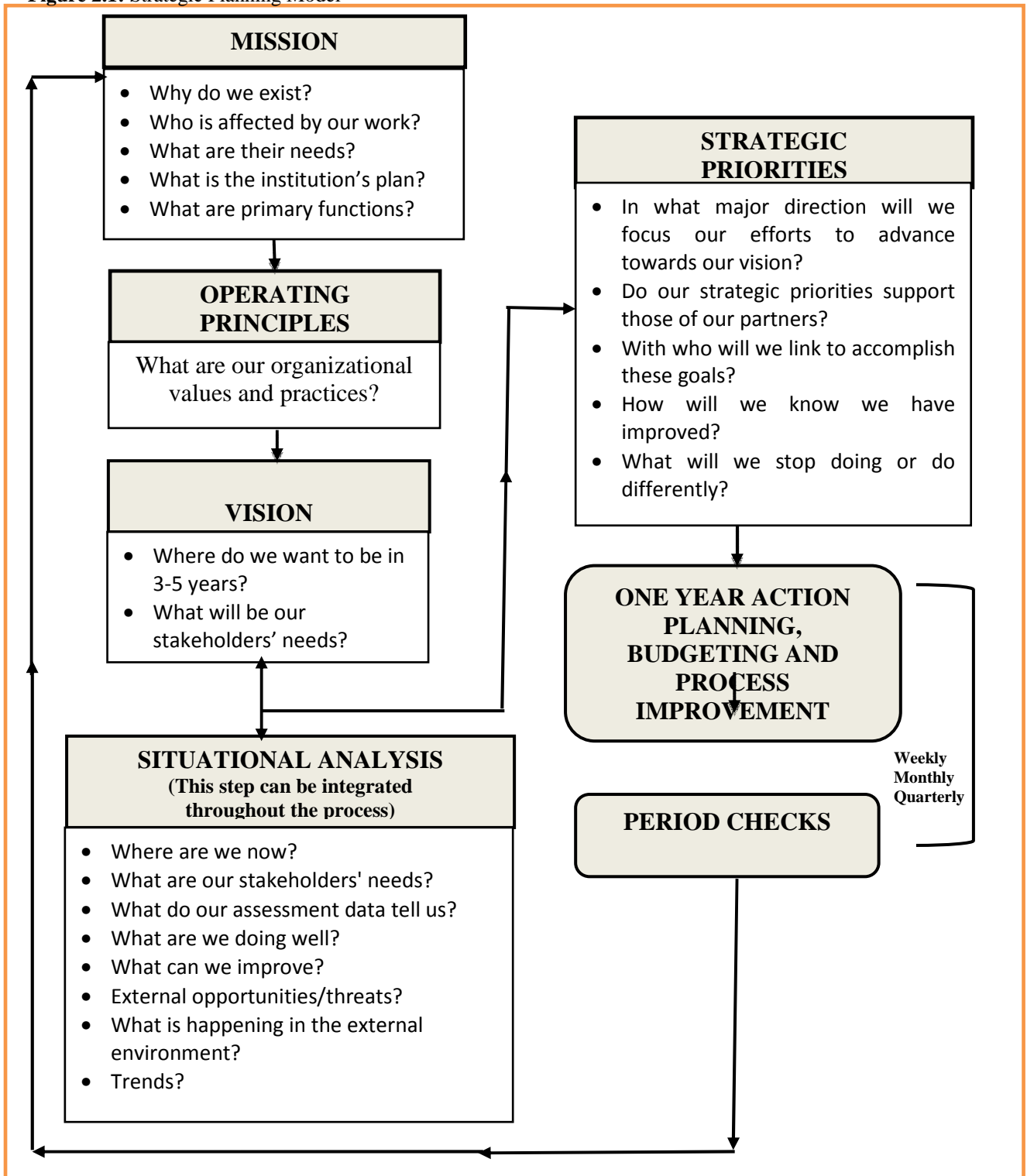
2.1.2 Contribution of strategic planning

National visions and long-term plans with consistent policies, co-ordinated developments and aligned networks are essential inputs to planning and evaluation assessments. According to Malizia & Feser (1999), strategic planning can best assess the broad outlook, highlight major changes in demand, identify strategic options for how best to respond, and assess possible impacts of policy changes to address issues and improve outcomes. For projects being formulated, strategic planning gives an in-depth foresight into the likely success and impacts of such projects.

2.1.3 Implementation of strategic plans

Regional development planning has been seen as one of the ways to achieve the goals of eradication of poverty and the restructuring of society as was adopted by the Malaysian government to correct uneven regional development. Regional Development Concepts (RDCs) are considered as an adequate response and an essential complement to the formal and hierarchical ways of planning. According to Rodriguez & Fratesi (2002), the decision to implement the Single European Market represented a boost for European regional development policies. The political belief that European economic integration will foster development of core regions at the expense of the periphery regions led to the introduction of the principle of Economic and Social Cohesion. A radical reform on regional development policies was implemented putting the coordination of all existing structural funds under the principles of territorial and financial concentration, programming and partnership.

Figure 2.1: Strategic Planning Model



Source: Kathleen (2003)

2.2 Empirical Framework

Not all disparities can be removed because some are the result of inherent differences between people, between urban and rural areas and between regions. ESCAP (2001), indicate that with free-market economic policies as

today's prevailing trend, the scope for government interventions is also limited. The primary challenge for any government is to ensure that all regions and people can participate in the economic growth. Governments must ensure access to infrastructure and services, information and credit, opportunities for social and economic mobility and participation in decision making. However, past experiences show that the better-off are in a position to seize new opportunities created by infrastructure development while the poorest are unable to do so. Efforts should be made to maximize any trickle-down effect to reach the poorest of the poor.

2.2.1 Regional Development Experiences from other Countries

According to Brocks & Schulitz (2006), there are various and often interrelated reasons for the increasing relevance of the regional level planning that include globalization, political trend towards decentralization, demand for a sustainable development, cooperation, and motivation, mobilization and integration functions. The process of European integration is based on the principle of decentralization leading to a rising number of duties on the local and regional level. Also in line with the increasing regionalization of funding, regions are considered as the right level to implement EU-policies and therefore promotes funding strategies. The concept of regional development is not a new concept. Countries such as USA, UK India, Australia, and Canada have developed and implemented regional development policies in an attempt to attain balanced development.

3 RESEARCH METHODOLOGY

3.1 Research Design

The study employed descriptive research which includes surveys and fact-finding enquiries in describing the existing state of affairs. Since the researcher has no control over the variables, he only reported what has happened or what is happening. According to Mugenda and Mugenda (1999), the method allows the researcher to utilise appropriate survey methods including comparative and correlation methods. The descriptive research will be combined with conceptual research to interpret existing abstract ideas.

3.2 Target Population

The study focused on the staff of CDA based in Mombasa. This involved the staff at the operational, tactical, and strategic levels as they represent different levels of strategic planning and implementation of development projects. According to Kothari (2009), the target population forms the basis of the research to be undertaken. With a work force of ninety, the researcher took a representative sample to cover the three levels of management as tabulated above:

Table 3.2: Target Population

Category	Population	Percentage %
Operational Level	30	33
Tactical level	50	56
Strategic level	10	11
Total	90	100

Source: Researcher (2013)

3.3 Sample Design

The study used stratified random sampling technique in selecting the respondents from the population of ninety staff. The method helped in understanding the behaviour and thinking of the target population which exhibit

different characteristics. (Kumar 2005). A sample of 50% using stratified random sampling based on management category was selected for the study which gave a total of forty five respondents.

Table 3.3: Sample Size

Category	Population	Sample Ratio	Sample Size	Percentage
Operational Level	30	0.5	15	50%
Tactical level	50	0.5	25	50%
Strategic level	10	0.5	5	50%
Total	90	0.5	45	50%

Source: Researcher (2013)

3.4 Data Analysis

The completed questionnaires were subjected to data cleaning before being coded and analyzed using the Statistical Package for the Social Sciences. According to Gelman and Hill (2007), data analysis undertaken using SPSS software allowed for the use of appropriate percentages, average figures and charts generated and used during data presentation and comparisons. The findings are expected to inform the design of appropriate policies and measures as well as promote the use of existing ones in the promotion of balanced regional development.

4. FINDINGS

The study focused on Coast Development Authority a Regional Development Authority established in 1992 by an act of parliament Cap 449 with the mandate to provide integrated development planning, coordination and implementation of projects and programmes within the whole of Coast region, including Southern Garissa sub-county (Ijara, Hulugho, and Bura) and Kenya's Exclusive Economic Zone (EEZ) of the Indian Ocean. According to CDA (2012), CDA area of jurisdiction covers 103,326 km² with a population of 3,417,970 according to population and housing census of 2009. Of the total land area, only 34,314 km² (33%) is suitable for crop production and the remaining 69,012 km² (67%) is Arid and Semi-Arid Land (ASAL) supporting mainly livestock production and wildlife. The region is a key contributor to the tourism industry with attractive sites and scenery stretching from Kiunga in the North to Vanga in the South Coast with its vast game and marine parks. It is also well endowed with unique coastal resources that include the sea, water catchments, rangelands, marine resources, fisheries, tree crops, forestry (mangroves), Kayas, minerals (gemstones), wildlife, diverse cultures, monuments and history which are yet to be fully exploited.

The study found out that CDA has a strategic plan in place which has been reviewed in the past one year and that a master plan is also in place despite the absence of a customised development policy, investment policy and strategic planning committee. The coast region which is CDA area of jurisdiction is endowed with natural and marine resources which need to be fully exploited to support the livelihoods of over three million inhabitants majority of who live below poverty line. Despite the high capabilities of CDA staff to implement development projects, there is need for concerted efforts by the management and board of directors to provide motivation to maintain and support the implementation of strategic initiatives. It is worth noting that majority of the respondents identified the contribution of strategic planning to the performance of CDA as either high or very high and hence there is need to have a high commitment to strategic planning as the model of choice by CDA. This means that although many organizations and institutions are involved in strategic planning, none is fully in charge. This requires institutions and other public entities to think and act strategically as never before. According to Bryson (1988), strategic planning is more focused on identifying and resolving issues, the process requires the right people, good data, preparation, a structured process, and adequate resources. It is therefore more difficult to imagine an organization dedicated to continuously improving its services or products that does not have a strategic plan. Unleashing the potential of any region will ensure that success is sustainable and that all the regions can continue to grow.

5. CONCLUSION AND RECOMMENDATION

5.1 Conclusion

The study on strategic planning practises by Coast Development Authority in promoting regional development was carried out at CDA where forty 45 staff were interviewed. The study focused on: Nature of strategic planning practices in CDA; success of Strategic Planning as practiced by CDA; contribution of strategic planning to the performance of CDA; and Challenges in implementing strategic planning. Though the strategic planning process was found to have contributed to the performance of CDA, there were challenges the authority faced while implementing its strategic plan which were focused on when drawing recommendations from the study the implementation of which are expected to positively contribute to improved performance of the authority. Through the Economic Recovery Strategy for Wealth and Employment Creation, the Kenya government restated the need for sustainable regional development as a vehicle in the realisation of the goals of having a wealthy nation in control of its resources. The onus is therefore on regional development authorities such as CDA to mobilise regional resources for development. The growth of Malaysia has shown how the understanding of the government and its people and the need to balance the competitiveness of the economy and the economic equity of its people have all been addressed through regional development.

5.3 Recommendations

The planning process at CDA will benefit and greatly improve if the authority implements the following recommendations identified during the study:

The board of directors should be actively involved in the planning process by undertaking monitoring and offering support and motivation to the planning team. This will improve their understanding of the planning issues and hence improve their support to the planning process.

CDA should customize the regional development policy to provide guidance in the overall planning process. This will institutionalise the planning process and ensure an appropriate strategic planning committee is in place with definite membership, qualifications, with an elaborate terms of reference so as to effectively oversee the planning process.

There is need to involve the staff, all departments, community and partners in the planning process so as to make the process an all inclusive one. This will promote ownership, encourage diverse opinions and come up with elaborate strategies for development. It is the onus of the strategic planning committee to ensure the process is all inclusive given that strategic planning was identified as important for long term success of CDA.

It is also recommended that a communication strategy be put in place to inform the staff and stakeholders on the performance and achievements of implemented projects hence maintaining transparency and open communication to preserve trust in the project. This will be made more effective if all development activities are well documented and an elaborate Management Information System (MIS) supported by information technology (IT) system is in place to facilitate relay of real time data for planning purposes and strategic decision making. The MIS system will also facilitate continuous monitoring of project, regular and comprehensive updates of strategic plan, development of appropriate corrective measures and adoption of continuous improvement.

There should be timely and regular review of strategic plans upon undertaking an elaborate assessment of development activities and strategies so as to identify lessons learnt and challenges encountered necessary for informing the formulation of subsequent strategies and plans.

Funds mobilisation strategies should be put in place to ensure adequate funds are availed for regional development. The Authority should consider promoting the establishment of a regional development fund with strategies on its distribution, management and monitoring; seek for specific donor support; and mobilise county development funds. In addition, there is need to ensure funding of projects are based on approved funds for identified projects.

In order to satisfactorily discharge its duties of promoting resource-based investment and conservation of resources, there is need to promote formation of quasi-partnerships with the financial partners in a form as may be agreed upon with the investors.

Staff contribution to strategic planning should be improved by establishing a reward system for successful performance, undertaking regular specific skills development for staff and exposing staff to well performing regional development authorities so as to promote bench marking practises.

Commitment to strategic planning by the staff, management and the board should be encouraged and improved so as to attain consistent development results thereby giving the policy high visibility and long term commitment.

The authority should develop key performance indicators to track success of strategic initiatives and enhance impact evaluation prior to formulation of subsequent strategies.

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