



**The Practice in the Link between Strategic Management and  
Project Management in Local Non-Governmental Organizations:  
Case Study of Hope Enterprise**

**By: Beruk Ayalew**

**Addis Ababa University School of Commerce Graduate Program  
Master of Arts Degree in Project Management**

**June, 2017**

**Addis Ababa, Ethiopia**

**ADDIS ABABA UNIVERSITY**  
**SCHOOL OF COMMERCE GRADUATE PROGRAM**  
**MASTER OF ARTS DEGREE IN**  
**PROJECT MANAGEMENT**

**The Practice in the Link between Strategic Management and Project Management in Local Non-Governmental Organizations: Case Study of Hope Enterprise**

**A Project Work Submitted to the Department of Business Administration and Information Systems as a Partial Fulfillment of the Requirements for the Award of Master of Art Degree in Project Management**

**By: Beruk Ayalew**

**Advisor: Teklegiorgis Assefa (Asst. Professor)**

**June, 2017**

**Addis Ababa, Ethiopia**

ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE GRADUATE PROGRAM  
MASTER OF ARTS DEGREE IN PROJECT MANAGEMENT

The Practice in the Link between Strategic Management and Project Management in Local Non-Governmental Organizations: Case Study of Hope Enterprise

By: Beruk Ayalew

Approved by Board of Examiners

_____	_____	_____
Advisor	Signature	Date
_____	_____	_____
External Examiner	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date

## Statements of Declaration

I, the undersigned, declare that the study which is being presented in this project work entitled as **“The Practice in the Link between Strategic Management and Project Management in Local Non-Governmental Organizations”** is my original work, had not been presented for a partial fulfillment for any educational qualification at this university or any other, all the sources used are also duly acknowledged.

---

Beruk Ayalew

Researcher

---

Date

## Statement of Certification

I hereby certify that the study which is being presented in this project work entitled as **“The Practice in the Link between Strategic and Project Management in Local Non-Governmental Organizations”** was conducted by **Beruk Ayalew** for partial fulfillment of the requirements for the award of Master of Art Degree in Project Management; is to the best of my knowledge an original work conducted by him, had not been presented for a partial fulfillment for any educational qualification at this university or any other.

---

Teklegiorgis Assefa (Asst. Professor)

Advisor

---

Date

## Acknowledgement

I would like to thank the almighty God for his blessing and for making me accomplish this huge achievement. I would also like to thank my thesis advisor Teklegiorgis Assefa (Asst. Professor) for his complete attention and support in advising me for the better progress of this thesis.

I am very grateful to have family members; my father Ayalew Liben, my mother Haregwoin Demissie, and my brother Henok Ayalew who have been supporting me in accomplishing my master's program and this thesis. I am very blessed to have them all in my life. All my friends, you have played a great role in finishing this thesis, I have no words to express my heartfelt thanks. May God bless u all.

I would like to acknowledge all the participants of this study who gave their time and provided their valuable information. Moreover, my heartfelt thanks go to everyone that has contributed to this thesis directly or indirectly

## Abbreviation

NGOs: Non-Governmental Organizations

SWOT: Strength, Weakness, Opportunity and Threat

PEST: Political, Environmental, Social and Technological

PMBOK: Project Management Body of Knowledge

TVET: Technical and Vocational Education and Training

## Abstract

*This project study work is about The Practice in the Link between Strategic Management and Project Management in Local Non-Governmental Organizations: Case Study of Hope Enterprise, where the notion of strategic management and strategic planning has come a long way in the practices of project management in NGOs. Accordingly, the researcher came up with a major research idea of which strategic planning and project management can be linked for project success in NGOs. The research tried to assess a specific case study project. Raising three research questions on the practices and procedures used on connecting strategic planning with project management issues by studying a local NGOs specifically HOPE ENTERRISE for further indication of the two concepts to fulfill the objectives of the study. The methodology was designed as an intensive interview then later descriptive analysis were made. The qualitative research came up with a finding that strategic planning and project management are linked concepts that project are formulated from the strategic plan document and in order to do that organization first must come up with a good strategic plan following the strategic planning process and dealing all the thing that must be fulfilled. After that the projects can be formulated one by one from the strategic. In a way project are the way organization execute their vision and mission. Finally, conclusions and recommendations were made on the outsourcing of projects to international contractors, trading off the three pillars and further researchable areas.*

*Key Words: Project Management, Strategic Management*

## Contents

<b>Acknowledgement</b> .....	<b>iii</b>
<b>Abbreviation</b> .....	<b>iv</b>
<b>Abstract</b> .....	<b>v</b>

### CHAPTER ONE: Introduction

1.1. Background of the Study .....	<u>1</u>
1.2. Statement of the problem .....	<u>2</u>
1.3. Research Questions .....	<u>4</u>
1.4. Research objectives .....	<u>4</u>
1.4.1. General Objective.....	<u>4</u>
1.4.2. Specific Objectives.....	<u>4</u>
1.5. Significance of the Study .....	<u>4</u>
1.6. Scope of the study .....	<u>5</u>
1.7. Organization of the Study .....	<u>5</u>

### CHAPTER TWO: Literature Review

2.1. Project definitions .....	<u>6</u>
2.2. Project Management .....	<u>7</u>
2.3. Strategic Management.....	<u>9</u>
2.4. Strategic Planning Process .....	<u>12</u>
2.4.1. Initiate and Agree on A Strategic Planning Process.....	<u>12</u>
2.4.2. Identify Organizational Mandates .....	<u>13</u>
2.4.3. Clarify Organizational Mission and Values .....	<u>13</u>
2.4.4. Assess the External and Internal Environments.....	<u>14</u>
2.4.5. Identify the Strategic Issues Facing the Organization.....	<u>14</u>
2.4.6. Formulate Strategies to Manage the Issues.....	<u>15</u>
2.4.7. Review and Adopt the Strategies or Strategic Plan .....	<u>16</u>
2.4.8. Establish an Effective Organizational Vision.....	<u>16</u>
2.4.9. Develop an Effective Implementation Process.....	<u>16</u>

2.4.10. Reassess the Strategies and the Strategic Planning Process .....	<a href="#">16</a>
2.5. Strategic Management Model.....	<a href="#">17</a>
2.5.1.SWOT Analysis Model .....	<a href="#">17</a>
2.6. Strategic Management and Project Management .....	<a href="#">18</a>
2.7. Strategic Management in NGOs .....	<a href="#">19</a>

### CHAPTER THREE: Research Methodology

3.1. Research Approach.....	<a href="#">22</a>
3.2. Research Design .....	<a href="#">22</a>
3.3. Population and Sample.....	<a href="#">23</a>
3.4. Data Sources and Types.....	<a href="#">23</a>
3.5. Data Collection Procedures.....	<a href="#">24</a>
3.6. Data Analysis.....	<a href="#">24</a>
3.7. Ethical Consideration .....	<a href="#">24</a>

### CHAPTER FOUR:DATA ANALYSIS

4.1. Introduction.....	<a href="#">25</a>
4.2. Strategic Management Planning Process used in Hope Enterprise .....	<a href="#">25</a>
4.2.1. Stakeholders Participation the Strategic Management .....	<a href="#">27</a>
4.2.2. Types of data and distribution processes incorporated in planning activities .....	<a href="#">27</a>
4.2.3. Other strategies and processes adopted.....	<a href="#">28</a>
4.3. The links between Strategic Management and project management in Hope Enterprise.....	<a href="#">29</a>
4.3.1. Department involved in strategic related matters.....	<a href="#">30</a>
4.3.2. Strategic Management Planning practices.....	<a href="#">30</a>
4.3.3. How Strategic Planning Improved Management of Projects in Hope Enterprise .....	<a href="#">33</a>
4.4. The processes used to link strategic planning and project management in Hope Enterprise .....	<a href="#">34</a>
4.4.1. Environmental scanning process / external analysis in Hope Enterprise .....	<a href="#">34</a>
4.4.2. How strategy formulation is conducted .....	<a href="#">35</a>
4.4.3. How Hope Enterprise undertake evaluation and Monitoring of planned strategies and project management.....	<a href="#">37</a>
4.5. Discussion of Findings .....	<a href="#">39</a>

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.1. Introduction.....[43](#)  
5.2. Summary of Findings.....[43](#)  
5.3. Conclusion .....[45](#)  
5.4. Implications for Hope Enterprise .....[46](#)  
5.5. Limitation of the Study .....[47](#)  
5.6. Further Research Area .....[47](#)  
References .....[48](#)

**APPENDIX**

# CHAPTER ONE

## Introduction

### 1.1. Background of the Study

Planning projects strategic is one of the major pillars in managing projects and it is a major process in the conduct of project management. For strategic management to be effective and useful, there must be commitment and involvement across all levels of the organization, overcome inherent problems such as; rivalry among departments, projects, resistance to change, resource requirement, resources allocation and so on.

Most authors like Fred (2011) uses the term strategic management in their study synonymously with the term strategic planning. The latter term is more often used in the business world, whereas the former is often used in academia. Sometimes the term strategic management is used to refer to strategy formulation, implementation, and evaluation, with strategic planning referring only to strategy formulation. The purpose of strategic management is to exploit and create new and different opportunities for tomorrow; long-range planning, in contrast, tries to optimize for tomorrow the trends of today. And using their perspective this particular study uses the term Strategic Management the same as Strategic planning for the purpose of the study only.

According to Wagner (2006) the importance of strategic planning can be explained from four points of view including environmental scanning, strategy formulation, and linking goals to budgets and strategic planning as a process. The strategy planning process begins with the setting of organizational goals. The linkage between strategic planning and project management needs analysis to get a better understanding on how it is applied in practice.

According to Walter (2003), Strategic management is concerned with deciding in advance what an organization should do in the future (strategic planning), determining how it will be done and who will do it (resource management), and monitoring and enhancing ongoing activities and operations (control and evaluation). It involves the combined effect of these three basic components in meeting the goals and objectives of an organization.

Strategic planning identifies the specific actions required to carry out a given strategy (Walter 2003). Strategic planning is that component of the strategic management system designed to (1) clarify goals and objectives, (2) determine policies for the acquisition and distribution of organizational resources, and (3) establish a basis for translating policies and decisions into specific action commitments.

Strategic planners identify the long-range needs of an organization, explore the ramifications and implications of policies and programs designed to meet these needs, and formulate strategies to maximize the positive aspects and minimize the negative aspects of the foreseeable future. Strategic planning stresses the critical need to make strategic decisions that will ensure an organization's ability to successfully respond to an environment that is dynamic and changing (often in unpredictable ways). This emphasis stands in contrast to other long-range planning approaches, which assume that current knowledge about future conditions is sufficiently reliable to ensure the validity of the plan over the duration of its implementation. The primary output of strategic planning should be a series of guidelines within which more detailed plans and programs can be designed and implemented.

## 1.2. Statement of the problem

Organizations from both the private and public sector are increasingly embracing the practice of strategic management in anticipation that this would translate to improved Project Management and succeeded in their projects. This study sought to examine the link between Strategic Management with Project Management, giving attention to the strategic management steps including organization's corporate purpose, scanning environment, identification of strategic issues, strategy choice and setting up implementation, evaluation and control systems.

Most NGOs experience challenges in resource constraints, institutional and capacity gaps including poor leadership and governance in implementing strategies in project management. NGOs need to function at the highest level of operational efficiency and performance effectiveness because they are using public and donors' funds.

Hope Enterprise is one of the local NGOs that operates in Ethiopia which uses Strategic Management as its tool in managing projects. According to the organization manual Hope

Enterprise will have Strategic management planning every 5 year by doing a SWOT analysis in which the strengths, weaknesses, opportunities and threats of their organization is suggested, listed and assessed. SWOT analysis helps the leaders in developing an overall picture of the current position of their organization so that they can devise their future plan of action, based on the present situation and in accordance to their common objective (Khushi, 2017).

In NGOs, Strategic management is very important tool for organizational success. And when there are many projects at hand that can be done by these NGOs it better to have a focus, if not, this lack of focus and the desire to do all projects at once will led to failure. Project Management involves working with the constraint of projects under what is provided and what is planned. That means the project must end on schedule, must be on the planned budget, on the same quality with what is planned and within the scope. In the world of NGOs this is a very hard task to do because of the fact that NGOs work on a donation based system. Hope Enterprise as one of the NGOs that operate in Ethiopia and any of other NGOs in the world work on a donation based system and have the above problems mentioned. Hope Enterprise have been doing many projects for the past 45 plus year and have also a strategic plan that is done every 5years.

Linking projects with the strategy of an organization is one way of being successful in the NGOs world. If NGOs form their project from their planned strategy it is hoped to be a good way start in doing the project. In doing so one might decrease the effects of project constraint (Cost, Time, Quality and Scope) in NGOs projects. Yet, that no study had been undertaken on the link of strategic planning to project management in local NGOs in Ethiopia. The reason for that is project management study is a developing concept in the educational sector. Even though the educational sector failed to study the link and provide insight, NGOs like Hope Enterprises try to link the two concepts for organizational success. The knowledge Gap we see in the academic world, necessitated this research by studying the experience of NGOs specifically from Hope Enterprise.

### 1.3. Research Questions

The researcher tried to answer the following research questions while doing the research

1. What are the strategic management process that are used in Hope Enterprise?
2. What are the links between Strategic Management and project management in Hope Enterprise?
3. What are the processes used to link strategic management and project management in Hope Enterprise?

### 1.4. Research objectives

#### 1.4.1. General Objective

The general objective of this research paper was to study how strategic management has assisted Hope Enterprise in managing project by carefully learning their linkage.

#### 1.4.2. Specific Objectives

1. To know the strategic management process that are used in Hope Enterprise.
2. To understand the links between Strategic management and project management in Hope Enterprise.
3. To know the processes used in Hope Enterprise to link strategic management and project management.

### 1.5. Significance of the Study

The Study will provide the reader, an understanding on the link project management and strategic management have in managing project in NGOs. It will show the steps that are taken to have a successful outcome. They study will also help academically, it will assist academicians and scholars interested in issues relating to strategic planning and its relationship to NGO's project management, especially in Ethiopia.

## 1.6. Scope of the study

To make the study more achievable and more effective, the researcher delimited the study geographically in Addis Ababa where Hope Enterprise is located and was the only case study chosen with the time restriction and project completeness considered.

## 1.7. Organization of the Study

The first chapter of the paper discussed the introduction; followed by the literature review section. Then the third chapter is the methodology and the fourth chapter being the presentation, analysis and interpretation of data. Finally, the fifth chapter talks about the conclusions and any suggestions given for further research doings.

## CHAPTER TWO

### Literature Review

#### 2.1. Project definitions

Project is defined by different scholars having similar meaning, according to Kerzner (2009), a project can be considered to be any series of activities and tasks that have a specific objective to be completed within certain specifications, have defined start and end dates, have funding limits (if applicable), consume human and nonhuman resources (i.e., money, people, equipment), are multifunctional (i.e., cut across several functional lines). The other one is a definition from PMI (2013), a project is a temporary endeavor undertaken to create a unique product, service, or result.

Jebrin (2013), says a project is a unique venture with a beginning and end, conducted by people to meet established goals with parameters of cost, schedule and quality. A project is a set of people and other resources temporarily assembled to reach a specified objective, normally with a fixed budget and with a fixed time period. So, the project is an organized work towards a predefined goals or objectives like financial, social, economic goals, etc. That requires resources, efforts, time, budget, and performance specification designed to meet customers' needs. It is a unique and risky venture having budget, resources and schedule.

A project's activities can either take shorter or longer amount of time to complete. Completion of tasks depends on a number of factors such as the number of people working on the project, experience, skills, etc. Time is a crucial factor which is uncontrollable. On the other hand, failure to meet the deadlines in a project can create adverse effects. Most often, the main reason for organizations to fail in terms of time is due to lack of resources.

It is imperative for both the project manager and the organization to have an estimated cost when undertaking a project. Budgets will ensure that project is developed or implemented below a certain cost. Sometimes, project managers have to allocate additional resources in order to meet the deadlines with a penalty of additional project costs.

As project managers assess the resources, materials and equipment, and facilities requirements, time, cost, and quality are the big three items they must consider not only in the selection, but also

in the management of all resources throughout the project life cycle. This ensures a project is completed on schedule, on budget, and meeting the customer's expectations of quality. An important aspect of managing time, cost, and quality for project work activities is the interconnection of these three elements. Any change to one of these elements has an effect on one or both of the others, which introduces constraints the project manager must manage.

Many project managers are under the notion that 'high quality comes with high cost', which to some extent is true. By using low quality resources to accomplish project deadlines does not ensure success of the overall project.

Projects are similar to the structure of an operation; managers acquire resources to produce a deliverable where time, cost, and deliverable quality have to be managed to be successful. Project managers have the same responsibility as functional managers, but they are focused on a specific project to manage specific work activities for a single, unique deliverable. The exception with projects is that they are unique and typically performed only one time, so project managers have to go through all the tasks of designing and organizing a project structure that will only be conducted once and, therefore, have only one shot at effectively managing time, cost, and quality for one project deliverable.

## 2.2. Project Management

According to the Project Management Body of Knowledge (PMBOK) guide for project management, a project can create a product that can be either a component of another item or an end item in itself, a capability to perform service and a result such as an outcome or document. Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements. Project management is accomplished through processes comprising five process groups. Which are initiating, planning, executing, monitoring and controlling and closing. (PMBOK Guide 2013).

Kerzner (2009), states that project management is about planning, organizing, directing, and controlling of company resources for a relatively short-term objective that has been established to complete specific goals and objectives and is about achieving time, cost and quality targets, within

the context of overall strategic and tactical client requirements. Roberts and Wallace (2004), also state that project management is concerned with the life cycle of the project: planning and controlling the project from inception to completion. It is therefore about deciding the various success and failure criteria of a project and then organizing and running the project as a single entity so that all the success criteria are met.

Organizations hire professional project managers to oversee projects because project management tools and techniques are typically used to ensure projects are managed for success. In the world of project management, project managers are primarily focused on designing a system of management plans that address all the aspects required to manage the “big three”: time, cost, and quality. (Randal Wilson 2015).

Workineh (2016), in his paper affirms that Project management focuses on a project. Project management has relevance and applicability across most industries and it is unique in that it uses both international and industry-specific benchmarks. It has come a long way from its origins in engineering and construction (Workineh 2016). Now it is used for a wide range of applications and is one of the most highly valued management tools. It is a highly professional branch of management which is used in all areas of industry, commerce and government (Wallace 2004). Project management brings together and improves the resources necessary to successfully complete the project. These resources include the skills, talents, and cooperative efforts of a team of people; facilities, tools, and equipment; information, systems, and techniques; and money (Haynes 2002).

Project management Process consists of five major process groups which are intensively used in the project life cycle (Kerzner 2009). These are stated in the following paragraph.

Initiating processes is the first process which is used to define and authorizes the project scope, tools, templates, and processes to be used. Hence in the initiating and scoping the process group defines all of the tools, templates, and processes needed to answer two questions such Managing Client expectations and requirement, conducting Conditions of Satisfaction prototyping and so forth. Planning Processes is the next phase on the process in which defines and refines objectives, and plan the course of action required to attain the objectives and scope that the project was undertaken to address. Executing Processes is the subsequent process that used to integrates people and other resources to carry out the project management plan for the project). The Monitoring &

Controlling Processes which is following the executing process regularly measures and monitors progress to identify variances from the project management plan so that corrective action can be taken, when necessary, to meet project objectives and; The Closing Processes is the last phase that formalizes acceptance of the product, service, or result and brings the project or a project phase to an orderly end respectively.

### 2.3. Strategic Management

Strategic management can be defined as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. As this definition implies, strategic management focuses on integrating management, marketing, finance/accounting, production/operations, research and development, and information systems to achieve organizational success. (David 2011).

According to (Řehoř, Holátová, and Doležalová, 2014) the origin of strategic management is being connected with mid-eighties of the 20th century that are characterized by growing rate of competition, increasing pressure to innovate and rising orientation towards customers. At that time says the authors of the article the aim of the management was to find and realize strategy that would represent a competitive advantage. Similarly, they say organizations of non-profit sector started using principles of strategic management to a great extent. Strategic management in an organization should ensure that things do not occur randomly but according to defined long term aims set in advance and directed by visions of their owners. (P. Řehoř et al 2014).

The strategic management of the organization is both a process and a way of thinking about specific elements of an organization such as stakeholders, short-term/long-term perspectives, organizational goals/objectives, and the delineation between effectiveness and efficiency. (Fairholm and Card 2009). David (1993) suggested that the strategic management process consists of three stages:

**Strategy formulation:** Developing a mission statement, identifying external opportunities and threats, determining internal strengths and weaknesses, establishing long-term objectives, formulating alternative strategies, and selecting particular strategies to pursue.

***Strategy implementation:*** Establishing annual program objectives, devising policies, motivating employees, and allocating resources to ensure the successful execution of formulated strategies; developing a strategy-supportive culture, creating an effective organizational structure, preparing budgets, and developing and utilizing information management systems.

***Strategy evaluation:*** Reviewing external and internal factors that are the bases for current strategies; measuring program performance; and taking corrective actions.

According to Randal Wilson (2015), Organizations will structure their operations based on strategic objectives and through acquisitions and management of resources. They will conduct daily work activities to produce products that will accomplish goals consistent with their strategic objectives. To be effective in structuring the organization and in acquiring and managing resources to perform daily activities, the project manager requires a management structure to design, organize, and manage resources to accomplish daily objectives. Management will be most concerned about the type of resources that will be selected—the cost of resources, materials, equipment, and facilities as well as the time to set up the operation and conduct daily work activity.

Establishing an operation is typically an enormous amount of work. Further, once completed, management has the task of overseeing all resources to conduct daily work activities to manage three primary concerns: the cost incurred to conduct the operation and produce daily deliverables or products, the amount of time it takes to produce products, and the overall quality of the products when completed.

Strategic planning has been explained by various writers and scholars in different ways. Drucker (1954) contends that strategic planning is management by plans, an analytical process and is focused in making optimal strategic decisions. Other writers like Ansoff, have expanded on Drucker's definition. As cited on Julian, 2013; Ansoff (1970) conceptualizes strategic planning as the process of seeking a better match between a firm's products or technology and its increasingly turbulent markets. Sharing his view, Hofer and Schendel (1978) define strategic planning as an evolution of managerial response to environmental change in a focus moving from internal structure and production efficiency, to the integration of strategy and structure and production innovation, multinational expansion and diversification. Wendy (1997) explained strategic planning as the process of developing and maintaining consistency between the organization's objectives and resources and its changing opportunities.

Steiner (1979) defines strategic planning as the systematic and more or less formalized effort of a company to establish basic company purposes, objectives, policies and strategies. It involves the development of detailed plans to implement policies and strategies to achieve objectives and basic company purposes. On the same note, Bateman and Zeithml (1993) view planning as a conscious, systematic process during which decisions are made about the goals and activities that an individual, group, work unit or organization will pursue in the future. It provides individuals and work units a map to follow in their future activities. Hax and Majluf (1996) by supporting their argument explain strategic planning as a disciplined and well-defined organizational effort aimed at the complete specification of a firm's strategy and the assignment of responsibilities for execution.

From these diverse views expressed above, strategic planning in its general and basic understanding can be said to be a process of selecting organizational goals and strategies, determining the necessary programs to achieve specific objectives en-route to the goals, and establishing the methods necessary to ensure that the policies and programs are implemented. The concept of planning emerged out of the development effort and experiences of third world countries when they adopted planning as the major instrument in pursuit of their economic and social development. Based on these common perspectives mentioned above, a general understanding of strategic planning can be viewed as process of defining organizational targets, vision, mission and deciding upon strategies that have to be executed to achieve these targets.

One of the expert on Strategic planning, John M. Bryson, says strategic planning is designed to help public and non-profit organizations (and communities) respond effectively to their new situations. It is a disciplined effort to produce a fundamental decisions and actions shaping the nature and direction of an organization's (or other entity's) activities within legal bounds (Bryson, 1988).

## 2.4. Strategic Planning Process

Wendy (1997) explains that strategic planning process comprises of three main elements which helps turn organizations vision or mission into concrete achievable. These are the strategic analysis, strategic choice and strategic implementation. The strategic analysis encompasses setting the organization's direction in terms of vision, mission and goals. Therefore, this entails articulating the company's strategic intent and directing efforts towards understanding the business environment. Strategic choice stage involves generating, evaluating and selecting the most appropriate strategy. Strategy implementation stage consists of putting in place the relevant policies and formulating frameworks that will aid in translating chosen strategies into actionable forms.

Bryson by going further, on his book, he divides the above three in to ten process steps that must be followed to explain what does strategic planning look like (Bryson 2004). These Strategic processes are:

### 2.4.1. Initiate and Agree on A Strategic Planning Process

Step one in the strategic planning process is to determine if the organization is ready to approach strategic planning, and then to lay groundwork for the process (Lake 2011). In this initial step, one person or group presents the idea of strategic planning, and key decision makers are identified and surveyed to consider the level of support for the process. The purpose of the first step is to negotiate agreement among key internal (and perhaps external) decision makers or opinion leaders about the overall strategic planning effort and the key planning steps. The support and the commitment of key decision makers are vital if strategic planning in an organization is to succeed. Further, the involvement of key decision makers outside the organization is usually crucial to the success of public and nonprofit programs when implementation will involve multiple parties and organizations (Nutt and Backoff, 1996; Eden and Ackermann, 1998; Light, 1998; Rainey and Steinbauer, 1999; Huxham, 2003).

#### 2.4.2. Identify Organizational Mandates

The formal and informal mandates placed on the organization consist of the various “musts” it confronts—that is, the various requirements, restrictions, expectations, pressures, and constraints it faces. Step two involves clarification of why the organization exists. As the basic foundation of the strategic planning process, at this step the planners examine what the expectations are for the organization both from internal and external stakeholders. This is also the point at which planners can consider what mandates may have become obsolete, or what perceived mandates that have been answered to over time may not actually be real expectations of the organization anymore (Lake 2011).

#### 2.4.3. Clarify Organizational Mission and Values

An organization’s mission, in together with its mandates, provides the organization’s most important justification for its existence. Identifying the mission or purpose of the organization does more than justify the organization’s existence. A clear purpose can rule out a great deal of unnecessary conflict in an organization and can channel discussion and activity productively (Nutt 2002). Bryson states that agreement on purpose also defines the grounds within which the organization will collaborate or compete and, at least in broad outline, charts the future course of the organization (Bryson 2004).

Lake (2011) state that in this step, planners identify stakeholders and why they have a stake in the organization’s mission and values. At this step, stakeholders are identified as those having any claim on or relationship to the organization. They exist as both internal and external individuals or groups and can be intimately connected, such as the CEO or primary client, or can be tangentially associated, such as the local city council or other association. At this stage, planners may also prioritize stakeholders in terms of the organization’s mission, which is clarified, refined, and redrafted based upon those things which the organization and its constituents value (Bryson & Alston, 2005).

#### 2.4.4. Assess the External and Internal Environments

Step four in the process is the final foundational step (Lake 2011). It involves conducting an analysis of strengths, weaknesses, opportunities and challenges or threats (SWOT). Since NGOs work in changing and turbulent environments, it is crucially necessary for these organizations to analyze their working environments (Mohammed and Maria 2014). The planning team should explore the environment outside the organization to identify the opportunities and challenges (threats) the organization faces. It should explore the environment inside the organization to identify strengths and weaknesses (Bryson 2004). Basically, external factors are those not under the organization's control, and internal factors are those that are.

The NGOs can succeed by responding effectively to their political, economic, social and technological conditions. This can be done through conducting PEST analysis (Mohammed and Maria, 2014). The authors state that, citing (Sahley 1995) conducting an environmental scanning is an important component to prepare for the strategic planning. This component enables the NGOs to get a clear picture of the communities and stakeholders needs. (Fowler 2000) wrote that the output of this process must be the determination of the opportunities, threats, strengths and weaknesses which is known as the SWOT analysis.

#### 2.4.5. Identify the Strategic Issues Facing the Organization

Strategic issues are fundamental policy questions or critical challenges affecting the organization's mandates, mission and values, product or service level and mix, clients, users or payers, cost, financing, structure, processes, and management (Byson 2004). Strategic issues are specific policies, procedures, or alterations that have a direct and strong impact on one or more aspects of the organization such as mandates, mission, stakeholders, finances, services, products, operations, or processes. Determining what strategic issues exist, either as challenges which need to be addressed or opportunities that can be seized upon, is the heart of the strategic planning process (Lake 2011). Finding the best way to frame these issues typically requires considerable wisdom and dialogue, informed by a deep understanding of organizational operations, stakeholder interests, and external demands and possibilities (Bryson 2004).

#### 2.4.6. Formulate Strategies to Manage the Issues

Step six is where the goals are set for dealing with strategic issues. Planners devise a timeline for achieving those goals, make concrete action steps for reaching the goals, and determine the resources necessary to do so (Lake 2011).

There are numerous approaches to strategy development (Mintzberg, Ahlstrand and Lampel, 1998; Bryson, 2004). But for this particular paper we are going to see only the two that are mentioned in Bryson book. The first is a five-part, fairly speedy process based on the work of the Institute of Cultural Affairs (Spencer 1989). The second, a mapping process, can be used when the planning team needs or desires to articulate the relationships among multiple options so as to show how they fit together as part of a pattern.

The first part of the five-part process begins with identification of practical alternatives and of dreams or visions for resolving the strategic issues. Each option should be phrased in action terms: that is, it should begin with an imperative, such as *do, get, buy, achieve*, and so forth. Next, the planning team should enumerate the barriers to achieving those alternatives, dreams, or visions. Once the alternatives, dreams, and visions and the barriers to their realization are listed, the team develops major proposals for achieving these alternatives, dreams, and visions, either indirectly or directly. After major proposals are submitted, two final tasks remain in this five-part process. Actions that must be taken over the next two to three years to implement the major proposals must be identified. And a detailed work program for the next six to twelve months must be spelled out to implement the actions.

The second method of developing strategies is based on the strategic options development and analysis (SODA) method, developed by Colin Eden and Fran Ackermann (Eden and Ackermann 1998). This method involves listing multiple options for addressing each strategic issue, once again phrasing each option in imperative, action terms. The options are then linked by arrows indicating which options cause or influence the achievement of other options. Each option may be part of more than one chain. The result is a *map* of action to- outcome (cause and effect, means-to-an-end) relationships; those options toward the end of a chain of arrows are possible goals or perhaps even mission statements.

#### 2.4.7. Review and Adopt the Strategies or Strategic Plan

It is when the document is shared with various stakeholders for review (Lake 2011). Once stakeholders have provided their feedback, the document is edited to ensure there will be adequate support for its contents. In order to secure passage of any strategy or plan, the planning team must continue to pay attention to the goals, concerns, and interests of all key internal and external stakeholders (Borins 2000) as cited on (Bryson 2004). And the process of sharing the document with stakeholders may occur repeatedly until some sort of consensus is reached, or until a board of directors is satisfied that it will be reasonably accepted.

#### 2.4.8. Establish an Effective Organizational Vision

In this step, the organization develops a description of what it should look like once it has successfully implemented its strategies and achieved its full potential (Bryson 2004). The development of an organizational vision that defines what the organization will look like when the plan is fully implemented.

#### 2.4.9. Develop an Effective Implementation Process

Step nine is implementation of the plan. Just creating a strategic plan is not enough. The changes called for by the adopted strategies must be incorporated throughout the system for these strategies to be brought to life and for real value to be created for the organization and its stakeholders (Bryson 2004).

#### 2.4.10. Reassess the Strategies and the Strategic Planning Process

Step ten is a reassessment of the entire strategic planning process. The organization examines how effective the plan was in design and implementation, and assesses how the strategic planning process worked (Lake 2011). It provides the organization with a clear view of when it should embark on its next strategic planning process, and how it should proceed when it does so. (Bryson

2004) says the strategic planning process also should be examined, its strengths and weaknesses noted, and modifications suggested to improve the next round of strategic planning. Effectiveness in this step depends on effective organizational learning, which means taking a hard look at what is really happening and being open to new information.

## 2.5. Strategic Management Model

There is no 'correct' way of drawing up a strategic management plan. There are only many models and approaches stemming from experiences gained by various types of organizations. Although they are all similar, they do differ in certain aspects (Jordan 2013). There are different strategic planning models mentioned by different experts in the area of the study. Even though there are many models the top 3 models that used by the major scholars of the study are ASNOFF Model designed by Igor Ansoff, Porter's Five Forces Model developed by Michael E. Porter and SWOT Analysis. But for lone the reason of the study paper we are going to see the last strategic management model; SWOT Analysis only.

### 2.5.1. SWOT Analysis Model

SWOT analysis is one of the strategic planning models that identify factors that may affect desired future outcomes of the organization. The SWOT model is by its nature analysis the organization's internal (strengths and weaknesses), and external (threats and opportunities) of the environment, and consequentially identifying the company's characteristic competencies and input success factors. These, in company with reflection of societal and organizations values, lead to creation, evaluation, and choice of strategy. SWOT's objective is to recommend strategies that ensure the best alignment between the external environment and internal situation (Andrews 1980, Christensen et al., 1982 in Mintzberg, p. 36-37; Hax & Majluf, 1996, p.27).

SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis is a valuable, proven, effective tool to use in the discovery and evaluation stage of strategic planning. It is an audit of the organization and the environment around the company. The SWOT analysis is most productive when it involves the input of a cross section of key managers in the process. Since SWOT analysis is an exercise dependent on judgment, the input from multiple sources provides an opportunity to

assure all of the points of view and important issues are considered. Thinking of and using the SWOT analysis as a team sport, in contrast to an individual sport, will add value while expanding the horizon of the SWOT “thinking” exercise (Dix and Mathews 2002).

They state that Involving multiple people in the process expands the strategic thinking. It also improves the opportunity to gain new perspective on the relative effectiveness of the company. Bringing people into the SWOT process from both inside and outside of the company leverages the analysis even further.

## 2.6. Strategic Management and Project Management

Aligning projects of an organization to its strategic objectives takes a highly-coordinated effort. (Dinsmore and Cooke-Davies 2006) they state that it requires more than the old "grenade over the wall" approach, in which the business planning staff identifies and characterizes the project and then tosses it to an uninformed and uninvolved project management group that is supposed to complete the project. Yet, the need to link strategic planning to projects is sometimes overlooked, perhaps because of fine past performance by both planning people and project management people he added.

In most companies, hundreds of projects are underway at any given time—transformation projects, continuous improvement programs, plant expansions, maintenance fix-ups, worker empowerment, resizing, outsourcing, and quality-of-life projects. Since projects are the means by which corporate strategies are executed, it is critical that they be guided by the original corporate philosophy, strategy, and intent. Project charters are the instrument for doing this. This charter, with the participation and approval of upper management, should answer the basic question, "In what ways will the project enhance overall corporate objectives?" The charter should also cover such topics as objectives, relationships of stakeholders, methodologies, project management philosophy, scope statement, principal interfaces, and a brief project management plan.

To avoid the grenade-over-the-wall-syndrome, there needs to be early involvement by project implementation people. While this principle may seem sound, the practice of it presents a challenge. First, planning people may prefer to plan without the help of perceived "outsiders." Then, there's a good likelihood that the right project people might not be sitting about just waiting to brainstorm and analyze the early stages of a business proposal. Finally, there's the effort required

by senior management and sponsors to articulate the relationship between the planning people and the project management office.

Maintenance events, programmed into the lives of a project, are a way to keep the project aligned with corporate interests. One classic method is the two-day project management audit. This audit typically compares on-site practice against the project management plan, which is the road map for project implementation. If the audit is expanded to include the project charter and senior management sponsorship issues, this will ensure that questions of strategic project alignment are addressed. The audit can also be used to pinpoint the need for strategic adjustment, if some of the original premises have changed as the project evolved.

## 2.7. Strategic Management in NGOs

For NGOs, a Strategic Planning is essential (Ramanathan 1982). Griggs (2003) admitted that strategic planning led to improved organizational performance in either for profit or non-profit organizations. This is due to its ability to align the behaviors of any organization with its future desires and also to the fact that the rules guiding strategies, tools, and strategic planning theories apply similarly to both types of organizations.

Strategic planning allows non-profit organizations to better understand their external environment then formulate strategic plans aimed at effective performance (Moxley 2004). Moxley argued that non-profit organizations used mission-based strategic planning to communicate their purpose to various stakeholders' groups. This improves their legitimacy and secures stakeholder's support which is important for mission achievement.

In the non-profit sector, strategy is regarded as a series of principal activities carried out by an organization, culminating in the fulfillment of its objectives and missions. A strategic plan can therefore be compared to a map, which helps an organization to get from one place to another (Jordan 2013). It is a written document that analyses the current situation and spells out the organization's visions – future alternatives for development – whilst also outlining the milestones that must be achieved and the strategic decisions that must be made to enable the organization to continue fulfilling its mission in the future. In this context, the mission clarifies why, what, and

how things are done in the organization; it spells out its main approaches and values. It is what the organization dedicates its resources, time, and talent to.

According Kushi (2017), A strategic plan is not only important for promotion but also worthwhile for organizational development of NGOs. Primarily, strategic planning is important for the following reasons:

An effective strategic plan helps in building up the main initiative behind a NGO. It clearly states the mission and vision of the organization and gives an overall direction to its way-forward. Kushi (2017) says best decisions are taken when NGOs have a strategic plan in hand. At any given instance, members can refer to the vision and define its further course of action. Therefore, a complete plan act as a useful guide all throughout the organizational journey.

Through a strategy plan, NGOs can have good idea and understanding about its strengths and capacities, weaknesses and problems as well as resources. A SWOT (strength, weakness, opportunity, threats) analysis shall enable the organization to analyze their strengths and build upon opportunity. In this process, they can also determine their core competency.

By means of strategic planning, NGOs shall know what all it needs to do in order to accomplish its set targets. They can execute their duties and functions in accordance to their strategic planning. This shall make its activities more organized and well planned. Proper and well efficient management of time, money and human resource becomes easier through strategic plans.

NGOs can manage their investment and resources, define a budget for a specific time period and proficiently utilize its funds. The NGOs members can share responsibility and be accountable for specific work. This will also enhance organizational management and better utility of human resource.

NGOs can have both short-term and long-term objectives and can conveniently work towards achieving its goals. Strategic planning also helps in updating for addressing changes within the environment. When it becomes a part of organizational culture, people become more disciplined, things run smoothly without any flaws and NGOs witness better performance.

Strategic planning results in increased energy which arises from removing conflicts and disorders from important matters. A strategic plan helps people to focus more on the important affairs and

matters of the NGOs and give less attention to the insignificant projects and initiatives. It also informs them about the specific areas that demand attention at a specific period of time. At times, it guides them to shift their focus from one project to another, in order to aim for a bigger picture. Hence, there is increased capacity and efficiency.

With good decision and proper administration, come highly productive results. NGOs can have innovative solutions and better thought-process while working on any initiative or during any course of action. NGOs can enjoy good competitive advantage by following their strategies. They can develop good image and reputation and gain market recognition. Furthermore, they can create their own identity and secure a good position in the marketplace. Finally, by channeling their activities, NGOs are sure to enhance their success and achievements and look into further prospects in the long run.

Strategic planning involves senior team members and the board members of your organization. The board members are primarily responsible for the entire process of planning and it completely depends on them whether to involve multiple stakeholders or not. It however is a good practice to engage different people in the planning process, so as to provide better insights into the planning document and to legitimize it (Kushi 2017; James 2013).

To make the strategic plan practical and realistic Kushi (2017) explains that it is essential that the entire process is made participatory by involving all relevant stakeholders including both internal and external stakeholders. Very often strategic planning also involves various NGO stakeholders which includes donors, target beneficiaries, staff members, strategic thinkers (consultants) etc.

It is a good idea to engage NGO partners either directly or indirectly in the planning phase by sending an email to the identified partners and request them to provide a feedback within some deadline. This feedback can be integrated in the planning document.

Another important group of people who should be involved in the planning are office staff. There are high chances that the senior team members and the board are not well versed with the actual ground realities, it is thus important to engage few staff members who can provide insights about the on-field challenges (James, 2013).

## CHAPTER THREE

### Research Methodology

#### 3.1. Research Approach

Kothari (2004) says there are two basic approaches to research, quantitative approach and the qualitative approach. Qualitative approach to research is concerned with subjective assessment of attitudes, opinions and behaviour. Quantitative research is used to answer questions about relationships among measured variables with the purpose of explaining, predicting, and controlling phenomena” (Leedy and Ormrod 2001) as cited in (Kothari 2004).

Saunders, Lewis and Thornhill (2000) categorize research approach as exploratory, descriptive and causal (explanatory). Exploratory research approach is a research approach which has a primary objective to insight into and understanding of the problem situation tackling the research and descriptive research approach as a type of research that has a purpose to describe something. If a researcher is concerned with learning of why (i.e. how one variable produces changes in another) the research is said to be explanatory.

The researcher of this study will use a descriptive qualitative approach in order to achieve its research objectives.

#### 3.2. Research Design

Research designs are plans and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis (Cresswell 2009). Case studies place more emphasis on a full contextual analysis of fewer events or condition, and their interrelations (Cooper & Schindler 2006). Case studies provide focused and valuable insights to phenomena that may otherwise be vaguely known or understood (Mugenda and Mugenda 1999).

This study will be conducted as a case study of Hope Enterprise. An intense and comprehensive study will be conducted on the strategic planning practices in the organization in relation to its project management. The chief benefit of a case study is that an entire organization can be investigated in depth and with careful attention to facts. This focus enabled the researcher to cautiously study the order of events as they occurred or to concentrate on identifying the relationships among functions, individuals or entities (Robison 2003).

### 3.3. Population and Sample

Sampling enables the researcher to study a relatively small number of units in place of the target population, and to obtain data that are representative of the whole target population (Sarandakos 1997). The sampling design that is proposed to be employed for this study is a non-probability sampling. A non-probability sampling provides with an information-rich case study in which it enables to explore the research question and gain theoretical insight (Saunders, Lewis & Thornhil 2009).

The sampling type that was applied for this study is purposive sampling. According to Creswell (2009), under purposive sampling respondents are chosen based on their convenience and availability. Thus, for this study samples were selected who are convenient to the issue of the study. The sample of the study were selected from individuals concerned with the strategic planning and project management activity for the organization through purposive sampling. The major project stakeholders who actively participated throughout the project management and strategic planning are the very population of the study. Hence, in this study data will be collected from management staff, senior staff in Human Resource, Finance, Policy and Program and operations departments.

### 3.4. Data Sources and Types

Primary data was collected from the main case study place (Hope Enterprise). And an intensive interview was used for the purpose of collecting the primary data.

### 3.5. Data Collection Procedures

Primary data sources' that are going to be exploited in this study will be obtained through interactive interviews. Structured interview and in-depth interviews will be the two types of interviews that is going to be used in study by the researcher. In structured interviews, emphasis was on obtaining answers to carefully phrased questions whereas under in-depth interviews, the interviewers sought to encourage free and open responses, and this allowed a trade-off between comprehensive coverage of topics and in-depth exploration of a more limited set of questions.

### 3.6. Data Analysis

Data analysis is the whole process, which starts immediately after data collection and ends at the point of interpretation and processing data (Kothari, 2004). Because of the reason that the data that will be collected is a qualitative one the study will be analyzed using a qualitative content analysis. Qualitative content analysis explores the meanings underlying physical messages. Through content analysis, responses from different respondents were compared and summarized according to the objectives of the study. Content analysis was a tool for measuring the content of information. Its objective was to obtain a qualitative description of the manifest content of communication (Robison, 2003).

### 3.7. Ethical Consideration

Permission to carry out such type of research will be asked to Hope Enterprise employees and Managers that are going to be in the research and access to any data needed will be carried out under the consent of the parties that will be included in the research. Also, personal information collected for this research purpose will not be transferred to a third party under any circumstances and will be kept strictly confidential.

## CHAPTER FOUR

### DATA ANALYSIS

#### 4.1. Introduction

This chapter presents data analysis, results and discussions. The study's objective was to determine how strategic management has assisted Hope Enterprise in managing their Projects and programs. Primary data was collected through in-depth interviews of senior staffs from senior staffs in department of each project like Basic Needs department, Education department, TVET department, Monitor and Evaluation office, Project Coordinating office, Board Directors, and Branch Managers. The interviewees that participated in the research are selected intentionally using a purposive sampling technique because of the long-term work experience of NGOs projects and also at Hope Enterprise. Then the data was thereafter analyzed based on the objective of the study is presented below after that discussion on the findings are set.

#### 4.2. Strategic Management Planning Process that are used in Hope Enterprise

The study in this section asked the respondents to indicate the strategic Management planning process that are used in Hope Enterprise also in the sub sections the respondents answer what kind of strategic choices made in relation to project management in Hope Enterprise, how the stakeholders participate in process of strategy planning, how the tools and techniques used in developing strategies, and how is lesson learned.

Hope Enterprise choice after they identify the strategic issues then they selected priority areas. Later this priority area will be break down to projects and programs that Hope Enterprise employee execute respective of their area.

In the strategic plan that Hope Enterprise had between 2016-2020 they have identified that over ten strategic issues which then they turned it in to six priority area (Basic Necessities, Education,

Community Enhancement Projects, Sustainability, Human Resource Development, and Organization Wide and Cross-Cutting Issues).

Whereas in the strategic plan they had in the previously years, 2007- 2011, Hope Enterprise had four strategic directions where their main priorities were.

The First strategic was “The Ladders of HOPE”: where Hope's mission of "Providing hope for the needy through holistic human development" has been the guiding motto for the organization for the last three and half decades. To achieve this objective Hope developed a strategy called Ladders of Hope. The strategy revolves around the provision of Basic Needs, Education, Competence, Sufficiency, Preparing Leadership (HUC) and Value Maturity. Consultation with a number of internal and external stakeholders confirms that the strategy remains viable. Nevertheless, Hope, to deliver its services effectively, competitively and in an innovative manner has opted to expand the ladders strategy over the coming period in order to assist more people and therefore increase its contribution to the development of Ethiopia.

The second was “Capacity Building and Strengthening Networks of Civil Society”: To be successful, an organization must be both efficient and effective. A firm is efficient when it makes the best possible use of people, money, the physical plant and technology. It is effective when goals are met and sustain the organizations competitive advantage. An organization with excellent goals could fail by being inefficient, meaning that the company hired the wrong people, lost key contributors, relied on outdated technology and made poor investment on its employees.

The third strategy priority area was “Research and Advocacy on poverty reduction”: Advocacy includes campaigning, lobbying and development education. The terms campaigning, lobbying and development education have different connotations. Development education relates to awareness building without referring to any particular action. Campaigning usually puts emphasis on publicity and efforts to actively mobilize public opinion to build political pressure around certain issues.

The last strategic choice was “Human Resource, Organizational and Institutional Development of Hope Enterprises”: the main objective is to create develop and maintain an effective workforce that can make a difference in the realization of the vision of the organization and to help employee develop new talents and skills to translate work into vital services. This could be attained though

HR planning, acquiring appropriate staff, result based performance management staff development and succession plan, reward management, staff care and wellbeing, maintaining good employee relations, getting HR polices in place and electronically document the HR information.

The study in this section asked the respondents to indicate the tools and techniques used in developing strategies for operations. All of the respondents indicated that Stakeholders and staff consultations workshops, existing reports, peer reviews and analysis; planning and budget process each year or quarterly.

#### 4.2.1. Stakeholder Participation in Strategy Management in Hope Enterprise

The interviewees replied regarding stakeholder participation that in Hope they identified two sets of stakeholders from their stakeholder matrix analysis which consisting information about the area of cooperation and benefits drawn from stakeholders on one side and the expectations on the other hand. **Primary Stakeholders:** The Community, The Management (General Assembly, Board of Directors, Executive Director), The Staff, and the donors. **Secondary Stakeholders:** Which includes The Government, The Private Sector, and Other NGOs.

So, these listed stakeholders participate when their period of participation is needed. For example, the Local Government office, according to the interviewees, work closely with project officer especially providing school land for the construction of the schools. The Woreda Education Bureau provide books and supervision service to the project area. But according to some interviewees not all stakeholders participate in the strategic planning. They replied to the interview that if the stakeholders do not participate in the strategic planning process it will affect the projects that are going to be formed from the strategic plan.

#### 4.2.2. Types of data and distribution processes incorporated in planning activities

When asked about the types of data and distribution processes incorporated in planning activities, majority of the respondents observed that Hope Enterprise incorporated a clear and compelling vision, strategic goals and priorities, strategy implementation plan to steer direction, planned

changes with simplicity of idea, content and form to avoid overload. On distribution processes, most of the respondents cited that Hope Enterprise become accustomed to methods that include communication to staff and stakeholders; consultation and consensus building; getting everyone involved. Staffs' of Hope Enterprise understand strategic priorities, implications; areas of focus, how strategies are effected; regular communications on direction, budget, impact of the strategies and the organization's capacity to manage change and perform in the future.

#### 4.2.3. Other strategies and processes adopted

Hope Enterprise practices multiple systems and had adopted a number of strategies to develop its project managements. Most of the interviewees articulated that quality program aims to improve Hope's approaches and quality of its work in order to achieve its mission. They, interviewees, replied that quality program is ensured through different methods. Like, Development of performance plans, contract management, monitoring and evaluation, peer reviews, annual planning, mid strategy reviews, field/ project visits, and impact assessment and shared learning, monitoring and evaluation and field/project visits are the fundamental strategies used by Hope Enterprise to have a good project management. Majority of the respondents further cited that monitoring and evaluation track change in given situations, systems and assess project progress and impact. Hope Enterprise uses monitoring and evaluation to identify what is working well or otherwise; as management tool to inform decision-making, re-plan and to demonstrate accountability. Monitoring continuously tracks performance against what was planned by analyzing data on the indicators established. It provides information on whether progress is being made towards achieving results (outputs, purpose, and goals) through regular reporting systems. It also identifies success areas and gaps.

Project Management data generated from monitoring enhances learning from experience and improves decision-making. The respondents indicated that monitoring system determines whether the organization was achieving what it intends to achieve or failed to achieve and why, how its achieving intended or unintended results or if not why; whether the organization has used appropriate strategies that address issues of poverty. Further, monitoring and evaluation determined whether the organization was using the methods it planned to use or not and why; the obstacles/gaps in the implementation of programs, learning from the achievements, challenges or

missed opportunities. What else needs to be done to achieve goals and other factors or contributors to what has been achieved.

Most of the interviewees agreed that evaluation of the first strategic plan is not done periodically and in a proper manner but in-depth analysis of program/project performance and assessment of changes that have occurred have been done periodically. Hope monitors inputs, outputs and outcomes. Inputs are means mobilized for conduct of program/project activities and delivering strategies, i.e., financial, human, material, physical and technical resources. Activities focus on actions in the context of programming. Outputs are tangible products (including services) of a program or project and relate to results from completion of activities.

All of the interviewees cited that monthly, quarterly, and annual descriptive and financial reports were produced and discussions look on areas of variance against the plans with reference to finance and resourcing allocation. Project level expenditure analysis against budget projections, available funds as well fundraising projections and opportunities constitute performance management process. Donor reviews, reports, contract and grant management reports constitute key strategies to enhance good management of projects in Hope Enterprise.

#### 4.3. The links between Strategic Management and Project Management in Hope Enterprise

The study in this part sought to examine the link between strategic management and project management in Hope Enterprise. The scope of the study was for the period 2007 – 2017, during which Hope Enterprise developed and implemented two Strategy Plans.

The study asked the interviewees to indicate if the organization had vision and mission statements. They specify that Hope's vision is "a vibrant and thriving community capable of addressing challenges of its generation". While its Mission is "to promote holistic transformational human development aimed at improving the quality of life of the underprivileged". HOPE Enterprises exists for Ethiopia and envisions a country that is developed through assistance in moving from dependency towards self-sufficiency. HOPE believes in non-discriminatory practices, assisting people as need dictates. HOPE believes in individual and community development through educational opportunity. HOPE envisages Ethiopia to be a country where NGOs and governmental

bureaus at all levels can work more openly together in cooperation for the benefit of Ethiopia and all Ethiopians.

#### 4.3.1. Department involved in strategic related matters

The study further asked the interviewees to indicate how the department responsible for strategic related matters has been in charge of strategies related to Project Management. The study found out that in Hope Enterprise senior managers, Project Managers (Branch Managers), staffs of the organization, consultants and donors involve in the strategic related matters. Even though there was no actual team that was assigned to the strategy development process. senior managements staffs had a role of providing technical support to consultant and giving feedback too. The work regarding strategic planning has been done by the assistant of a consultant.

All the respondents expressed that the Monitoring and Evaluation unit conducts periodic reviews but no impact assessments were done. Monitoring and evaluations outcomes and reports are shared with staff and stakeholders to generate continuous program adjustments necessary to keep the strategy implementation on track.

#### 4.3.2. Strategic Management Planning practices

The study in this section asked the interviewees how different strategic management planning practices done in Hope Enterprise. From the study findings, majority of the interviewees cited that Hope Enterprise planning process is comprehensive, adaptable, efficient and realistically focused to the objectives. But some of the interviewees do not agree with some of the points.

One interviewee says that some of the plans are unrealistic that the project that is going to be derived from it does not have a source of fund or other income generation method. As an organization that have many programs, Hope Enterprise is expected to develop Strategy Paper taking into account the local context and the global priorities. Determining the future strategy of Hope Enterprise involves drawing from local and global processes to ensure strategy alignment and relevance. The process involves alignment to the global plans and priorities; national driven engagements through organized inputs by staff, stakeholders and making propositions. Having a technical support from experts, a review of the strategy for the period ended is not undertaken to

assess impact, lessons learned, review of the national context and implications for the various thematic areas.

Based on the review findings and outcomes, a plan to develop a new strategy is discussed in the senior management meeting. The meeting proposal on new strategy development process, those involved and the time frames is submitted and discussed by The Board of Hope Enterprise for approval. Most of the interviewees cited that the key source of information to drafting every new strategy in Hope is the environment. Even though an assessment of the past plans is not done for the future there is a close consultation with key stakeholders, partners, communities, the governments of Ethiopia, and the Board. Field visits and engagement with communities and partners are fundamental process of the environmental scanning. Focus groups discussion bring forth ideas and issues for the new strategy, develop convergences and consensus. As required, specific focused and shorter reviews are undertaken to fill eventual gaps. Stakeholder Survey bring out further analysis and inputs in the process

Lastly, most of the interviewees were of the opinion that the consolidated new draft strategy goes through extensive consultation allowing partners and donors to make inputs and comments on the draft. All staff consultation is taken on the draft of the strategy. Comments received are used to improve the draft and produce the final strategy. Comments are also circulated to ensure transparency and collective ownership. The final strategy is submitted to Hope Enterprise's Board for review, approval and strategy sign off.

On Strategy development process, majority of the interviewees cited that Hope's strategy development involve intensive participatory driven processes methodology. Consultation meeting with Hope Management and planning team collects and captures ideas, convergence, consensus and divergent views from stakeholders. Training workshop on the strategic planning and change management, conduction of SWOT analysis at Head Quarter and Branch offices level and review of documents (including previous strategic plan document, manuals and strategic multi-annual plans and reports).

According to the interviewees the work of Hope Enterprises with the needy of Ethiopia has been carried out through its strategy the 'Ladders of HOPE'. Over ten thousand of Ethiopia's destitute are assisted every year through its 200+ employees and an annual budget of one million US Dollars. Hope's work is entirely non-partisan, free of ethnic and gender bias.

Hope's mission of "Providing hope for the needy through holistic human development" has been a motto of the organization for the last 47 years. The provision of hope to anybody is a challenging task conjuring up with it not just anticipation of better life but also a responsibility to help the realization of the anticipation. Therefore, hope could not be a reality unless the very elements that bring it to realization are put in place and people are given the opportunity to walk through all steps needed. Hence, the realization of hope requires massive material, technical, cultural and spiritual inputs for the hopeless.

Thus, in order to cope with the fast-changing global environment, Hope had formulated and guided by a comprehensive five-year strategic plan (2007-2011). Hope translated its mission into five objectives called the ladders of hope and organized its structure and staff for the fulfillment of each and every one of them in an integrated fashion. The ladders have five steps (Basic need, Education, competence (vocational training), sufficiency and value maturity) with each precedent ladder feeding into the success of the subsequent ladder. Each Ladder has to be climbed until the chain opportunity, professional strength and spiritual maturity is achieved. In the end, all the ladders work themselves, into a well-developed individual who can think and act for one self and who has the confidence, knowledge, skills to be on his own. At the end of the strategic plan period an end term evaluation was conducted.

Based on the previous experience and its anticipated future, HOPE has formulated its next five years' strategic plan (2016-2020) and a consultancy company was selected to undertake the facilitation process.

HOPE operates in an open system; it continuously interacts with a number of actors, from NGOs and Government ministries to beneficiaries and CBOs. Staff change, leaders change but the mission of the organization remains the same and as such a strategic plan is imperative, ensuring that personnel change does not change the organization mission or its work.

HOPE Enterprises understands however that while it needs to outline and plan future developments; it first needs to consolidate existing projects and programs by investing in the quality of its services and organizational capacity. Replication is an important part of organizational growth for HOPE, but again, it can only be embarked upon, after consolidation has taken place.

The SWOT analysis program was utilized as a means to outline strategy needs: a number of management staff and teachers were brought together to brainstorm and discuss Strengths, Weaknesses, Opportunities and Threats. According to the interviewees this analysis allowed the organization to identify the organization's capacity, skills and project/program delivery. A review of opportunities and threats has assisted in appraising the social, economic and political environment in which HOPE operates.

#### 4.3.3. How Strategic Planning Improved Management of Projects in Hope Enterprise

The study further asked the respondents to indicate how strategic planning had improved management of project or the project management system of Hope Enterprise. From the finding, all the respondents argued that strategic management have made a big impact on project management. In Hope Enterprise, Project are created or formed from the priority areas that are put on the respondents called "The Mother Document" or the strategic plan. The scope of the projects is determined in accordance with what is set in Mother Document. This make the project to be focused on certain project only. And the Monitoring and Evaluation is goes as planned too.

As mentioned earlier in the paper Hope Enterprise have six priority areas on the strategic plan of 2016-2020. These plans have been divided in to projects and programs as follows.

The first priority area of the strategic planning is **Basic Necessities**; it has four major components: Family Based Child Care (FBCC), Feeding Center (FC), Street Children Breakfast Program (SCBFP), and School Feeding Program (SFP). All these components are executed in their respective areas of project the Hope Enterprise have. The next priority area is **Education**, it has seven components: Formal Education, Community Based Education Support, Functional Adult Literacy (FAL), Technical and Vocational Education and Training (TVET), Job and Business Service (JBS), Self-Employment, and Linkage of Hope High School with Hope College. The third is **Community Enhancement** where Water, Sanitation and Health Program (WASH), Self-help program and Village Enterprise Program is done. The four **Sustainability** aspires to generate and cover a significant portion of its expenditure from potentially profitable businesses in the coming

years in selected areas. **Human Resource Development (HRD)** focused on developing and maintaining an effective workforce that can make a difference in the realization of the vision of the organization and helping employees develop new talents and skills to translate work into a dynamic service, is the fifth priority area. The Last priority area is **Organizational Wide and Cross-Cutting Issues** has four components: Gender Mainstreaming, ICT Development, Public Relations, Networking and Communication, and Psycho-Social and Spiritual for families and communities.

The interviewees pointed out that the fact that this Priority areas divided into such projects parts made the management of projects programed and easy to monitor and evaluate. Beside that the make it easy to look for funds.

#### 4.4. The processes used to link strategic planning and project management in Hope Enterprise

The study in this section asked the interviewees to indicate whether there was a process of identifying mission and objectives in their organization. And the findings are, all of the respondents indicated that the mission of Hope Enterprise had been the same since its establishment in 1970; the objectives were identified through coordinated participatory process.

##### 4.4.1. Environmental scanning process / external analysis in Hope Enterprise

The respondents were also asked to describe the process of environmental scanning and external analysis in Hope Enterprise. From the findings of the study, all of the respondents cited that environmental scanning/ external analysis was done through consultation, by doing PEST analysis. Which means the places where Hope Enterprise does it projects/programs will be determined after knowing the analysis of the social-political economy, technology of Ethiopia, analysis of poverty and power relations. The respondents mentioned that the government of Ethiopia is well aware of the challenges the country faces and has, with the assistance of international organizations, compiled a number of strategy documents outlining the necessary changes for development in five year plans to alleviate poverty. The PASDEP (Plan for Accelerated and Sustained Development to End Poverty) and SDRPR (Sustainable Development and Poverty Reduction Program) outline

plans for development, focusing not on one specific area but on all areas, understanding that development is entirely interlinked and no one strategy can be worked on without recourse to the others.

Although the sheer quantity of poor in Ethiopia is quite overwhelming, the opportunity for HOPE to extend its work, either through expansion of project base or through replication in partnership with other organizations working in the areas is increased by these figures and facts. Should HOPE choose to expand its operations it could do so either through location or through project area. Although the existence of such large numbers of poor within a country can never be seen as a good thing in terms of the development of individuals, communities or the country as a whole, it does mean that there is much work that HOPE can do that will augment the situation for thousands of years to come.

The government does not yet have neither the capital nor the ability to effectively channel resources to the local level in its fight against poverty despite this, HOPE Enterprises has a good relationship with all levels of government in Ethiopia, from kebele to ministerial level; HOPE is one of the few NGOs that is well respected by governmental institutions and HOPE is also a leading actor within the NGO community in Ethiopia, actively working on improving coordination and cooperation between NGOs and on advocacy to the government.

#### 4.4.2. How strategy formulation is conducted

In this section, the study sought to establish how strategy formulation was conducted in Hope Enterprise. From the findings, the respondents indicated that strategies are informed by aligning the organization strategy with donors' strategy, national context and analysis. How Hope Enterprise works, act and its distinctive approach are particularly shaped by its moto called 'Ladders of HOPE' where the underprivileged of Ethiopians has been carried out through its strategy.

To make the five-year strategy attain alignment with the project management, the strategy is translated into practical/thematic strategies, annual plans, monthly plans and budgets as well individual performance plans. This process ensures integration between organization, functional,

thematic and individual project management. It also verifies the strong linkage between strategic planning and project management. According to the respondents the staff at all levels with the support and mandate of the top management act in a coherent approach across geographies and functions to implement strategies. The subsequent strategic approaches are further used by Hope Enterprise in implementing strategies:

**Taking sides with underprivileged people:** specifically, to the most marginalized of Ethiopian society; the financially destitute, the sick and disabled, girls, orphans, female-headed-households, homes with many dependents, victims of drought or famine forced to migrate to the city to survive, HIV/AIDS carriers and orphans, street-living people and anyone else who is forced to rely on outside agencies for assistance with basic survival from won't of access to basic services.

**Partnerships and Alliances:** Hope Enterprise work in partnerships and alliances with local government officers, Donors, local people and families and other CSOs. From grassroots to national level, such collaboration is fundamental to its approach and enables Hope to maximize its contribution towards organizational vision and mission as well as government and donors goal in helping the underprivileged. Local people and families and the local government officers, for example, by collaborating with the project officer at the area implement many of the field programs, using their deep knowledge of local conditions, customs and politics that the organization cannot match.

Hope Enterprise is involved in advocacy for better policies for NGOs and Civil Society Organizations and for their implementation across the country. Although these services are not of direct assistance to the needy, they build and strengthen the capacity, look after and assist their people more productively.

**Critical Engagement:** The extent of Hope's work is far reaching, encompassing a number of regions, projects, elements and thousands of people. Services range from the most basic: provision of food, clothing, basic medical services and family stipends (to keep children in school), to education- both formal: kindergarten to grade ten and from 2008G.C. onwards, undergraduate degrees, and informal: Alternative Basic Education for street-children and home-workers as well as Vocational training and apprenticeship schemes.

In addition to the above Hope also provides basic support to destitute families with children in government schools in order for children not to be removed from school when there is no money at hand. Job search and micro, small and medium-term enterprise (MSME) creation are also carried out by Hope, understanding, as it does, the importance of ensuring graduates are able to support themselves adequately prior to withdrawing assistance. One of the services offered by Hope is emergency rehabilitation for those suffering due to drought, famine and war. Assistance here is given in the form of seeds and livestock as a one-off donation. On these regards, Hope has rescued many droughts affected farmers from displacement, suffering and even death.

Benefit from Hope schools and other interventions is not only derived by those children enrolled in school or receiving assistance but also their immediate families and communities. An educated child is a benefit to all, including its descendants. Kebele committees play a vital role in selecting those children who would most benefit from Hope assistance, assessing family income, size and number of dependents/workers in a family, orphan status, the physical capacity of parents, living conditions and accessibility to basic supplies. Outside of the core target groups, Hope also provides food and emergency support to the very poor on the streets in areas in which the organization is active, for example the homeless of Addis Ababa come in droves on a daily basis to receive a nourishing meal every day.

#### 4.4.3. How Hope Enterprise undertake evaluation and Monitoring of planned strategies and project management

In this section, the study sought to establish how Hope Enterprise undertook evaluation and monitoring of planned strategies and project management. The respondents pointed out that this is done through different ways hence the main objective of it that to ensure that the organization is on track and performing as planned, maximize learning and take correction action. Evaluation and Monitoring is a critical instrument for Hope Enterprise replied the interviewees because it ensures that lessons are learned in terms of what works and what did not in the delivery of mandate, provides an evidence based inputs for the future and supports the needs of Hope Enterprise to be accountable for and demonstrate the results of its strategic plan to the donor, government and the community at large.

Regarding the monitoring system, the respondents answered that the Hope Enterprise carry out three levels of monitoring:

**Implementation Monitoring:** refers to answer the question “was the plan target accomplished?” this will determine if the plan or project activities are implemented as designed and in compliance with the objectives set.

**Effective Monitoring:** did the plan work? This determine if the plan are effective in meeting the management goals and the needs constituents.

**Validation Monitoring;** is the guidance proper? Here an appraisal is made if the initial data and assumption used in formulating the plain were correct or if there are other better ways to meet the planning regulations.

By doing the above each staff is required to gather information on a regular basis on the above monitoring issues and others consolidating them on monthly basis and submit to the next higher level. Also, each department and unit is expected to summarize quarterly management due to the executive director’s officer. In addition, field supervisions and monthly staff meetings are other management tool for monitoring process. And Hope Enterprise management will be responsible for coordinating the preparation of an annual monitoring and review report.

While the respondents’ answers about the Evaluation system they mention that the management of Hope Enterprise will review and commission an independent evaluation at mid-term and at the end of the planning period to determine whether the conditions have changed significantly. It includes an analysis of the information and data collection during the monitoring phase which accordingly, a review and evaluation of the result of monitoring will be conducted annually and summarized in an annual report. Here also Hope have three-level of evaluation:

**Interim Evaluation:** is used to assess the progress made during the first three years. It is conducted to measure the appropriateness of goals/objectives, progress towards target set, effectiveness and efficiency of strategies, analysis of the major challenges that have affected the plan and potential outcomes in relation to relevant Hope Enterprise and government policies.

**End Term Evaluation:** will investigate were the plan properly designed to meet the anticipated needs, how effective was the monitoring system, how variations from the plan, design affected the

potential for desired results occurred? How did policies and procedures affect plan implementation and so on.

**Ex-post Evaluation:** assists to measure sustainability and transition indicators.

In the last the study in this section sought to find out recommendations from interviewees on ways to strengthen the relationship between strategic planning and project management in the Hope Enterprise. From the some of the interviewees recommended that while planning strategically source of fund must be see so that projects won't fail or postponed because of lack of budget. Other suggested that in order to strength the relationship between strategic planning and project management there must be a proper data flow chart where it shows who is responsible for what, must be clear so that while executing the projects employees of the organization could complete every project as planned. The other recommendation mentioned by all the interviewees is that Project Constraints Like Cost, Time, Scope and Quality have effect on the strategic planning so Hope must look ways to solve the problem. For example, looking for more funds for the project might help execute the project and the strategic planning.

#### 4.5. Discussion of Findings

According to the findings Hope Enterprise have a Strategic Plan. In fact, between the year 2007 to 2017 they had one strategic plan that is set and implemented from 2007 to 2011 and another that started on 2016 which is going to end on 2020. The organization knows the importance of Strategic management in an NGO to manage projects and that is why they have one. And this agrees with Ramanathan, (1982) concept that strategic planning is essential for NGOs. And Moxley (2004), that non-profit organizations used mission-based strategic planning to communicate their purpose to various stakeholders' groups which improves their legitimacy and secures stakeholder's support which is important for mission achievement.

The other finding was the strategic management process in Hope Enterprise. Strategic management process in Hope Enterprise involves stakeholders, staffs and beneficiaries. And is done after the proper SWOT and PEST analysis is performed. The vision and mission statements were set and strategic issues were raised before it was decided on the strategic plan. Then this strategic plan is

changed to project and program so that it can be implemented. This agrees with Wendy (1997) that strategic planning process comprises of three main elements which helps turn organizations vision or mission into concrete achievable.

These are the strategic analysis, strategic choice and strategic implementation. Where the strategic analysis encompasses setting the organization's direction in terms of vision, mission and goals. Strategic choice stage involves generating, evaluating and selecting the most appropriate strategy. Strategy implementation stage consists of putting in place the relevant policies and formulating frameworks that will aid in translating chosen strategies into actionable projects and programs.

When we see the strategic analysis, Hope has set its vision as “a vibrant and thriving community capable of addressing challenges of its generation”. While its Mission is “to promote holistic transformational human development aimed at improving the quality of life of the underprivileged”. Regarding strategic choice, Hope Enterprise in its two strategic plans have selected that strategic after they identify the strategic issues then they selected priority areas. strategies are informed by aligning the organization strategy with donors' strategy, national context and analysis. How Hope Enterprise works, act and its distinctive approach are particularly shaped by its moto called ‘Ladders of HOPE’ where the underprivileged of Ethiopians has been carried out through its strategy. Later this priority area will be break down to projects and programs that Hope Enterprise employee execute respective of their area which takes us to the strategic implementation.

In the process, the study found out that in Hope Enterprise senior managers, Project Managers (Branch Managers), staffs of the organization, consultants and donors involve in the strategic related matters. Even though there was no actual team that was assigned to the strategy development process. senior managements staffs had a role of providing technical support to consultant and giving feedback too.

The study found out that Hope enterprise conduct some kind of SWOT and PEST analysis which agrees with Mohammed and Maria (2014), they say it is crucially necessary for NGOs to analyze their working environments. The NGOs can succeed by responding effectively to their political, economic, social and technological conditions. Conducting an environmental scanning is an important component to prepare for the strategic planning. This component enables the NGOs to get a clear picture of the communities and stakeholders needs.

The study found out that the link between Strategic Management and Project Management is on the fact the strategic management is a 'Mother documents' that can show the organization what to do, when to do and how to it. While Projects are the ways those strategic plans are going to be implemented. Hence, the link between the strategic planning and project management in Hope Enterprise lays on that fact that they have a strategic management plan and projects are driven from those plans to keep the organization success.

In Hope Enterprise projects are driven from the strategic management document where their management is done for the success of the plan and the projects. This agrees with Dinsmore and Cooke-Davies, (2006), projects are the means by which corporate strategies are executed, it is critical that they be guided by the original organization philosophy, strategy, and intent. Projects are the instrument for doing this. This Project, with the participation and approval of upper management, should answer the basic question, "In what ways will the project enhance overall organization objectives?". Development of performance plans, contract management, monitoring and evaluation, peer reviews, annual planning, mid strategy reviews, field/ project visits, and impact assessment and shared learning, monitoring and evaluation and field/project visits are the fundamental strategic plans used by Hope Enterprise to have a good project management which show their link with each other.

The study also found out that the Monitoring and Evaluation unit which is came to effect on the second strategic plan of the organizations conducts periodic reviews including impact assessments Before that it used to be conducted by department heads. This is done though different ways hence the main objective of it that to ensure that the organization is on track and performing as planned, maximize learning and take correction action. Outcomes and reports from the process are shared with staff and stakeholders with a view of generating continuous program adjustments necessary to keep the strategy implementation on track. The Impact and Shared Learning provides support to a variety of learning processes, creating and distributing monitoring reports, and guiding Reviews of Reflections.

The new process for program monitoring and evaluation remains an important asset in the future of Hope Enterprise. Evaluation and Monitoring is a critical instrument for Hope Enterprise replied the interviewees because it ensures that lessons are learned in terms of what works and what did not in the delivery of mandate, provides an evidence based inputs for the future and supports the

needs of Hope Enterprise to be accountable for and demonstrate the results of its strategic plan to the donor, government and the community at large. This agrees with Robinson and Pearce (1983) who found out that in firms the formality of the planning process and the strategic decision process used were not matching. The concerns include; assessing risk through environmental scanning; formulating goals and targets to be achieved in the competitive environment; selecting distinctive competences in order to gain a competitive advantage; determining authority relationships among the firm's departments; deploying financial physical resources to carry out firm strategies; and monitoring and controlling implementation.

The study found out that Hope Enterprise adopt methods that include consistent communication; consultation and the judicious use of consultants and facilitators to support the process. Distribution is through key strategy messages that are compelling and focus staff and partners re-integration of core business, values and culture. These findings agree with Berry (1994) defines strategic management as a management process that combines four basic features; a clear statement of the organization's mission; the identification of the agency's external constituencies or stakeholders, and the description of the agency's strategic goals and objectives, typically in a 3-5 years plan; and the development of strategies to achieve them.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATION

#### 5.1. Introduction

This chapter summarizes the findings of the study as analyzed in chapter four. It also includes conclusions and recommendations.

#### 5.2. Summary of Findings

According to the findings Hope Enterprise have a Strategic Plan. In fact, between the year 2007 to 2017 they had one strategic plan that is set and implemented from 2007 to 2011 and another that started on 2016 which is going to end on 2020. The organization knows the importance of Strategic planning in an NGO to manage programs and projects.

The study found out that Hope Enterprise's vision is "a vibrant and thriving community capable of addressing challenges of its generation". While its Mission is "to promote holistic transformational human development aimed at improving the quality of life of the underprivileged".

HOPE Enterprises exists for Ethiopia and envisions a country that is developed through assistance in moving from dependency towards self-sufficiency. Hope Enterprise believes in non-discriminatory practices, assisting people as need dictates. Hope believes in individual and community development through educational opportunity. The organization envisages Ethiopia to be a country where NGOs and governmental bureaus at all levels can work more openly together in cooperation for the benefit of Ethiopia and all Ethiopians.

The study also found out that there is no department that oversees and demonstrated overall management of the organization strategy over period. In Hope Enterprise senior managers, Project Managers(Branch Managers), staffs of the organization, consultants and donors involve in the strategic related matters. Even though there was no actual team that was assigned to the strategy development process. senior managements staffs had a role of providing technical support to consultant and giving feedback too.

The work regarding strategic planning has been done by an employee of the organization plus a consultant. They just started a separate Monitor and Evaluation that see all the project in the organization. The Monitoring and Evaluation unit conducts periodic reviews including impact assessments. Outcomes and reports from the process are shared with staff and stakeholders with a view of generating continuous program adjustments necessary to keep the strategy implementation on track.

The other finding was the strategic planning process in Hope Enterprise. Strategic planning process in Hope Enterprise involves stakeholders, staffs and beneficiaries. And is done after SWOT and PEST analysis is performed. The vision and mission statements were set and strategic issues were raised before it was decided on the strategic plan. Then this strategic plan is changed to project and program so that it can be implemented.

The study also found out that the Monitoring and Evaluation unit which is came to effect on the second strategic plan of the organizations conducts periodic reviews including impact assessments Before that it used to be conducted by department heads. This is done though different ways hence the main objective of it that to ensure that the organization is on track and performing as planned, maximize learning and take correction action. Outcomes and reports from the process are shared with staff and stakeholders with a view of generating continuous program adjustments necessary to keep the strategy implementation on track. The Impact and Shared Learning provides support to a variety of learning processes, creating and distributing monitoring reports, and guiding Reviews of Reflections.

The study found out that the link between Strategic Planning and Project Management is on the fact the strategic management plans are documents that can show the organization what to do, when to do and how to it. While Projects are the ways those strategic plans are going to be implemented. Hence, the link between the strategic planning and project management in Hope Enterprise lays on that fact that they have a strategic management plan and projects are driven from those plans to keep the organization success.

### 5.3. Conclusion

Hope Enterprise is a Non – Governmental Organization that operate in Ethiopia for over 45 years. And during this year of service they provide service for the communities around seven places in Ethiopia. In the long-term commitment of work, they have found out that in order to have a success for the organization and on their project that the needed a strategic that can shape all the works they do. It is on 2007 they first introduce Strategic Management to the organization which is planned for five years until 2011.

Hope Enterprise’s strategy reaffirms Hope Enterprise’s commitment to fight and ultimately eradicate poverty and injustice. The strategies set direction, guide actions of staff and partners, articulates clear and ambitious priorities. It also sets out a clear framework for its work to be accountable, both to the underprivileged and excluded people with whom Hope Enterprise works with and to its supporters and funders. Shaping the future strategy of Hope Enterprise involves drawing from local and global processes to ensure alignment and relevance; making reference to the plans and priorities, national driven engagements while building on a holistic transformational human development aimed at improving the quality of life of the underprivileged.

Hope Enterprise use strategy planning systems and has adopted a number of strategies to improve its Project management. The empirical findings and analysis conducted in Hope Enterprise shows that strategic management and project management are linked and have a connection. The significant correlation between different strategic management steps and management of projects, measured by using management perception of the linkage among strategic planning and project management was found in the relationship between the formality of strategic planning, management of projects, employee and stakeholder’s participation in strategic planning.

The comparative analysis conducted in this study with the purpose of establishing the relationship between Strategic Management and Project Management in Hope Enterprise and indicating the practices in NGO sector and probable reason as a fundamental driver to organization performance to the best of the author’s knowledge. The case of Hope Enterprise is good analysis and an instructive case demonstrated as a bridgehead on the relationship between the strategic management process and Project Management. This is explained by appropriate and intensive usage of the strategic management tools. The high level of engagement with stakeholders, the

management, the Board and employee participation in the strategic planning processes which leads to improvement of the strategic planning effectiveness, ownership, accountability and implementation of strategies and projects.

In regard of stakeholder participation, the study found a gap in Hope Enterprise on the formulation of strategic planning. Strategic planning should be led by awareness creation communication to those who will be affected by its implementation. This statement indicates that strategic management incorporates socio-political and technical. Hence, its design requires the will and consent of the society in general and the primary stakeholders in particular and secondary stakeholders.

Despite the fact that Hope Enterprise have clearly state out their respective organizational values including vision, mission, goals, values and objectives, all stakeholders were not communicated while initiating the formulation of strategic planning. This might have affected the plan not to have participatory attributes which is a key development value in the Project management.

#### 5.4. Implications for Hope Enterprise

- In order to link strategic management and project management the involvement of stakeholders is very vital because at the end of the day the project that are going to be executed need the involvement of the stakeholders so it is a wise way to include all the stakeholders in the process of strategic planning. And this done by doing a participatory SWOT and PEST analysis in all parts of the project area. Doing that will lead to the involvement of all the stakeholders.
- Hope Enterprise had only two strategic plans with in the past 45+ years of service. It is the recommendation of the researcher that Hope must continue to use strategic plan. It is show that between the two plans there was a gap of 5years that there was no strategic plan. But in order to link the project management and strategic plan there should not be a gap between strategic plans. It is recommended that before one end the plan to do the other must start. This will lead to a continuous strategic management system.
- As mentioned by the interviewees it is also the recommendation of the researcher that in order to strength the relationship between strategic management and project management there must be a proper data flow chart where it shows who is responsible for what, must be

clear so that while executing the projects employees of the organization could complete every project as planned. For this using a clear Data Flow Chart will make the problem go away.

- The researcher recommend that Hope Enterprise must look in to Project Constraints; Cost, Time, Scope and Quality because they have effect on the strategic planning. For example, looking for more source fund that is already exist help the project get secured on the cost constraint issues.
- The success of Strategic Planning is dependent on continued monitoring and evaluation of the projects and also the strategic plan too.

### 5.5. Limitation of the Study

As a limitation, many things can be raised. The research faced a limitation regarding time. Time given for this research is 3 months only while MA research papers are required to be done with in one full academic year. The other thing was that the fact the research are is new adding the time limitation made it hard to accomplish as expected.

### 5.6. Further Research Area

Every research is a start moving from the known to the unknown. Hence, future researchers are recommended to investigate other aspects of strategic planning and Project Management in general and the impacts of strategic planning on project management.

## References

- Ackermann, F., Eden, C., and Brown, I (2004), *The Practice of Making Strategy*. London: Sage.
- Alan Fowler, ed., (2013), *The Virtuous Spiral: A Guide to Sustainability for NGO's in International Development*.
- Alan Walter Steris, (2003), *Strategic Management for Public Nonprofit Organizations*.
- Ali Hadi Jebrin, 2013, *Integration between Project Management and Strategic Approach Theoretical*. *International Journal of Advances in Management and Economics*. Nov.-Dec., Vol.2, Issue 6, 145-153.
- Amman Jordan, (2013), *Strategic Planning for NGOs. Partners for Democratic Change Slovakia (PDCS)*.
- Anthony S. Lake, (2011), *Strategic Planning in Nonprofits: An Analysis and Case Study Application*, *International Journal of Business and Social Science*, Vol. 2 No. 5, Centre for Promoting Ideas, USA.
- Bekele Ketema, (2015), *The Contributions of Strategic Planning to Organizational Performance: The Case of Sululta Town Administration*. Department of Public Administration and Development Management College of Business and Economics. Addis Ababa University
- Berry, F. S. (1994). *Innovation in public management: the adoption of strategic planning*. *Public Administration Review*, 54(4), 322-330.
- C.R. Kothari, (2004), *Research Methodology, Methods and Techniques*. New Age International (P) Ltd., Publishers.
- David C. Korten, (1987), *Third Generation NGO Strategies: A Key to People-centered Development*. *World Development*, Vol. 15, Supplement. pp. 145-159. Pergamon Journals Ltd.

- David Lewis, (2003), *Theorizing the Organization and Management of Non-Governmental Development Organizations: Towards a composite approach*. Vol. 5 Issue 3. Pp. 325–344 *Public Management Review*.
- Drucker, P. F. (1993), *Managing in turbulent times*. London: Routledge.
- Elissa D. Giffords and Richard P. Dina, (2004), *Strategic Planning in Nonprofit Organizations: Continuous Quality Performance Improvement – A Case Study*. *International Journal of Organization Theory and Behavior*, 6(4), pp. 66-80.
- Fred R. David, (1993), *Strategic Management*. New York: Macmillan Publishing Company, pp. 5–6.
- Fred R. David, (2011), *Strategic Management: Concepts and Cases*. 13<sup>th</sup> ed. Pearson Education, Inc.
- Griggs, H. E. (2003). *Corporatization of the not-for-profit sector: Strategic planning and organizational performance in disability-based organizations*. *International Journal of Disability, Development and Education*, 50(2), 197-220.
- Hofer, C. W. and Schendel, D. (1978), *Strategy formulation: analytical concepts*. St. Paul, MN: West Publishing Company.
- Huxham, C. (2003), *Theorizing Collaboration Practice*. *Public Management Review*, 401–423.
- John F. Dix and H. Lee “Buck” Mathews, (January 2002). *Business Development Index, Ltd. and The Ohio State University Columbus, Ohio*.
- John M. Bryson, (2004), *Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement*. 3<sup>rd</sup> Ed. John Wiley & Sons, Inc.
- John W. Creswell, (2009), *RESEARCH DESIGN Qualitative, Quantitative, and Mixed Methods Approaches*.

- Kerzner, H. (2009), *Project Management, A Systems Approach to Planning, Scheduling, and Controlling*, 10th ed. John Wiley & Sons, Inc.
- Khushi, (2017), *Strategic Planning for NGOs: A Guide to Understand the Basics of Strategic Planning*. Oriental Women Organization (OWO).
- M. Fairholm and M. Card, (2009), “Perspectives of strategic thinking: From controlling chaos to embracing it”, *Journal of Management and Organization*, vol. 15 (1), pp. 17-30.
- Marczyk, G., DeMatteo, D. & Festinger D., (2005), *Essentials of Research Design and Methodology*. 1st ed., John Wiley & Sons, Inc., Hoboken, New Jersey.
- Mohammed Abo Ramadan and Maria Cristina Pilo, (2014), *Investigating the Impact of Strategic Planning on Access to Funding Performance in Non-Governmental Organizations*. *The International Journal of Business & management* (ISSN 2321 – 8916).
- Moxley, D. P. (2004). Factors influencing the successful use of vision-based strategy planning by nonprofit human service organizations. *International Journal of Organization Theory and Behavior*, 7(1), 107-132.
- Mugenda, O. M and Mugenda, A.G (2008). *Research methods*, Nairobi: Nairobi Press.
- Nutt, P. C., (2002), *Why Decisions Fail*. San Francisco: Berrett-Koehler.
- Ongonge Julian, (2013), *Relationship Between Strategic Planning and Organization’s Performance in Non-Governmental Organizations (NGOs): A Case of ActionAid, Kenya*. Research Project, University of Nairobi.
- P. Řehoř, D. Holátová, and V. Doležalová, (2014), *Strategic Management Methods in Non-profit Making Organization*. *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering* Vol:8, No:9, World Academy of Science, Engineering and Technology.
- Paul C. Dinsmore and Terence J. Cooke-Davies, (2006), *The Right Projects Done Right: From Business Strategy, to Successful Project Implementation*. The Jossey-Bass Business & Management Series. John Wiley & Sons, Inc.

- Philip Sadler, (2003), Strategic Management. Kogan Page Limited.
- Project management institute (PMI). (2013). A guide to the project management body of knowledge (PMBOK® Guide) Fifth Edition. Newtown Square, Pennsylvania 19073-3299 USA.
- Rainey, H. G., and Steinbauer, P. (1999), “Galloping Elephants: Developing Elements of a Theory of Effective Government Organizations.” *Journal of Public Administration Research and Theory*, 9(1), 1–32.
- Ramanathan, K. V. (1982). *Management control in nonprofit organizations*. New York: John Wiley and Sons.
- Randall L. Englund and Robert J. Graham, (1999), *From Experience: Linking Projects to Strategy*. the *Journal of Product Innovation Management*, an international publication of the Product Development & Management Association, Elsevier Science Inc.
- Rick James, (2013), *How to do Strategic Planning: A Guide for Small and Diaspora NGOs*. Common Ground Initiative. Peer Learning Programme.
- Roberts, A. and Wallace, W. (2004), *Project Management*, Pearson Education Limited.
- Robinson, D. T. (2003). Strategic alliances and the boundaries of the firm. *Review of Financial Studies*, 21(2), 649-681.
- Sarandakos, S., (1997), *Social Research*, Macmillan Education Pty Ltd, Melbourne.
- Saunders, MNK., Lewis, P. & Thornhill, A., (2000), *Research Methods for Business Students*, 6th ed., Pearson Education Ltd, Chicago.
- Thomas L. Wheelen and David Hunger, (2012), *Strategic Management and Business Policy Toward Global Sustainability*. Pearson Education, Inc.
- Wagner, R.J, (2006), *Conversation on planning: Investigating the relationship between strategies, actions and performance*.

# **APPENDIX**

## INTERVIEW GUIDE

My name is Beruk Ayalew. I am a graduate student from Addis Ababa University, Project Management Program. Currently, I am conducting a research titled “**The Practice in the Link between Strategic Planning with Project Management in Non-Governmental Organizations.**” as a partial fulfillment senior essay required for Master of Art Degree.

Hence, the researcher would like to express his deepest gratitude for your cooperation in answering for the following interview questions. The very purpose of this research is to assess the practices of strategic planning and project management by targeting to review the strategic policies, there level of implementation and importance in a Project Management. This being said, it should be noted that the research mainly depends on the accuracy of your answer. Lastly, the researcher would like to assure you that the data being collected from you will be presented anonymously and kept under strict confidentiality.

### SECTION A: Strategic planning and project management link in Non-Governmental Organizations

- a. Does Hope Enterprise have vision and mission statements?
- b. How has the department responsible for strategic related matters been in charge of strategies related to organization performance?
- c. How are the following strategic planning practices done by Hope Enterprise in accomplishing the project management goals: Setting the Strategic direction, designing quality service system in strategic planning, Stakeholders satisfaction, Operating efficiency, Clarifying Future Direction and Establishing Priorities, Assessing and sustaining organizational competence and impact?
- d. What other strategies and processes are adopted by your organization to enhance its project management?
- e. Recommend the various ways to strengthen the relationship between strategic planning and project management in your organization

### SECTION B: Different strategic planning steps related to project management

- a. Describe the process of identifying mission and objectives in your organization?
- b. Describe the process of environmental scanning/ external analysis in your organization?
- c. How is strategy formulation conducted in your organization?
- d. Describe the process of implementation of strategy?

- e. How does your organization undertake evaluation and control of strategies?

#### SECTION C: Different strategy choice in relation to project management

- a. Which processes do you use in strategic planning formulation?
- b. How is planning done? And how are the staff and stakeholders get involve?
- c. Describe the process of setting objectives in your organization?
- d. What tools and techniques do you use develop strategies for operations?
- e. What types of information and dissemination processes are incorporated in the planning activities?
- f. How has strategic planning improved the management of projects in Hope Enterprise?

#### SECTION D: Issue of Project Management

- a. Identify and explain achievements made, challenges faced and opportunities created as a result of Strategic Plan Implementation in relation to project management?
- b. What are the project constraint in Hope Enterprise?
- c. Does this Project constraint affect the Strategic planning of Hope Enterprise?
- d. How does Hope Enterprise relate the Project with the Strategic plan?