

**IMPACT OF STRATEGIC MANAGEMENT PROCESS ON PRIVATE SECTORS
MARKETING FUNCTIONALITY OF KAMPALA INTERNATIONAL UNIVERSITY
(KIU), KAMPALA UGANDA**

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ABSTRACT

This study set out to examine the impact of strategic management process on marketing functionality of private sectors case study Kampala International University (KIU), Kampala Uganda. It was carried out along a number of objectives which included: To examine the relationship between environmental scanning on marketing functionality of private sector, to establish the relationship between strategy formulation on marketing functionality of private sector, to access the relationship between strategy Implementation on marketing functionality of private sector, to determine the relationship between strategy Evaluation on marketing functionality of private sector, A case Study of Kampala International University in Kampala Uganda. The study covered on the Statement of the problem and employed a qualitative research approach that involves non-interactive research design that involves investigations of events through analysis of documents to understand the past events, and analyzed the data that was collected from secondary sources using objectives under the investigated study. The study concluded as per the objectives from data analysis. The study recommended that Strategic management should develop effective marketing strategies to attract students into the universities. This is important because low levels of enrollment were found to be a major factor affected by some strategic management process of KIU. There is also need to develop the means by which the universities can attract alternative sources of funding in order to reduce dependency on fees which was found to be unpredictable.

Keywords: Strategic Management Process, Private Sectors, Marketing Functionality & Kampala

1.1 Background to the Study

There is an increasing global interdependence for economies, market governments and organizations that make it imperative for the organizations to implement competitive strategies. An important part of the external environment is identify organization strength, weakness, opportunities and threats. A global strategy seeks to meet the needs of customer worldwide with the highest value at the lowest cost. Differentiation is the only way to maintain economic or market superiority over the competitors. Organizations must own a thing that differentiates it from competitors.

Internal strengths and weaknesses should be associated with the organization cultures which are sometimes overlooked because of the inner functional nature of the phenomenon. The strategist must understand the organizational culture. Organizations should have adequate resources. The strategic decisions have to be made to eliminate some causes of action to allocate organization resources. Diversification, acquisition, product development and market penetration are what some large organizations focus on as strategies.

Planning is a bridge between the present and the future that increase the likelihood to achieve desired results. Planning enables organizations to achieve and detail how to achieve desired objectives. Most organizations have no choice but to continue to develop new and improved products because of changing consumer's needs. Strategic Implementation allows organizations to examine the expected results to various actions and approaches. The best implemented strategies become obsolete as an organizations internal and external environment Change. (Mintzberg, 1987).

Strategy evaluation should be done on a continuing basis because periodic basis allow benchmarks of progress to be established and more effectively monitored. This stage helps the organizations have the ability to adapt successfully to changing circumstances (Agnew Brown, 1982). Each organization should have a contingency plan that can be put into effect in certain key events that do occur as expected.

National perspective

The Ugandan government commitments to support growth of the private sector is exhibited in the Private sector is exhibited in the prioritization of the policies targeting improvement of the business climate and in the alignment of national resources to the proposals for the policy reform suggested by the business community of Uganda. The efficiency have been undertaken in revenue collection to improve administrative efficiency

and increase compliance level through the Uganda Revenue Authority (URA).

Uganda economic strengths should go beyond focus on macroeconomic stability. There is also need to pay attention to the law, regulations, systems and institutional arrangements that are more instrumental in shaping an economy's performance. An improved dialogue between government and the private sector should be done to build the business environment of the private sector. Focusing on increasing avenues for domestic revenue collection to minimize resource gaps created by low foreign investment flows and reduced donor funds is critical in ensuring self-sustenance and avoiding the cost for external and avoiding the cost for external borrowing.

The Uganda National Development Plan (UNDP) make the private sector anticipate the plan and have an applicable micro economic policies and structures backed by timely strategy implementation of planned actions in orders to realize results. There is need to have political assent to the international fight against corruption to enable Uganda effectively control and eventually eliminate this problem. The private sector in Uganda is a key player in the East African Community EAC regional integration process yet it is to be assessed on its economy position to optimally benefit from common market.

The background of the Ugandans private sector through the Apex body, PSFU continue to propose critical interventions through this policy documents that will position businesses better for competition both in the region through sustainable investments, job creation and income generation.

1.2 Theoretical perspective

This study is based on the principles of scientific strategic management, which basically consists of the works of Friedrich Taylor, and the organisation theory comprising of the works of Henri Fayol on administration (Mullins, 1994). Friedrich Taylor started the era of modern strategic management in the late nineteenth and early twentieth centuries. Taylor consistently sought to overthrow strategic management by rule of thumb and replace it with actual timed observations leading to the one best practice. He advocated for the systematic training of workers in the one best practice rather than allowing them personal discretion in their tasks. He further believed that the workload would be evenly distributed between the workers and strategic management with strategic management performing the science and instruction and the workers providing the labour, each group doing the work for which it was best suited.

On the other hand, Henri Fayal's administrative theory focuses on the personal

duties of strategic management at a much granular level. In other words, his work is more directed at the strategic management layer. Fayol believed that strategic management had five principle roles: to forecast and plan, to organize, to command, to co-ordinate, and to control. Forecasting and planning was the act of anticipating the future and acting accordingly. Organization was the development of the institution's actions and process running. Co-ordination was the alignment and harmonization of the group's efforts. Finally, control meant that the above activities were performed in accordance with appropriate rules and procedures.

For a long time in Uganda, Makerere University was the only university and was fully supported by the Government. Then, in late nineteen seventies and later nineteen religious founded universities such as Kampala International University supported by the Moslem world, Mukono Christian University supported by Church of Uganda and Nkozi University supported by Roman Catholics were established. Government has been expanding government-supported universities like Mbarara University of Science and Technology, Kyambogo University and Gulu University (National Council of Higher Education 2004).

The concept of strategic management was widely discussed by the human relations theorists Elton Mayo and Ruthlesberg, during the Horthone experiment in the 1980s. This means therefore that institutional strategic management practices are an integral part of the processes of organisational development in times of change. This view is supported by Glickman (1990) when he argued that in big institutions like universities; administrative work and teaching in different departments further sub-divide the workload to the various members of the department. On observing the changes that take place in university education in terms of students' needs and the desire for expansion, Brumbach (1988) comments that without controls, confusion and inefficiency are likely to emerge. He further stresses that without effective strategic management through employee control techniques, plans are bound to fail.

In private universities, strategic management practices such as financial strategic management, diversity strategic management practices, relationships strategic management, staffing processes, recruitment and selection have always been critical processes. They are the vital stages in the formation of the expectations that form employees' psychological contract with the university on which, with an emphasis on organization policies, employees choose to join the organization (Bratton 2000).

People have a choice about which organization they wish to work for. According to

Altbach (2005), there are many factors affecting private universities. They include; Quality assurance which is one of the central issues in higher education and KIU. Other factors include; transparency, limited financial support, poor strategic management, state involvement and programme duplication, poor physical facilities that affect staff innovativeness and staff welfare strategic management.

The quality of education provided in higher institutions will continue to depend on the quality of the student's enrolled, financial support, human resources quality, motivation, and the marketing functionality.

The National Council of Higher Education (NCHE) report on the universities visitation committee discovered that some of the universities especially Kampala International University being a corporate university owned by an individual was found mixing up strategic management and ownership issues. It also reported of the pending strike that would result from the increase of fees in universities like Uganda Christian University and Uganda Martyrs University.

All these challenges are related to strategic management and the control system in the university and unless the situation is reversed, KIU are not likely to fulfill the intentions contained in the higher education policy in Uganda. It is this contention that inspired the researcher to focus his study on the factors affecting the strategic management of KIU in Uganda.

Statement of the Problem

The ultimate aim of marketing is exchange of goods/ service from producers to consumers in a way that maximizes the satisfaction of customers' needs. Marketing functions start from identifying consumer's need and ending with satisfying consumer's needs.

Referring to our context of the study, market functionality involves market planning, exchange functions of buying and selling, pricing, service design (educational service) and development, advertising for services in order to attract customer's attention and keep them loyal , customer support, and most important market information and market research.

For effectiveness any marketing effort must make full use of the four Ps that compromise the marketing mix: product, price, place and promotion.

Losing customer to lower-priced competitors, an indicator of poor job of marketing to communicate the value of the service. Decline in amount of new faces, decline interest of customers as well signs of ineffective marketing.

The success of any marketing campaign can be endangered with the employment of low quality marketing and sales data. It can not only result in loss of potential customers to competitors but also disastrous decision making.

Issues that can arise due to bad market practicing

- Reduce qualified opportunities seeking for joining the business.
- High sales cost.
- Low margins.
- Reduce interest of customers

There are different various causes for ineffective marketing but the major ones are

- What we say doesn't reflect in what we do, that is promising what you cannot afford.
- Poor marketing plan, and no discipline to execute the plan.
- No clear responsibilities or accountability.
- Wrong people in place.

According to our context of the study we assume that strategic management process influences the marketing functionality.

For effective marketing we suggest the following approaches

- Create clarity around who you are trying to attract.
- Identify clearly what customer need, expectation.
- Implement and ongoing effective communication program to share valuable information with customer.
- Design marketing model to ensure that marketing connects drives and leverages your sales efforts.

- Replacing inexperienced and careless marketers with good, sensitive and helpful ones is a must.

1.3 Objectives of the Study

To establish the comparison of strategic management process and market functionality of the private sector, A case study of Kampala International University in Kampala, Uganda.

Specific Objectives

- i. To examine the relationship between environmental scanning on marketing functionality of Kampala International University in Kampala, Uganda.
- ii. To establish the relationship between strategy formulation on marketing functionality of private sector, A case study in Kampala International University in Kampala, Uganda.
- iii. To access the relationship between strategy Implementation on marketing functionality of private sector, A case study in Kampala International University in Kampala, Uganda.
- iv. To determine the relationship between strategy Evaluation on marketing functionality of private sector, A case Study in Kampala International University in Kampala Uganda.

1.2 Methodology

1.2.1 Research Design

This study used qualitative research approach. This approach involves non-interactive research design which involves investigations of events through analysis of documents to understand the past events. Authenticated documents are the major source of such data. Concept analysis was the major tool used to analyze the data as it is a study of educational concepts to estimate the impact of strategic management process on marketing functionality of private sectors.

1.2.2 Sources of Data Collection

The main source was the secondary data which include the following: reports, Internet surfing, reviewing of publications, public records, KIU bulletin, human resource and marketing department.

Data Analysis

Data analysis depends on nature of variables and objectives of the study

Research Objective one: To examine the relationship between environmental scanning on marketing functionality of private sector

Conway m, (2009) from thinking futures, he defined environmental scanning, as the art of systematically exploring and interpreting the external environment to better understand the nature of trends and the marketing functionality with its likely hood to impact the organization. Environmental scanning helps to provide a broad view of the external environment by giving an influence in the future of the college.

Research objective two and three: To establish the relationship between strategy formulation and implementation on marketing functionality of private sector

Strategy implementation is a connecting loop between formulation and control. Herbiniak (2006) argued that while strategy formulation is difficult, making strategy work and executing it is even more difficult. Similarly Cater and Pucko (2010) concluded that while 80% of firms have the right strategies, only 14% have managed to implement them well. To determine the relationship between strategy formulation and implementation, Eggloff (1963) investigated that its best for an organization to think of strategy implementation at the time for strategy formulation. Strategy formulation is primarily an intellectual and creative act involving analysis and synthesis on the marketing functionality. A successful marketing implementation is a key for any marketing prosperity of an organization as it enables the organization to gain a competitive advantage.

Research objective four: To determine the relationship between strategy Evaluation on marketing functionality of private sector

Strategy evaluation looks up to favorable results in the upcoming year and beyond that enables to generate more income revenues. This implies that the marketing functionality target of customers and making it more effective on how the sales staff are convincing in customers to get the services in the organization. The organization should look at the cost vs benefit on the cost incurred for the marketing and the likelihood to achieve positive results. These strategies are accompanied by tactical plans on the specific steps to implement the plans and the costs. In evaluating skilled personnel and the financial resources are added up to effectiveness.

When evaluating long-range impact, we should consider potential benefits not just sales results of the services and products. Growth opportunities build the strategy evaluation process to attain the best growth for the opportunities for the company and devise actions to take advantage of them. This includes adding services that makes the

customers comfortable. This helps the organization to rank the opportunities as per the greatest sales potentials.

3.3 Findings

From the findings of the study, a number of conclusions were drawn.

From the first objective of the study, it was concluded that there is a negative relationship between environmental scanning on marketing functionality of private sector. This was revealed by Conway m, (2009) from thinking futures that showed no significance and the analysis of the descriptive statistics. The study fully indicates that without a fully understanding of the internal and externally environment of KIU it is quite difficult for the marketing department to affect plans because students are the source of funding.

From the second and third objective of the study, It was concluded that there is no relationship on the strategy formulation and implementation that being a cause of many plans of the school not put into action. The major challenge is that KIU put up plans of the school with fake promises that inconveniences the individuals in the organization. An example during enrollment they indicate that there is services for feeding in school and they in return fail to offer the services since its unavailable. The school as well does not offer the discount to students for making a onetime payment of the school fees.

From the forth objective of the study it was concluded from the second and third objective that there is no significant relationship between strategy formulation and implementation on marketing functionality of private sector in KIU and if any development is to be undertaken, this value has to be put into consideration. The results indicate that the failures to compare the evaluation steps of cost vs benefit and the growth opportunities between strategy formulation and implementation on marketing functionality of private sector are making KIU to drag in its growth. This brings about the reason to why the expansion in other countries like Kenya failed to workout due to these limitations of not following up the evaluation procedures.

3.4 Recommendations

The study was able to come up with the following recommendations;

Strategic management should develop effective marketing strategies to attract students into the universities. This is important because low levels of enrollment were found to be a major factor affected by some strategic management process of KIU. There is also need to develop the means by which the universities can attract

alternative sources of funding in order to reduce dependency on fees which was found to be unpredictable.

KIU should operate a student exchange program which will help students not to look at these universities as competing organizations but sources of knowledge. This can be achieved by having an arrangement that can help student's access facilities of other universities which will enhance learning.

Strategic management process of KIU should put in place modern strategic management systems especially adoptions of enterprise resource management system that enable smooth flow of information internally and externally, customer relation management that interacts closely with student to identify more needs of students, improve customer satisfaction. And come up with creative marketing ideas such as worthy treatment of students, insurance of problem will not be repeated, thanking and appreciating students for choosing KIU, for trusting and believing in its service, this can be an effective marketing tool as students especially the foreigners will go home with positive feelings that can influence and attract more for enrolment.

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