EFFECT OF SELECTED DETERMINANTS ON THE IMPLEMENTATION OF STRATEGIC PLANS BY INSURANCE COMPANIES IN KENYA

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A RESEARCH PROJECT PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

DECEMBER, 2017

DECLARATION

This research project is my original work and has not been submitted for the award of a degree in any other university.

Signed: …………………………………………… Date: …………………………

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D61/74452/2014

This research project has been submitted for examination with my approval as a university of Nairobi supervisor.

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ACKNOWLEDGEMENTS

A lot of people have contributed towards the success of this project. I am thankful to the people who have provided continuous support and encouragement which has uniquely helped shape my education and life. I take this opportunity to give special thanks to the Almighty God for his guidance and provision which enabled me undertake this project in terms of resources.

My outmost appreciation goes to my supervisor, Dr. Kennedy Ogollah, for the assistance and advice he gave me while doing my research paper. I could not think of a better person to be my supervisor. I cannot afford to forget the University of Nairobi for shaping me to be the strategist that I am today.

I express my gratitude to all my friends from the university for making suggestions for improvement of this research project and for extending their support and encouragement to me. A special gratitude to Joane Kisina for your assistance during my research. Thank you all. Receive God's blessings.

DEDICATION

I dedicate my work to my father. He has been supportive and my rock through this journey. To my loving siblings Emily Kisina, Dennis Kisina and Joane Kisina. To my daughter Timothea Dejaco and my loving husband Jeremias Dejaco. I pray to God that he grants all of them a long and healthy life.

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ABBREVIATION AND ACRONYMS

AKI	Association of Kenya Insurers
CMC	Cooper Motor Corporation
IIK	Insurance Institute of Kenya
IRA	Insurance Regulatory Body
KIS	Kenya Insurance Survey
MIP	Medical Insurance Providers
NGO	Non-Governmental Organization
RBV	Resource Based View
SPSS	Statistical Package of Social Science

ABSTRACT

Due to the complexity of insurance activities, regulatory changes and competition there has been need for strategic planning which has become essential for insurance companies. Organizations that are engaged in strategic planning become well managed because they are assumed to be dealing effectively with the fast and varying conditions and hence are able to respond wisely to the ever rising and declining demands in their environment and enhance organization value chains. This is not an exception to the insurance industry as it has been operating in very difficult economic conditions which come with both incentives and opportunities for improvement. The most vital foundation on the implementation of strategy is the fact that specific strategies need specific orientation of the organizational conduct in order to be able to achieve maximum performance. Therefore this study sought to examine the effect of selected determinants on the implementation of strategic plans by the insurance companies in Kenya. The resource based view, transformational leadership theory and goal seeking theory were the main theoretical framework. The study adopted a causal research design. The study targeted 55 insurance companies in Kenya. A questionnaire was used which contained closed ended questions utilizing the Ordinal/Likert type scale format. After the field work, the data was organized by cleaning, coding and categorizing on the basis of the research objectives. The data was analyzed using both descriptive and inferential statistics using the SPSS computer software. The inferential statistics was used to describe the characteristics of a single variable. Statistical modeling was adopted to determine the influence of the dependent and independent variable. The specific effect of each of the independent variables on the dependent variable was established using regression analysis and the results from the analyzed data was presented in tables and charts for interpretation. After the regression analysis, the results showed a positive and strong relationship between the selected determinants and the implementation of strategic plans. The research recommends that government through its various agencies should come up with appropriate policies which are able to support the insurance firms in a way that they are able to contribute positively to the economic growth in Kenya. Further research is recommended on establishing the effect of competitive advantage on the survival of insurance companies and how portfolio mix influences selected determinants on the implementation of strategic plans by the insurance companies in Kenya.

CHAPTER ONE

INTRODUCTION

The chapter entails the background of the study, discussions on the content of the study, and study variables. It looks at previous researchers and gaps needed to be filled. It also provides a layout of the theories that anchor the study, the research objectives and value of the study.

1.1 Background of the Study

Due to complexity of insurance activities, regulatory changes and competition there has been need for strategic planning which has become essential for insurance companies (Eggers & Steinle, 1994). Strategic planning is the process of making a clear mission for the company and assessing its competitive setting in conjunction with its current state with a well thought action plan on the proper allocation of the companies resources such as human capital, finances and time for its implementation. Strategic planning undertakes to establish in advance how the vision, mission and objectives were accomplished (Lussier, 2009).

Insurance companies need to develop implementation plans to support their strategic plans. In order to accomplish this, they need strategies so as to organize resources in a well-organized manner, to integrate decisions made by people are their individual level and provide direction and purpose. According to Heide, Gronhaug and Johannessen (2002) implementation is important because strategies do not add value unless properly implemented. Successful formulation and implementation of strategy begins with developing a sound and clear strategic vision. Effective strategy implementation results when organizations, actions and resources are pegged on realistic strategic plans and when crucial factors for success have been identified together with key performance measures and aligned reporting (Deloitte & Touche, 1992). This study was based on strategic management theories with the resource based view being the main theoretical under pinning. The other theories of the study include transformational leadership theory and goal seeking theory which have been used to explain the concepts of strategy and strategic planning (Campbell & Yeung, 1991). Resource based theory holds that successful implementation of a given strategy is as a result of injection of adequate financial resources and employment of competent human resources. Transformational leadership theory argues that successful strategy implementation is led by visionary and transformative leaders in an organization while goal seeking theory holds that strategic plans are long-term goals that a firm aims to achieve in order to enhance its future competiveness.

The insurance companies in Kenya have become extremely competitive as a result of reduced request of elective insurance products and the undesirable insight in public opinion. The penetration levels are estimated at 2.78% which is low compared to developed countries (AKI, 2015). In order to improve the performance of insurance companies, it is important for managers to formulate strategic plans and have them properly implemented. It is against this background that this study sought to evaluate the effect of selected determinants on the implementation of strategic plans by insurance companies in Kenya.

1.1.1 Concept of the Strategy

Strategy is the glue that combines the operational activities, policies and goals of an organizational as a whole (Elbanna, 2009). It puts into consideration the unification, direction and allocation of organizational resources based on the abilities and the weaknesses of the organization and surrounding context (Aldehayyat & Anchor, 2008). Strategy is compost of the decisions taken by corporate organizations and determines the vision, mission and objectives of the firm together with its plans and policies for the achievement of the mission and vision (Kald, Nilsson & Rapp, 2000).

Bryson (2004) says that a strategy that is well-formulated is one that takes into account the shortcomings and the changes anticipated in their environment together the organization's internal competencies but also the shortcomings and the anticipated changes in the environment. Strategy is the driving force for the organizational activities which specifies the economic and human type that inspires to. According to Johnson and Scholes (2002) are the prototypes or diagram that combines the organizational goals and objectives with the programmes, actions and policies into cohesive whole.

According to Andrews (1971) strategy is a way as to define how the business in an organization or is to be in and the kind of company it is or is to be. He further opines that as intentions colliding and accommodation of reality means that strategy emerged over time. Therefore one may begin from a thinking which concludes that a certain position may be achieved by the way of a carefully selected plan hoping that the end results will end in a pattern which is evident in making decisions and actions over time.

1.1.2 Strategic Planning

Mintzberg (2003) says that planning is formal procedure which is intended to give a programmed outcome in the form of an integrated system of decisions. As such strategic planning is seen as the process of choosing, implementing and identifying of activities which will enhance the long run organizational performance by creating a direction as an ongoing compatibility between the organizational resources and internal skills in the changing environment, (Viljoen, 1994).

Strategic planning is divided into two components i.e the destination the organization intends to reach and the most reliable direction and methods to get to that destination (Mintzberg et al, 2003). Therefore, strategic planning processes puts into consideration the current environment under which an organization operates together with its abilities. This also takes into account the direction the organization would like to take in its growth path, what it aspires to do and how it intends to move forward to its future (Al-Shaikh, 2001).

Strategic planning sets the point for portfolio management, innovativeness, and improvement of processes, management of risk and any other initiative in the enterprises arena alongside being a very important foundation for executing work (Kald et al, 2000). Organizations well managed and enhance organization value chains due to effective engagement in strategic planning deal with the ever changing business environment that responds wisely to the increasing or decreasing demands, (Bryson, 2004).

1.1.3 Strategic Plan Implementation

According to Slater and Olson (2000) different strategies needs different alignments of organizational activities to get maximum performance which is premise of strategy implementation. Cooks (2009) further alleges that strategy formulation is usually regarded as an exclusive function of senior management hence, effective implementation of strategy rarely attracts much respect. Leaders with experience are aware that strategic plans are only useful if they can be translated into action and reality regardless of how well-crafted and creative at the beginning. In successful organization leaders are consistently in search for better ways to improve performance especially those of their staff. Therefore there is need for honest appraisal systems in place for successful implementation of strategic plans in any given organization and alignment of its capabilities (O'Reilly & Tushman, 2002).

In the global level, the industry under which the insurance operates has been operating under very difficult economic environment which demonstrates the opportunities and incentives for innovation which has resulted in creation of new markets and products, (IRA, 2014). For the insurance industry to remain competitive; it is strongly believed that the critical determinant of success and survival of an organization is the successful implementation of marketing strategies (Chebat, 1999). In Kenya, insurance has made significant growth prospects in terms of the number of industry players and services offered. However, the market is characterized by low penetration as a result of inadequate tax incentives and low disposable incomes for a majority of the population. For the insurance companies to remain competitive in the market, they need to turn their strategies and plans into actions in order to achieve their strategic objectives (Olsen, 2006).

1.1.4 The Insurance Companies in Kenya

The insurance industry continuously operates under dynamic economic environment together with opportunities and incentives for innovation resulting to new markets and products. In order to control, oversee and expand the insurance sector in Kenya, the Association of Kenya Insurers was established in 1987 and registered under the Society Act Cap 108 of Kenyan law. The Insurance Institute of Kenya (IIK) is the professional body that deals with insurance industry mainly with training and professional education.

According to AKI (2015) by the end of 2015, there were 51 insurance companies which were in operation, 25 of which wrote non-life insurance businesses only, 12 were composite and 14 wrote life insurance business. There were 22 medical insurance providers (MIPs), 30 insurance surveyors, 6,424 insurance agents, 7 risk managers and 3 claim settling agents. Diverse groups of insurance business can be seen as channels of business in the concept of profit center regardless of the fact that the business of insurance business is classifiable in the general and life classes.

The General insurance industry business in Kenya is driven by The Motor-Commercial, Motor-Private, Fire-Domestic, Aviation, Fire-Industrial and Engineering, Theft, Workmen's Compensation and Marine lines of business. (Kenya Insurance Survey, 2004). Ordinary Life and Superannuation, which includes Group Life Insurance and Deposit Administration, are the main life insurance industry driving the lines of business, (KIS, 2004). Due to high competition in the market, companies have unfortunately started shifting focus on pricing. The issue of price competition has been of huge concern to market players in the industry that the Association of Kenya Insurers was forced to give guidelines to its members.

1.2 Research Problem

Strategy implementation concept entails association of the firm's resources and incentive of the staff to attain objectives (Bourgeois & Brodwin, 1984). It includes organization’s business entry strategies which demand a lot of resources and thorough planning. When making this choice, a wide range of factors are considered (Young, Hamill, Wheeler & Davies, 2014). Internal and external factors are the two main categories these factors are classified (Johansson & Vahlne, 2012).

Insurance business in Kenya which dates back to the colonial days when the market was dominated by branches of foreign insurance companies operated under the Insurance Companies (Amendment) Act 2006 created by the Insurance Regulatory Authority (IRA), to regulate the insurance industry in Kenya. Insurance companies undergo various changes in their economy and following environments that there potential prospect markets and an urgent need for a viable strategy implementation approach (Skokan, 2014). A study gap therefore arises as there are currently a number of external and internal environments which firms must be dependent on for survival.

Several studies have been carried out on strategy implementation among organizations. Skokan et al (2014) looked at issues of strategic management. Hassan et al (2011) studied the practice of strategic management in construction companies in Malaysia. Studies done by Mumba (2015), Arasa and Obonyo (2012) and Shisia (2015) noted that good strategies have been written but very little has been achieved in their implementation. Researches on strategic plan implementation have found out that insurance firms in Kenya have been constantly reporting poor financial performance. This has been attributed to poor strategic plan implementation.

Arasa and Obonyo (2012), Shisia (2015) adopted different research methodologies which included descriptive research design together with the case study as a form of qualitative analysis. The current study, the researcher adopted the causal research design together with the survey method as a form of quantitative analysis since it focused on a specific problem to explain the patterns of relationships between variables. The previous studies looked at strategy implementation with focus on relationship between strategic planning and firm's performance.

The findings were able to address a number of challenges organizations face to deal with the issues of strategic management. Although these studies give a good insight about strategy implementation, the studies do not explain what determinants influence strategy implementation. The research studies looked at different organizations, variables and sectors which bring about the contextual and conceptual gaps, the researcher was looking at insurance companies in Kenya. In bridging this gap, the study will seek to ascertain the link between the effects of selected determinants on the implementation of strategic plans through attempts to answer the following key question: what is the effect of selected determinants on the implementation of strategic plans by insurance companies in Kenya?

1.3 Research Objectives

The main objective of the study was to establish the effect of selected determinants on the implementation of strategic plans by the insurance companies in Kenya.

1.4 Value of the Study

The study would be of great significance to the management of insurance firms and practitioners of insurance in Kenya. The study findings would contribute to the existing pull of knowledge that seeks to establish the effect of selected determinants in the implementation of strategic plans by the Insurance Companies in Kenya. The findings of the study will help management of insurance firms in formulation of strategies that will enable them to have a competitive edge in their business.

The study would be of great value to the government and regulators of insurance in Kenya. The results obtained by the study will help the government to enact policies that supports insurance companies to effectively implement their strategic plans. The insurance regulators like Insurance Regulatory Authority may also consider the research findings when advising insurance companies on how to comply with insurance regulations.

The study would greatly benefit other scholars and researchers who may want to carry out a similar study in the future as it acts as an information source of on effects of selected determinants of strategic plan implementation. This has enriched the existing literature for further studies in the future especially on related areas. The recommendation of the study will go a long way in completion of the strategy implementation process. The researcher used the results of the research to fill other existing gaps.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter looks at various theories that inform determinants of strategic plan implementation, empirical literature review, conceptual framework, gaps and summary of literature review. It gives us insight to the literature of strategic planning, which also includes strategy implementation. The fundamental elements in this chapter are the relationship existing among variables.

2.2 Theoretical Review

The theoretical perspectives have been employed by scholars in both developed and emerging economies to identify the effect of selected determinants on strategic plan implementation. The study is anchored by three theories: Resource Based Theory, Transformational Leadership Theory and Goal Seeking Theory. The theories are reviewed in this section.

2.2.1 Resource Based View Theory

The resource-based view (RBV) stresses that the resources owned by a firm are the key determinants of its competitive advantage in the market as well as its performance. It is based on two assumptions in supporting its position on competitive advantage (Barney, 2001). The first assumption is that any firm in a given industry or strategic group has a heterogeneous relationship in respect with the numerous resources in its control. The heterogeneity of the resources may exist for some time due to the fact that not all of them are mobile meaning they may be difficult to imitate and accumulate and cannot be traded in the market (Kald, et al, 2000).

Therefore this state of heterogeneity or being unique is a necessary condition for the resources to add on to the competitive edge of any given organization. Foss (1998) supports these statements by adding that is not free from the problem of finding an appropriate unit of analysis. In most cases of RBV, the individual resources are taken as the relevant unit of analysis to study the firm's competitive edge which can only be legitimated with well defined and free standing relevant resources (Foss, 1998). On the contrary, there is a strong link between the specialization and complementarily of the resources. It shows that manner in which they interchange, fitting into the systems which define the understanding of the competitive advantage.

Bryson (2004) appreciates the fact that concepts of competencies and capabilities aims perhaps at clustering and interplaying in between them. In the current study, this problem has been taken into account by linking competitive edge with strategic direction of the organization rather than at individual resources. This study is informed by resource based theory in that the amount of resources employed by an organization to implement a given strategic plan determines its success. For example if an organization injects sufficient human and financial resources in implementation of a given strategic plan the strategy in question was implemented successfully. If not, then the implementation of the strategic plan would most likely fail.

2.2.2 Transformational Leadership Theory

The concept of transformational leaders was first introduced by James Macgregor Burns in 1978 when he was doing a descriptive study though the term is very common and used widely in organizational psychology as well. Transformational leadership refers to a process where the followers and leaders assist one another in advancing towards higher morale level and inspiration (Bass, 1998). He came up with two concepts: transformational leadership and transactional leadership. McGregor states that the approach of transforming leads to redesigning of perceptions and values and alters the employee expectations and targets while in the transactional approach, the basis is not the "give and take" relationship, but on the personality of a leader, character, capability to bring about change through example, communication of a revitalizing vision and aims that are challenging (Bass & Avolio, 1994).

These form of leaders are a moral example of those working towards the benefits of the team, community and organization which makes them feel idealized. The theory of Burns (1978) on transforming and transactional leadership was mutually exclusive kinds. Transactional leaders usually don't work for changes in the organizational culture but use the existing culture to achieve the organizational goals and objectives while transformational leaders try to make changes in the organizational culture. The works of Burns was extended by Bass (1988) by giving an explanation of the psychological mechanisms that lie under transforming and transactional leadership.

The term used by Bass was transformational rather than transforming. The addition of Bass to Burns (1978) initial concept was to assist in explanation of the measurement of transformational leadership and also the way it affects the motivation and performance followers. This study is informed by transformational leadership theory in the sense that according to this theory transformational leader comes up with strategies to be achieved in an organization and then he puts in place measures that will enable the attainment of the strategies that he had laid down for the organization.

2.2.3 Goal Seeking Theory

This theory started with the early research on levels of aspiration set up by Kurt Lewin and has from then been primarily developed by Dr. Edwin Locke, who started the research on goal setting in the 1960's. His study showed an inductive relationship between goal setting and improved production performance. A goal is the objective of a duty that an individual knowingly desires to attain (Locke & Latham, 2006). Goal setting is all about cognizant practice of setting up performance levels so as to attain desirable results. If people find that their current performance is not attaining expected objectives, they usually become motivated to raise skill or revise their strategy (Locke & Latham, 2006).

Locke and Latham showed that the goal setting theory was on the basis of the thought that much human action is decisive, in that it is affected by conscious goals (O'Neil & Drillings, 2012).The judgment to set a goal originates from discontent with current performance levels. Setting a goal includes setting a structure that directs actions and behaviors which develop the unacceptable performance. Locke & Latham (2006) set up a direct linear relationship between goal complicatedness, performance level, and involved endeavor. This relationship will remain positive as long as the person is devoted to the goal, has the necessary ability to realize it, and does not have differing goals.

Locke and Latham's goal setting theory indicates that several conditions are principally vital in thriving goal realization. These include goal acceptance and devotion, goal specificity, goal complicatedness, and response (O'Neil & Drillings, 2012). The goal seeking theory informs the current study in that for strategies to be implemented successfully, the organization has to have a goal that it seeks to achieve through strategic plan implementation. These goals that the organization may seek to achieve will eventually lead to formation of strategies that are to be implemented**.**

2.3 Determinants of Strategic Plan Implementation

Strategic planning process in organizations requires taking into consideration the contextual elements that constitute the environment (Drago, 1996). According to this study, communication, organizational culture, organizational resources and leadership style are the main determinants of strategic plan implementation. We will look at each determinant and how it affects the implementation process.

2.3.1 Organizational Resources

According to Barney (2001) resources are seen as the physical, organizational, human resources and financial capital whose availability are very crucial for the formulation of the organizational strategic plans. Human resources are the main strategic resources that are essential for the organizations to utilize them effectively (Lorange, 1998). It is the management's challenge to assign them to their most handy tasks as well as coordination and integration of activities of the functions of the employees participating (Pryor, 2007).

The effect of organization resources on strategic plan implementation is determined by resource strength, sufficient matching of resource base needs, human resource effectiveness allocation, efficiency of human resource dependability of the mechanism of resource sourcing, cost efficiency of the resources flow of activities based on resource availability and realization of set resource goals (Kiragu, 2014). In the study, this variable has been used to demonstrate the role of the insurance capability of a company and resources which enable it to engage in the duties for the generational success and competitive edge (Frame, 2005).

2.3.2 Leadership

A leader is a person who can influence other members in the organization to adopt and conduct themselves in a manner that recognizes the organizational behaviors necessary for the implementation. Leadership is about being able to influence the opinions and attitudes of others in order to achieve organizational goals and objectives (Drago, 1996).

Because of the ever changing business environment in the insurance industry, leaders must look ahead of the traditional operational devices in order to succeed and that for success to be achieved; the leaders must look deep into the level of commitment and understanding behind the process of implementation of the strategic plans and achieve the organizational goals and objectives. Therefore, managers who are highly involved in the implementation of strategic plan, transformational leadership is highly recommended (Hacker & Roberts, 2003).This kind of leadership focuses on charismatic and efficient leadership approach. This variable is intended to show how an insurance company's leadership style is critical to the successful implementation of strategic plans (Turner & Muller, 2007).

2.2.3 Organizational Culture

The definition as per Dess et al. (2008) is as system of values and beliefs shared that shapes the people of the company, structures of the organization and systems of control for productions of behavioral tradition . An enigmatic and very crucial facet of an organization is culture (Hofstede, 2011). The importance of organizational culture is that it is a representation of the social fabric that generates the feeling thus countering process of differentiation.

There are several researches on the aspect of culture in the organization and how it affects various variables in any given organization. For instance, Lund (2003) brings to the forefront the fact that in 1980s, there was a surge in the popularity for examination of culture in the context of organizational management and operations together with its effect on the employees. In the study, the variable has been used to present the set values, attitudes and beliefs that show the insurance as an organization in conjunction with its practices (Bhatti, 2011).

2.3.4 Communication

Communication during strategy implementation is key for training, imparting knowledge and learning during the process of strategic planning. Communication is considered as a passive process during strategy implementation due to its relationship with the organizational processes and context which is meant to deal with barriers such as learning, management of personnel, culture and organizational structure. According to Rapert, Velliquette and Garret (2002) where there is effective communication and sharing of ideas by stakeholders during strategy implementation, there is successful achievement of the strategy.

According to Robbins (2001) communication of organizations' strategic plan is the basis for connecting the strategy with the operational planning and individual objectives which leads to effective and successful implementation of the organizational strategy. Therefore it is important to note that in order to keep the plan alive, the strategic management team should keep continuous communication with all the stakeholders to share updates on progress, roadblocks and changes to the plan during the strategy implementation process. Lack of communication leads to ambiguous organizational priorities which may lead to conflicts (Bryson, 2004). The variable is intended to demonstrate the importance of effective communication channels in an insurance organization which plays a vital role in the implementation of strategic plans (Stewart, 2010).

2.4 Empirical Studies

The section looks at a number of studies relating to the implementation of strategic plans. Ida et al (2015) carried out a study to examine whether strategic planning assist businesses uplift their performance. Findings revealed strategic planning has important contributions which enable organizations achieve better performance. Skokan et al (2014) carried out a study whose objective was to establish the role of strategic planning on strategic management and its effect on the cumulative business performance as a pre-requisite for strategy implementation. The results shows that larger organizations give more attention to strategic management issues and are more prepared with a detailed strategy than small enterprises.

Hassan et al (2011) conducted a study that looked at strategic management as a practice among the construction companies in Malaysia. The findings revealed that most of the firms that were considered successful in strategy implementation were anchored on a sound mission statement guiding the organization towards success, a clear objective and a winning strategic plan. Mumba (2015) carried out a study that sought to establish the influence of strategic planning on the performance of the University of Nairobi. The study established that the university has a strategic plan reviewed after every five years. Strategic planning also helps improve its performance.

Sawyer (2014) conducted a study to identify the strategies used to implement strategic plans within the athletics department. A survey revealed that athletic departments are utilizing strategic planning strategies and majority of them perceive to be effective in strategy implementation. Nyakoa (2013) carried out a study about the effect of globalization on strategy management at Ernst and Young. Results revealed that globalization affected the expansion strategies which had an effect on strategy management. Gitau (2013) looked at organizational factors affecting strategy implementation in the Anglican Church. Findings established that prudent financial management, strategic plans and resources will ensure effective implementation of strategic plans. Arasa and Obonyo (2012) looked at the association between planned planning and performance of the firm. The study discovered the presence of a resilient link between planning strategically and effective performance of the firm Machuki (2005) did a study on challenges of strategy implementation at CMC group. The study showed that the company used a blend of strategy implementation practices to manage its challenges.

Mbithi (2011) undertook a study on strategy implementation on Nakumatt Holdings. Results from the study showed that there is no agreed upon and dominant framework in strategy implementation. Abok (2012) carried out a study which examined the factors that affect implementation of strategic plans in NGO's. Findings revealed that successful implementation of strategic plans require awareness and better understanding by the stakeholders in order to have similar thinking in all stages of strategic plan. Kibachia (2014) did a study of risk factors in the strategic planning process of parastatals in Kenya. The study established strategic frameworks emphasize the importance of strategic plans but do not give details of the risks associated with the strategic management process.

Shisia et al (2015) carried out a study whose objective was to ascertain strategic planning and implementation practices at the county government of Kisii. The study revealed a number of challenges can be solved through proper strategic planning .It was clear that human and financial resources are the key requirements in strategy implementation in any given organization. Aosa (1992) carried out a study on the implementation of strategy in the large private manufacturing companies in Kenya. The study established there was a lack of compatibility between strategy and culture which frustrates strategy implementation. Nyakeriga (2015) carried out a study that examined factors affecting strategic plans implementation in public universities that are newly established in Kenya. The main findings of the study showed that majority (95%) agreed that the existing resource practices influence implementation of strategic plans. From the reviewed studies, no prior study has been carried out to determine the effect of selected determinants on the implementation of strategic plans. This study intends to fill this gap.

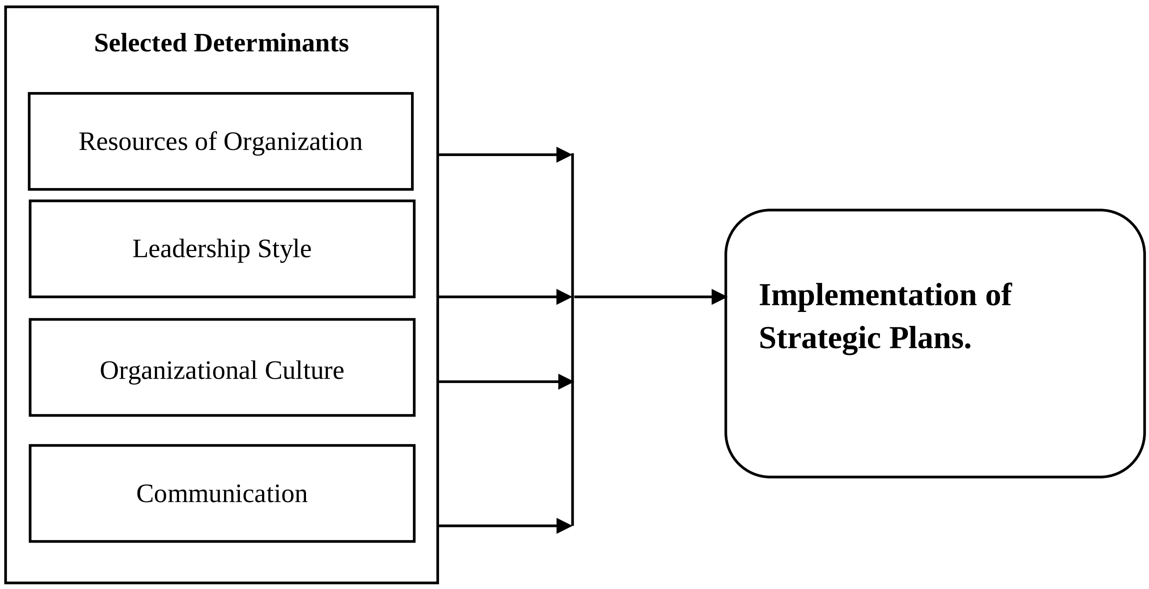
2.5 Summary of Empirical Studies and Knowledge Gaps

The studies reveal that effective strategic plan implementation enables organizations to achieve better performance. It also highlights that bigger corporations pay keen attention to strategic planning more than smaller corporations. Furthermore, it was found that successful companies have a strong positive association that exists between effective implementation of strategic plans and firm performance.

The reviewed literature also identified contextual gaps. For instance, Hassan et al (2011), Shisia et al (2015), Nyakaregia (2015),Aosa (1992) have a contextual gap since they did not cover insurance companies. Skokan et al and Ida et al (2015) concentrated on mainly strategic planning and performance. Little focus was placed on the strategy implementation bit and therefore this study will endeavor to fill the knowledgeable gaps.

2.6 Conceptual Framework

A conceptual framework is a set of extensive thoughts and values drawn from related fields of investigation and applied in structuring the succeeding presentation (Reichel & Ramey, 1987). It helps outlines the process the study will implement to realize its objectives. The figure below shows how implementation of strategic plan is influenced by different determinants which include: resources of the organization, leadership style, organizational culture and communication.



Independent Variables **Dependent Variable**

Figure 2.1: Conceptual Framework

(Source: Researcher, 2017)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter looked at the research methodology that was employed when carrying out the study. Specifically it highlights the research design that was adopted, population, sampling frame, and the technique that was used for sampling. It also looked at the instruments of data collection and methods of data analysis.

3.2 Research Design

The purpose of a research design is to give a direction for the process of carrying out a research and compiling the report, (Bryman, 2008). For Cooper and Schindler (2003) a research design is a structure of investigation formed to provide and plan to find answers to the research questions. In the current study, a causal research design was adopted. In a causal research design, the researcher identifies the degree and characteristic of the cause and effect relationship between the study elements. It analyses the specific problem or situation to clarify the kind of relationship existing between the variables (Griffin, 2012). It uses a highly structured approach and its key research statement is a research hypothesis.

Causal research design was justified to be adopted in this study because it plays a role in identifying reasons behind a wide range of processes as well as assessing the impact on changes of the process. It is also able to replicate if necessity arises. This design fitted with the present study since it helped to test for the effects of selected determinants on the implementation of strategic plans.

3.3 Population of the Study

Population is the elements in a research process from where the study sample is selected. Kothari (2004) defines population as a well identified and selected group of things, events, set of people, elements households or services that are being investigated in a research work. For the purpose of the current study; a survey was carried out to the target population which was 55 registered insurances companies as per the report of AKI of which statistical attributes was estimated (AKI, 2016). Due to the small size of the target population, no sampling was done.

3.4 Data Collection

The study used a questionnaire as a data collection instrument. Data collection instrument is a tool for collecting data during a field work which is usually guided by the study objectives and follows a systematic process. These can be either in form of questionnaires, observations, documentary analysis and interviews among others (Morris, 2001). It contained close ended questions utilizing the ordinal/Likert type scale format. Questionnaire as a data collection instrument was preferred since the information obtained from it was free from bias and researchers influence and thus accurate and valid data was gathered (Kothari, 2004). The questions addressed by the questionnaire sought to gather data on the effect of selected determinants on the implementation of strategic plans by Insurance Companies in Kenya.

The targeted respondents were managers who were involved with the implementation of strategic plans within the 55 insurance companies. During the data collection process, the researcher made a formal introduction to the respondents through their top managements which was supported by another letter from the University, school of business and then administered the questionnaires to the respondents based on the agreed days and time schedules.

3.5 Data Analysis

The data was cleaned, coded and categorized as per the research variables. The analysis of data involved a variety of descriptive and inferential statistics techniques. The Statistical Package for Social Sciences (SPSS) computer software was used for analysis to generate both the descriptive and inferential statistics. The descriptive statistics was used to calculate the quantitative data. The inferential statistics was used to describe the characteristics of a single variable.

The study adopted a statistical modeling to determine the influence of the independent and dependent variable. Regression analysis was used to fit regression models to determine the relationship between the independent and dependent variable. A multi variate model was used to link the independent to the dependent variable.

The study was guided by the following linear function:

$$\mathbf{Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon}$$

Where Y= Strategic plan implementation,

$\boldsymbol{\beta_0}$ **=** a constant**,**

$\boldsymbol{\beta_1 \ldots\ldots \beta_4}$ represents regression coefficients

$\mathbf{X_1}$ = value of organizational resources,

$\mathbf{X_2}$ = value of leadership style,

$\mathbf{X_3}$ = value of organization culture,

$\mathbf{X_4}$ = value of communication,

$\boldsymbol{\varepsilon}$ = Error term.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents and discusses the findings from the analysis of the data collected for the study. This study aimed to establish the effect of selected determinants on the implementation of strategic plans by the insurance companies in Kenya. The chapter shows the response rate of the collected data, reliability of the data collection instrument, the descriptive analysis of the study variables and the inferential analysis used to explore the relationship and draw conclusions on the study objectives.

4.2 Response Rate and missing data

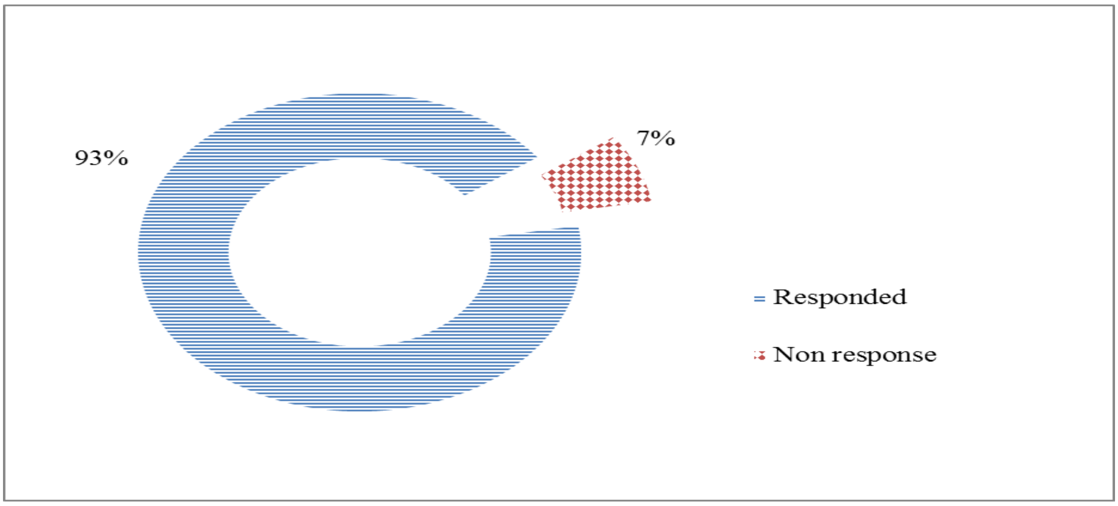


Figure 4.1: Response rate

(Source: Survey Data, 2017)

The study carried out a census on 55 insurance companies. The questionnaire used as the data collection instrument was administered to 55 respondents from each of the insurance companies. The researcher managed to retrieve 52 responses out of the 55 respondents in the targeted population which yielded a response rate of 93% which is greater than 80%. The questionnaire responses were entered into the statistical software for social scientists (SPSS) for data processing and analysis. The data was cleaned for missing data. Of the 52 questionnaires received, 2 had missing data of more than 10% of the questions unanswered and were thus expunged from the data thus retaining 50 respondents for analysis. The retained respondents yielded 90.9% of the targeted 55.

4.3 Demographic Data

The questionnaire was designed to first capture the demographic characteristics of the respondents and the insurance firms being studied. The study sought to determine the gender, the age, the level of education and the period of employment of the respondent and the size of the organization.

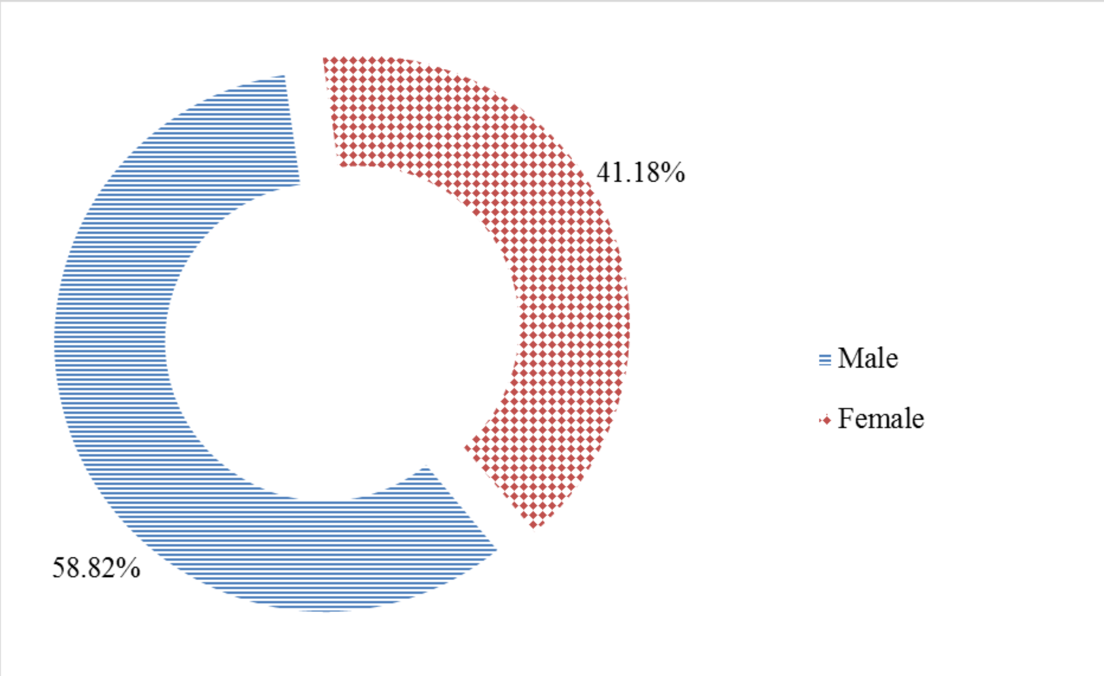


Figure 4.2: Gender

(Source: Survey Data, 2017)

Figure 4.2 presents the gender of the respondents studied. As shown, 58.82% of the respondents were male while 41.18% of those who responded were female. This shows that more than a 3rd of the respondents were female.

Table 4.1: Age of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
18- 30 years	4	8.0	8.0	8.0
31-40 years	24	48.0	48.0	56.0
41 –50 years	20	40.0	40.0	96.0
51 years and over	2	4.0	4.0	100.0
Total	50.0	100.0	100.0	

(Source: Survey Data, 2017)

The age of the respondents was also considered as an important demographic characteristic to explore. This is shown in table 4.1 that presents the frequency of grouped ages. Majority (48%) of the employees who responded to the questionnaire were aged between 31 and 40. 40% of the respondents were aged between 41 and 50 years while only 8% and 4% of the respondents were aged between 18 to 30 and over 50 years respectively.

Table 4.2: Level of education

	Frequency	Percent	Valid Percent	Cumulative Percent
Secondary level	3	6.0	6.0	6.0
College level	7	14.0	14.0	20.0
University (Bachelor's degree)	34	68.0	68.0	88.0
Post-graduate (Masters and above)	6	12.0	12.0	100.0
Total	50	100.0	100.0	

(Source: Survey Data, 2017)

The respondents were also asked to state their highest achieved level of education as shown in the frequency table 4.2. 68% of the respondents had achieved their first university degrees while 14% had studied up to college level. There are 12% of the respondents that had at least achieved their master's degrees with only 6% of the respondents having studied only up to secondary school.

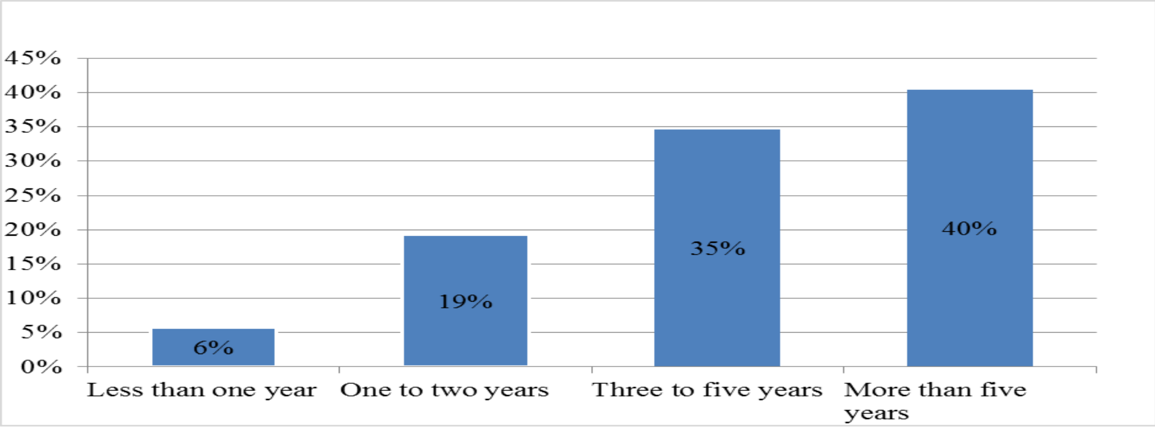


Figure 4.3: A bar graph illustrating the period of employment

(Source: Survey Data, 2017)

Figure 4.3 presents the analysis on the period that the respondents had been on their current employment. Majority (40%) of the respondents had been on their current employment for more than 5 years, 35% had been for 3 to 5 years, 19% for 1 to 2 years while only 6% of the respondents had been on their current employment for less than 1 year.

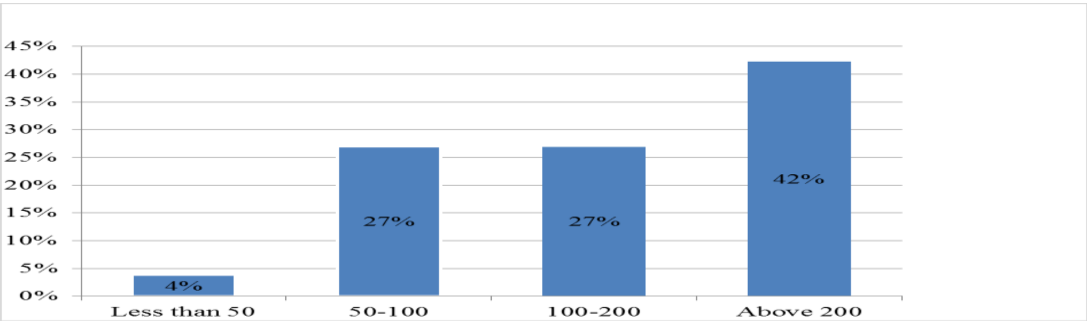


Figure 4.4: Number of employees (Firm size)

(Source: Survey Data, 2017)

On the demographic characteristics of the firms being studied, the respondent sought to find out the size of the firms in terms of the number of employees. As shown in figure 4.4, 4% of the firms had less than 50 employees while 27% had between 51 to 100 employees. Another 27% of the firms had 101 to 200 employees while majority of the firms (42%) had over 200 employees.

4.4 Descriptive Analysis of Study Variables

The research aimed at determining the effect of selected determinants on the implementation of strategic plans. The main constructs of the study therefore constituted of the 4 selected determinants as independent variables and implementation of strategic plans as the dependent variable. Each main variable was measured using several observed indicators. The descriptive analysis involved the analysis of the observed indicator items used to measure each study variable and the overall measures. The analysis involved the use of the measures of central tendency depending on the scale of measurement of the variable or indicator. The indicators for all the variables were measured on a categorical scale and were therefore analyzed and presented in frequency tables with the mode as the measure of central tendency.

4.4.1 Resources of the Organization

The variable organizational resource was the first determinant selected for exploration as an independent variable. The construct was measured using 6 indicators. All the indicators were measured on a categorical ordinal scale with five categories. The results of the indicators of organizational resources are presented in the frequency table 4.3 below with the mode as the measure of central tendency.

Table 4.3: Indicators of Organization Resources

	Not at All (1)	Small Extent (2)	Moderate Extent (3)	Large Extent (4)	Very Large Extent (5)	Modal Class
Our organization has adequate and efficient human resource (competent employees)	10%	20%	37%	22%	12%	3
Our organization has been able to achieve its goals and objectives using the available resources	8%	27%	25%	31%	8%	4
Resource allocation is done in an appropriate and timely manner	4%	27%	43%	18%	8%	3
Operations are never delayed or halted due to resource unavailability	4%	25%	29%	25%	16%	3
Our organization has a resource base that matches the company's needs	8%	24%	27%	27%	14%	3
What is the extent to which organizational resources contribute to strategy implementation?	2%	14%	45%	29%	10%	3

(Source: Survey Data, 2017)

Table 4.3 shows the analysis of the observed indicators of organization resources. To measure the construct, the respondents were asked the extent to which they perceived the organization to have adequate and efficient human resource; to 9.8% of the respondents, the organizations do not have adequate resources at all. To 19.6% of the respondents they have adequate resource to small extent while to 37.3% of them just to a moderate extent. There were 21.6% respondents with a perception that the organizations have adequate resources to a large extent and to a very large extent to 11.8% of the respondents. The modal class of the responses was found to be 3. This implies that on average, the organizations have adequate and efficient human resources to a moderate extent.

Another indicator for this variable was on whether the organization is always able to meet its set resource department goals and objectives. On this 7.8% of the respondents were of the perception that the organization is never able to meet its goals at all. To 27.5% of the respondents it is able to small extent while to 25.5% of them, the organization is always able to meet its goals to a moderate extent. There were 31.4% respondents with a perception that the organization is always able to meet its goals to a large extent and to a very large extent to 7.8% of the respondents. The modal class of the responses to this indicator was found to be 4. The implication being that on average, the organizations are always able to meet their goals to a large extent.

On the indicator to determine whether resource allocation is done in an appropriate and timely manner; 3.9% of the respondents perceived that resource allocation is never done in an appropriate manner at all. To 27.5% of the respondents it is to a small extent while to 43.1% of them resource allocation is done in an appropriate manner to a moderate extent. There were 17.6% respondents with a perception that resource allocation is done in an appropriate manner to a large extent and to a very large extent to 7.8% of the respondents. The modal class of the responses to this indicator was found to be 3. This implies that on average, resource allocation is done in an appropriate and timely manner to a moderate extent.

The respondents also answered the question on whether operations are never delayed or halted due to resource unavailability. 3.9% of the respondents believed that operations are always delayed. To 25.5% of the respondents operations are never delayed to a small extent while to 29.4% of them they are never delayed to a moderate extent. There were 25.5% respondents with a perception that operations are never delayed to a large extent and to a very large extent to 15.7% of the respondents. The modal class of the responses to this indicator was found to be 3. This implies that on average, operations are never delayed to a moderate extent. The study also sought to determine whether the organization has a resource base that matches the company's needs; to 7.8% of the respondents, the organization do not have at all a resource base that matches the company's needs. To 23.5% of the respondents it does have to a small extent while to 27.5% of them the organization has the resource base to a moderate extent. There were 27.5% respondents with a perception that the organization has a resource base to a large extent and to a very large extent to 13.7% of the respondents. The modal class of the responses to this indicator was found to be 3, implying that on average, the organization has a resource base that matches the company's needs to a moderate extent.

The respondents were also asked whether organizational resources contribute to the achievement of the company's strategic plans; to 2% of the respondents, organizational resources contribute not at all. To 13.7% of the respondents it is small extent while to 45.1% of them organizational resources contribute to a moderate extent. There are 29.4% respondents with a perception that organizational resources contribute to a large extent and to a very large extent to 9.8% of the respondents. The modal class of the responses to this indicator was found to be 4. This has an implication that on average, organizational resources contribute to a large extent.

Table 4.4: Descriptive Analysis-Organizations Resources

			Statistic
Organizational Resources	Mean		3.143
	95% Confidence Interval for Mean	Lower Bound	2.893
		Upper Bound	3.394
	Std. Deviation		0.881
	Skewness		0.068

(Source: Survey Data, 2017)

Table 4.4 shows the descriptive analysis of the overall measurement of organization resources. The overall measure of organization resources was determined as a weighted average of the scores of all the 6 indicators used to measure the construct. The resultant overall measure of organizational resources was a continuous variable thus the mean was used as the measure of central tendency of choice. In the table, the mean level of organizational resources was found to be 3.143 with a standard deviation of 0.881. The standard deviation is a measure of dispersion thus 0.881 implies a low variation of organization resources. Due to the variation the 95% confidence interval of possible values of the mean in the population has a lower bound of 2.893 and an upper bound of 3.394.

4.4.2 Leadership Style

Leadership style was also selected as an independent variable to be explored as a determinant affecting the implementation of strategic plans. 8 items were used as indicators of leadership styles that were measure on an ordinal scale of 5. The items were analysed and presented in the frequency table below with the mode as the measure of central tendency.

Table 4.5: Leadership Style

	Not at All (1)	Small Extent (2)	Moderate Extent (3)	Large Extent (4)	Very Large Extent (5)	Modal Class
Leaders wait for emergence of problems before acting	37%	29%	25%	6%	4%	1
The subordinates are blamed when things go wrong	21%	19%	29%	17%	13%	3
When the employees achieve their targets or set objectives, they are rewarded	6%	10%	35%	27%	23%	3
Mangers use inspirational motivation in empowering subordinates	10%	19%	33%	29%	10%	3
Managers create organizational conditions in which subordinates can develop their own leadership capabilities	6%	23%	27%	29%	15%	4
Leadership is dictated by environmental changes within and outside the organization	10%	10%	31%	25%	25%	3
Managers serve the needs and the desires of the subordinates always	23%	12%	46%	15%	4%	3
Managers demonstrate a sense of moral responsibility and respect for employees	8%	10%	37%	29%	17%	3

(Source: Survey Data, 2017)

To measure this variable, the respondents were asked the extent to which they believed that leaders wait for emergence of problems before acting; to 36.5% of the respondents, leaders do not wait at all. To 28.8% of the respondents they do to a small extent while 25% of them believe that leaders wait to a moderate extent for emergence of problems before acting. There are 5.8% respondents with a perception that leaders wait to a large extent and to a very large extent to 3.8% of the respondents. The modal class of the responses to this indicator was found to be 1. The implication here is that on average, leaders do not wait at all for emergence of problems before acting.

The next indicator was on whether when things go wrong the subordinates are considered to be at fault; to 21.2% of the respondents, subordinates are never considered to be at fault at all. To 19.2% of the respondents they are considered to a small extent while to 28.8% of them subordinates are considered to be at fault to a moderate extent. There are 17.3% respondents with a perception that subordinates are considered to be at fault to a large extent and to a very large extent to 13.5% of the respondents. The modal class of the responses to this indicator was found to be 3. The implication here is that on average, subordinates are considered to be at fault to a moderate extent when things go wrong.

The respondents were also asked the extent to which they believed that employees are rewarded for achieving agreed upon objectives where; 5.8% of the respondents perceived that employees are never rewarded at all. To 9.6% of the respondents they are rewarded to a small extent while to 34.6% of them employees are rewarded to a moderate extent. There are 26.9% respondents with a perception that employees are rewarded to a large extent and 23.1% of the respondents believe it is so to a very large extent. The modal class of the responses to this indicator was found to be 3. This implies that on average, to a moderate extent, employees are rewarded for achieving agreed upon objectives.

Considering the indicator on whether managers create organizational conditions in which subordinates can develop their own leadership capabilities; to 5.8% of the respondents, managers do not create organizational conditions at all. To 23.1% of the respondents they do small extent while to 26.9% of them managers create organizational conditions to a moderate extent. There are 28.8% respondents with a perception that managers create organizational conditions to a large extent and to a very large extent to 15.4% of the respondents. The modal class of the responses to this indicator was found to be 4. This has an implication that on average, managers create organizational conditions in which subordinates can develop their own leadership capabilities to a large extent.

The study sought to find out the perception of respondents on the indicator that leadership is dictated by environmental changes within and outside the organization; to 9.6% of the respondents, leadership is dictated by the changes not at all. To 9.6% of the respondents it is small extent while to 30.8% of them leadership is dictated by the changes to a moderate extent. There are 25% respondents with a perception that leadership is dictated by the changes to a large extent and to a very large extent to 25% of the respondents. The modal class of the responses to this indicator was found to be 3. This has an implication that on average, leadership is dictated by the changes to a moderate extent.

Table 4. 6 Descriptive Analysis-Leadership Style

			Statistic
Leadership Styles	Mean		3.053
	95% Confidence Interval for Mean	Lower Bound	2.917
		Upper Bound	3.188
	Std. Deviation		0.475
	Skewness		-0.807

(Source: Survey Data, 2017)

The overall measure of leadership style was determined as a weighted average of the scores of all the 8 indicators used to measure the construct. Table 4.6 shows the descriptive analysis of the overall measure of leadership style. The mean was used as the measure of central tendency of choice for the overall leadership style. The mean level of leadership style was found to be 3.053 with a standard deviation of 0.475. The standard deviation as a measure of dispersion implies low variation of the leadership style across the firms. Due to the low variation, the 95% confidence interval of possible values of the mean in the population has a lower bound of 2.917 and an upper bound of 3.188.

4.4.3 Organizational Culture

The other independent variable that was considered in this study was organization culture that was also to be explored as a determinant affecting implementation of strategic plans. 7 indicators were considered measurements for organization culture on a categorical ordinal scale of 5. Table 4.8 shows descriptive statistics indicators of organisation culture.

Table 4. 7 Indicators of Organizational Culture

	Not at All (1)	Small Extent (2)	Moderate Extent (3)	Large Extent (4)	Very Large Extent (5)	Modal Class
Our organization tolerates new ideas and risks	0%	12%	35%	19%	35%	3
Our organization has a mission and vision statement	0%	2%	8%	27%	63%	5
Our organizations shows respect for a diverse range of opinions, ideas and people	4%	8%	21%	37%	31%	4
Our organization provides a fun and friendly customer centred environment	2%	8%	38%	33%	19%	3
The tolerance of new ideas enhances strategy implementation	4%	8%	35%	37%	17%	4
Risk tolerance helps in strategic implementation in the organization	0%	13%	37%	27%	23%	3
Based on your understanding, what is the extent to which organizational culture influences strategy implementation	4%	8%	25%	50%	13%	4

(Source: Survey Data, 2017)

To measure organization culture, the respondents were asked the extent to which they believed that the organization tolerates new ideas and risks; none of the respondents believe that their organization do not tolerate new ideas and risks at all. To 11.5% of the respondents it they do to a small extent while to 34.6% of them the organization tolerates new ideas and risks to a moderate extent. There are 19.2% respondents with a perception that the organization tolerates new ideas and risks to a large extent and to a very large extent to 34.6% of the respondents. The modal class of the responses to this indicator was found to be 3. This has an implication that on average, the organization tolerates new ideas and risks to a moderate extent.

The other indicator was on whether the organization has a mission and vision statement; to 0% of the respondents, the organization has no mission and vision statement at all. To 1.9% of the respondents it is small extent while to 7.7% of them the organization has a mission and vision statement to a moderate extent. There are 26.9% respondents with a perception that the organization has a mission and vision statement to a large extent and to a very large extent to 63.5% of the respondents. The modal class of the responses to this indicator was found to be 5. This implies that on average, the organization has a mission and vision statement to a very large extent.

The respondents also responded the question on whether the organizations shows respect for a diverse range of opinions, ideas and people; to 3.8% of the respondents, the organizations do not show respect at all. To 7.7% of the respondents it is small extent while to 21.2% of them the organizations shows respect to a moderate extent. There are 36.5% respondents with a perception that the organizations show respect to a large extent and to a very large extent to 30.8% of the respondents. The modal class of the responses to this indicator was found to be 4. This has an implication that on average, the organizations shows respect to a large extent.

The respondents also responded the question on whether the organization provides a fun and friendly customer cantered environment; to 1.9% of the respondents, the organization does not provide a friendly environment at all. To 7.7% of the respondents it is small extent while to 38.5% of them the organization provides a friendly environment to a moderate extent. There are 32.7% respondents with a perception that the organization provides a friendly environment to a large extent and to a very large extent to 19.2% of the respondents. The modal class of the responses to this indicator was found to be 3. This implies that on average, the organization provides a friendly environment to a moderate extent.

The respondents also responded the question on whether the tolerance of new ideas enhances strategy implementation; to 3.8% of the respondents, the tolerance does not enhance implementation at all. To 7.7% of the respondents it is small extent while to 34.6% of them the tolerance enhances implementation to a moderate extent. There are 36.5% respondents with a perception that the tolerance enhances implementation to a large extent and to a very large extent to 17.3% of the respondents. The modal class of the responses to this indicator was found to be 4. The implication here is that on average, the tolerance enhances implementation to a large extent.

The next indicator was on whether risk tolerance helps in strategic implementation in the organization; to 0% of the respondents, risk tolerance does not help at all. To 13.5% of the respondents it is small extent while to 36.5% of them risk tolerance helps to a moderate extent. There are 26.9% respondents with a perception that risk tolerance helps to a large extent and to a very large extent to 23.1% of the respondents. The modal class of the responses to this indicator was found to be 3. This implies that on average, risk tolerance helps to a moderate extent.

To measure this variable, the respondents were asked the extent to which they believed that organizational culture influence strategy implementation; to 3.8% of the respondents, organizational culture does not influence implementation at all. To 7.7% of the respondents it is small extent while to 25% of them organizational culture influence implementation to a moderate extent. There are 50% respondents with a perception that organizational culture influence implementation to a large extent and to a very large extent to 13.5% of the respondents. The modal class of the responses to this indicator was found to be 4. This has an implication that on average, organizational culture influence implementation to a large extent.

Table 4.8:Descriptive Analysis-Organisation Culture

			Statistic
Organization's Culture	Mean		3.794
	95% Confidence Interval for Mean	Lower Bound	3.616
		Upper Bound	3.973
	Std. Deviation		0.628
	Skewness		-0.097

(Source: Survey Data, 2017)

Table 4.8 shows the descriptive analysis of the overall measurement of organization culture. The overall measure of organization culture was determined as a weighted average of the scores of all the 7 indicators used to measure the construct. The resultant overall measure of organizational culture was a continuous variable thus the mean was used as the measure of central tendency of choice. In the table, the mean level of organizational culture was found to be 3.794 with a standard deviation of 0.628. The standard deviation is a measure of dispersion thus 0.628 implies a low variation of organization culture. Due to the variation the 95% confidence interval of possible values of the mean in the population has a lower bound of 3.616 and an upper bound of 3.973.

4.4.4 Communication

Communication was also selected as an independent variable to be explored as a determinant affecting the implementation of strategic plans. 8 items were used as indicators of leadership styles that were measure on an ordinal scale of 5. The items were analyzed and presented in the frequency table 4.10 below with the mode as the measure of central tendency.

Table 4. 9 Communication

	Not at All (1)	Small Extent (2)	Moderate Extent (3)	Large Extent (4)	Very Large Extent (5)	Modal Class
Employees understand the strategic plan	13%	44%	29%	13%	0%	2
Employees have good interpersonal relationships and self-initiative	2%	40%	40%	13%	4%	2
The staff in the organization clearly understands the duties, tasks and any new responsibilities that come with implementation of the strategies	4%	37%	42%	13%	4%	3
The management has put in place structures to ensure convergence of ideas and thought between all the stakeholders for the realization of the strategy objectives.	23%	37%	29%	12%	0%	2
The company uses internal memos in communicating the strategy implementation	23%	31%	25%	21%	0%	2
The company uses stakeholder meetings in communicating strategy implementation	25%	38%	25%	12%	0%	2
The company uses word of mouth in communicating strategy implementation	46%	33%	17%	4%	0%	1
The company uses emails in communicating matters on implementation of strategy	15%	31%	37%	12%	6%	3
What is the extent to which communication contributes to strategy implementation?	6%	27%	37%	25%	6%	3

(Source: Survey Data, 2017)

To measure this variable, the respondents were asked the extent to which they believed that employees understand the strategic plan; to 13.5% of the respondents, employees do not understand the strategic plan at all. To 44.2% of the respondents it is small extent while to 28.8% of them employees understand the strategic plan to a moderate extent. There are 13.5% respondents with a perception that employees understand the strategic plan to a large extent and to a very large extent to 0% of the respondents. The modal class of the responses to this indicator was found to be 2. The implication here is that on average, employees understand the strategic plan to a small extent.

The next indicator was on whether employees have good interpersonal relationships and self-initiative; to 1.9% of the respondents, employees have no good relationships at all. To 40.4% of the respondents it is small extent while to 40.4% of them employees have good relationships to a moderate extent. There are 13.5% respondents with a perception that employees have good relationships to a large extent and to a very large extent to 3.8% of the respondents. The modal class of the responses to this indicator was found to be 2. This implies that on average, employees have good relationships to a small extent.

Respondents were also asked on whether employees understand what new responsibility, tasks and duties need to be performed by them in order to implement strategy; to 3.8% of the respondents, employees do not understand the new responsibilities at all. To 36.5% of the respondents it is small extent while to 42.3% of them employees understand the new responsibilities to a moderate extent. There are 13.5% respondents with a perception that employees understand the new responsibilities to a large extent and to a very large extent to 3.8% of the respondents. The modal class of the responses to this indicator was found to be 3. The implication here is that on average, employees understand the new responsibilities to a moderate extent. The questionnaire sought to find out how much the respondents agreed that there is an agreement between the top, middle and lower level managers on strategy objective and strategy implementation; to 23.1% of the respondents, the top, middle and lower level managers do not agree at all. To 36.5% of the respondents it is small extent while to 28.8% of them the top, middle and lower level managers agree to a moderate extent. There are 11.5% respondents with a perception that the top, middle and lower level managers agree to a large extent and to a very large extent to 0% of the respondents. The modal class of the responses to this indicator was found to be 2. This implies that on average, the top, middle and lower level managers agree to a small extent.

Analysis of the whether the company uses internal memos in communicating the strategy implementation; to 23.1% of the respondents, the company does not use internal memos at all. To 30.8% of the respondents it is small extent while to 25% of them the company uses internal memos to a moderate extent. There are 21.2% respondents with a perception that the company uses internal memos to a large extent and to a very large extent to 0% of the respondents. The modal class of the responses to this indicator was found to be 2. The implication here is that on average, the company uses internal memos to a small extent.

The key respondents were also asked on whether the company uses stakeholder meetings in communicating strategy implementation; to 25% of the respondents, the company does not use stakeholder meetings at all. To 38.5% of the respondents it is small extent while to 25% of them the company uses stakeholder meetings to a moderate extent. There are 11.5% respondents with a perception that the company uses stakeholder meetings to a large extent and to a very large extent to 0% of the respondents. The modal class of the responses to this indicator was found to be 2. The implication here is that on average, the company uses stakeholder meetings to a small extent.

Analysis of the whether the company uses word of mouth in communicating strategy implementation; to 46.2% of the respondents, the company does not use word of mouth at all. To 32.7% of the respondents it is small extent while to 17.3% of them the company uses word of mouth to a moderate extent. There are 3.8% respondents with a perception that the company uses word of mouth to a large extent and to a very large extent to 0% of the respondents. The modal class of the responses to this indicator was found to be 1. This implies that on average, the company uses word of mouth to a not at all.

The study sought to find out the perception of respondents on the indicator that the company uses emails in communicating strategy implementation; to 15.4% of the respondents, the company does not use emails at all. To 30.8% of the respondents it is small extent while to 36.5% of them the company uses emails to a moderate extent. There are 11.5% respondents with a perception that the company uses emails to a large extent and to a very large extent to 5.8% of the respondents. The modal class of the responses to this indicator was found to be 3. The implication here is that on average, the company uses emails to a moderate extent. Next, the respondents were asked whether communication contributes to the implementation of strategic plans; to 5.8% of the respondents, communication does not contribute at all. To 26.9% of the respondents it is small extent while to 36.5% of them communication contributes to a moderate extent. There are 25% respondents with a perception that communication contributes to a large extent and to a very large extent to 5.8% of the respondents. The modal class of the responses to this indicator was found to be 3. The implication here is that on average, communication contributes to a moderate extent.

Table 4. 10 Descriptive Analysis-Communication

			Statistic
Communication	Mean		2.487
	95% Confidence Interval for Mean	Lower Bound	2.303
		Upper Bound	2.670
	Std. Deviation		0.647
	Skewness		0.126

(Source: Survey Data, 2017)

The overall measure of Communication was determined as a weighted average of the scores of all the 9 indicators used to measure the construct. Table 4.11 shows the descriptive analysis of the overall measure of Communication. The mean was used as the measure of central tendency of choice for the overall Communication. The mean level of Communication was found to be 2.487 with a standard deviation of 0.647. The standard deviation as a measure of dispersion implies low variation of the Communication across the firms. Due to the low variation, the 95% confidence interval of possible values of the mean in the population has a lower bound of 2.303 and an upper bound of 2.670.

4.4.5 Implementation of Strategic Plans

Implementation of Strategic Plans was the dependent variable in this study. The study sought to determine the effect that other constructs had on the implementation of strategic plans. The study measured implementation if strategic plans using 5 indicators as presented in table 4.11 below.

Table 4. 11 Implementation of Strategic Plans

	Not at All(1)	Small Extent (2)	Moderate Extent (3)	Large Extent (4)	Very Large Extent (5)	Modal Class
Does the current organization structure support implementation of strategic initiatives	4%	8%	35%	24%	29%	3
The availability of human resource in managing and implementing new strategies.	0%	18%	33%	43%	6%	4
There are systems and policies that have been out in place to take care of any challenges experienced during strategy implementation process.	0%	8%	35%	41%	16%	4
Rewards and incentives allocated for those employees that meet the strategic plans	2%	29%	16%	37%	16%	4
Provision of training in relation to the implementation of the strategy	6%	12%	33%	27%	22%	3

(Source: Survey Data, 2017)

To measure this variable, the respondents were asked the extent to which they believed that the current organization structure supports implementation of strategic initiatives; to 3.9% of the respondents, the organization structure does not support implementation at all. To 7.8% of the respondents it is small extent while to 35.3% of them the organization structure supports implementation to a moderate extent. There are 23.5% respondents with a perception that the organization structure supports implementation to a large extent and to a very large extent to 29.4% of the respondents. The modal class of the responses to this indicator was found to be 3. This implies that on average, the organization structure supports implementation to a moderate extent.

Another indicator was on whether the availability of human resource in managing and implementing new strategies; to 0% of the respondents, there is no availability of human resources at all. To 17.6% of the respondents it is small extent while to 33.3% of them there is availability of human resources to a moderate extent. There are 43.1% respondents with a perception that there is availability of human resources to a large extent and to a very large extent to 5.9% of the respondents. The modal class of the responses to this indicator was found to be 4, implying that on average, there is availability of human resources to a large extent.

The variable was also measured based on the extent to which availability of organizational policies or systems put in place to respond to the challenges of the implementation process; to 0% of the respondents, there are no policies put in place at all. To 7.8% of the respondents it is small extent while to 35.3% of them there are policies put in place to a moderate extent. There are 41.2% respondents with a perception that there are policies put in place to a large extent and to a very large extent to 15.7% of the respondents. The modal class of the responses to this indicator was found to be 4, implying that on average, there are policies put in place to a large extent. The key respondents were also asked on whether rewards and incentives are allocated for those employees that meet the strategic plans; to 2% of the respondents, rewards and incentives are not allocated at all. To 29.4% of the respondents it is small extent while to 15.7% of them rewards and incentives are allocated to a moderate extent. There are 37.3% respondents with a perception that rewards and incentives are allocated to a large extent and to a very large extent to 15.7% of the respondents. The modal class of the responses to this indicator was found to be 4. This has an implication that on average, rewards and incentives are allocated to a large extent.

The respondents also responded the question on whether availability of training provision in relation to the implementation of the strategy; to 5.9% of the respondents, there is no training provision at all. To 11.8% of the respondents it is small extent while to 33.3% of them there is training provision to a moderate extent. There are 27.5% respondents with a perception that there is training provision to a large extent and to a very large extent to 21.6% of the respondents. The modal class of the responses to this indicator was found to be 3. This implies that on average, there is training provision to a moderate extent.

Table 4. 12 Descriptive Analysis-Implementation of Strategic Plans.

			Statistic
Implementation of Strategic Plans	Mean		3.500
	95% Confidence Interval for Mean	Lower Bound	3.294
		Upper Bound	3.706
	Std. Deviation		0.724
	Skewness		-0.044

(Source: Survey Data, 2017)

Table 4.12 shows the descriptive analysis of the overall measurement of the dependent variable implementation of strategic plans. The weighted averages of the 5 indicators of the variable was determine and used for further analysis as the overall measure of implementation strategic plans. The mean was used as the measure of central tendency of choice for the overall implementation of strategic plans. The mean level of implementation of strategic plans was found to be 3.500 with a standard deviation of 0.724. The standard deviation as a measure of dispersion implies low variation of the implementation of strategic plans across the firms. Due to the low variation, the 95% confidence interval of possible values of the mean in the population has a lower bound of 3.294 and an upper bound of 3.706.

4.5 Inferential Analysis

To explore the nature of relationship between the independent variables and the dependent variable, parametric inferential analyses were used. The study sought to establish the effect of selected determinants on the implementation of strategic plans by the insurance companies in Kenya. The scores for the observed indicators were used to get the weighted averages as overall scores for each construct. The resulting weighted averages were continuous variables that were used in the inferential analysis.

4.5.1 Correlation Analysis

To determine the relationship between the independent variables and the dependent variable, the study found the Pearson correlation coefficient to measure the strength and direction of the relationships. The correlation coefficients were tested for significance at 0.05 level of significance as shown in table 4.14.

Table 4. 13 Correlation Analysis

		Organization Resources	**Leadership Styles**	**Organization Culture**	**Communication**	**Implementation of Strategic Plans**
Organization Resources	Pearson ρ	1	.719**	.521**	.911**	.823**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000
	N	50	50	50	50	50
Leadership Styles	Pearson ρ	.719**	1	.415**	.710**	.358**
	Sig. (2-tailed)	0.000		0.002	0.000	0.010
	N	50	50	50	50	50
Organization's Culture	Pearson ρ	.521**	.415**	1	.585**	.585**
	Sig. (2-tailed)	0.000	0.002		0.000	0.000
	N	50	50	50	50	50
Communication	Pearson ρ	.911**	.710**	.585**	1	.827**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000
	N	50	50	50	50	50
Implementation of Strategic Plans	Pearson ρ	.823**	.358**	.585**	.827**	1
	Sig. (2-tailed)	0.000	0.010	0.000	0.000	
	N	50	50	50	50	50

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

(Source: Survey Data, 2017)

As shown in table 4.13, all the independent variables were found to have significant positive relationships with the dependent variables in implementation of strategic plans. The constructs organization resources, and communication were found to have a significant, strong and positive relationships with implementation of strategic plans depicted with correlation coefficient of 0.823 and .827 respectively both with p-values of 0.000 that imply significance at 0.05 level of significance.

Organization culture was found to have a moderate correlation with implementation of strategic plans with a correlation coefficient of 0.585. The correlation was also significant at 0.05 as implied by the p-value of 0.000 which is less than 0.05. Leadership style had a slight significant relationship with implementation of strategic plans (rho=.358, p-value=0.010). The significance is implied by the p-value of 0.010 which is less than 0.05.

4.5.2 Regression Analysis

The study adopted a causal design to determine the influence that the selected determinants had on implementation of strategic plans. To draw conclusions on the objectives of the study, the researcher used an ordinary least squares (OLS) simple linear model to determine the joint influence of the determinants on implementation of strategic plans. A multiple regression model was fitted for the data that yielded results presented in the tables below.

Table 4. 14 Regression Analysis

R	R Square	Adjusted R Square	Std. Error of the Estimate
.928[a]	0.862	0.849	0.280

a. Predictors: (Constant), Communication, Organization's Culture, Leadership Styles, Organization Resources

Table 4.14 shows the summary statistics of the model fitted. The R-square of the model was found to be 0.862 which is the explanatory power of the model. This shows that 86.2% of the variation in the dependent variable implementation of strategic plans is explained by the variations of the predictors in the model (communication, organization's culture, leadership styles, organization resources). The remaining 13.8% of the variation of implementation strategic plans is explained by other factors that are not included in the model fitted for this study.

Table 4. 15 Analysis of Variance (ANOVA)

	Sum of Squares	df	Mean Square	F	Sig.
Regression	22.154	4	5.539	70.288	.000[b]
Residual	3.546	45	0.079		
Total	25.7	49			

a. Dependent Variable: Implementation of Strategic Plans

b. Predictors: (Constant), Communication, Organization's Culture, Leadership Styles, Organization Resources

Table 4.15 is the analysis of variance (ANOVA) table. The analysis of variance for regression tests the general significance of the model fitted. It tests whether the parameters estimated are jointly equal to 0 or not. The p-value of the F-statistic of the analysis of variance is 0.000 which is less than 0.05, this implies that at 0.05 level of significance, the parameters of the model are not jointly equal to zero and at least 1 of the parameters is not equal to 0. This implies that the model is generally significant.

Table 4. 16 Coefficient Estimates

	Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
(Constant)	2.215	0.335		6.608	0.000
Organization Resources	0.569	0.117	0.692	4.849	0.000
Leadership Styles	0.154	0.069	0.133	2.232	0.000
Organization's Culture	0.167	0.077	0.144	2.167	0.036
Communication	0.540	0.158	0.482	3.410	0.001

(Source: Survey Data, 2017)

Further to the ANOVA, the coefficient estimates for each independent variable was analysed and tested for significance as presented in table 4.17. The parameter estimates show the causal relationships between the variables and implementation of strategic plans. A significant parameter estimate implies that the variable has a significant linear effect on implementation of strategic plans.

All the independent variables were found to have significant linear effect on implementation of strategic plans. The coefficient estimates of organization resources, leadership styles, organization's culture, communication were found to be 0.569, 0.154, 0.167 and 0.540 respectively with p-values 0.000, 0.000, 0.036 and 0.001 respectively. All the p-values of the estimated parameters are less than 0.05 implying that all the selected determinants have significant linear influences on implementation of strategic plans yielding an equation given below.

$$\mathbf{Y= 2.215+0.569X1+0.154X2+0.167X3+0.54X4+\varepsilon}$$

The main objective of the study is to establish the effect of selected determinants on the implementation of strategic plans by the insurance companies in Kenya. To draw a conclusion on this objective, a hypothesis was formulated.

H_0: The selected determinants have no significant effect on the implementation of strategic plans by the insurance companies in Kenya.

Based on the Analysis of variance, the p-value of the F-statistic was found to be 0.000 which is less than 0.05. This implied that the model with the selected determinants in this study was significant thus the null hypothesis was rejected and a conclusion drawn that the selected determinants have a significant effect on the implementation of strategic plans by the insurance companies in Kenya.

4.6 Discussion

The findings of this study revealed that organization culture was one of the major factors that influence strategy implementation at insurance companies. Ravasi and Schultz (2006) defined organizational culture as a set of collective actions, behaviors and assumptions that direct the operations and happenings in an organizations by specifying acceptable behavior from all stakeholders in various situations.

Organization culture is very important in strategy implementation because the level of understanding of organizational core values, objectives, beliefs, expectations plays a crucial role in the people's level of engagement. The finding of this study concurs with the arguments of Ravasi and Schultz (2006) by revealing a positive relationship between organization culture and strategy implementation. According to Arthur and Boyles (2007) motivating and rewarding people in a strategy, building and strengthening competitive capabilities, doing a good job of working with and through others and instilling discipline of getting things done in a supportive manner are the ingredients of a successful strategy execution. These sentiments point to the significance of staff involvement in the strategy implementation process. Therefore having a staff that understands the culture of the organization is central to successful strategy implementation.

Another study by Ejimofor (2007) in Nigeria concluded that transformational leadership behavior affected teachers' job satisfaction. Schaap (2012) study's findings further revealed that consensus is vital in the implementation process. The findings also showed that when there is effective and frequent communication all round the organizational structure through shared attitudes and values, that is, from up to down, there is a highly likely hood of improved consensus for the strategy implementation.

Study by Mapetere, Mavhiki, Nyamwanza, Sikomwe and Mhonde (2012) showed that partial success is as a result of leaders applying relatively low leadership involvement during strategy implementation which does not have a clear vision for the strategy implementation process. The findings further show that this form of leadership style does not take into account effective communication and role model behavior changes as effective ingredients for implementation of new strategies.

Findings from the respondents revealed that insurance companies had a transformational leadership implying that leadership had no effects on failure to attain strategic plan objectives. Their views contradict the arguments of previous scholars who conducted similar studies. For instance, in a study on the impact of transformational leadership on job satisfaction, staff turnover and job performance Griffith (2004) found that in schools where staff were more satisfied with their jobs and had less staff turnover, the principals were perceived to be transformational leaders. This attribute of transformational leadership had given the principals the ability to equip the teachers with the right vision for the future, was able to imbue the teachers as well as inspire them which then strengthened the commitment of the teachers to the affairs of the schools.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section summarizes the research data and also presents a conclusion from chapter four. The outcome and recommendations of the study based on the key goal of the research are also incorporated. The key goal of this research was to establish the effect of selected determinants on the implementation of strategic plans by the insurance companies in Kenya.

5.2 Summary of Research Findings

From the findings in chapter four, majority of the respondents in the insurance industry are aged between 31-40 years implying that most insurance firms have mature persons managing their operations. On the resource concern as a determinant for strategy implementation, the study findings indicate that to a large extent most insurance firms do have resource bases that are capable of addressing their obligations, and contribute to organizational achievement of strategic goals and plans.

The study findings indicate that the type of leadership style contributes to success of strategic implementation whereby to a large extent mangers use inspirational motivation in empowering subordinates and create organizational conditions in which subordinates can develop their own leadership capabilities. Further, research findings revealed to a very large extent leadership is dictated by environmental changes within and outside the organization.

Institutions are modeled by the available organizational culture, therefore, this study findings revealed that majority insurance firms' organizational culture does influence strategy implementation and that most insurance firms have a mission and vision statement. Whereas organizational structure is instrumental in having a successful strategy implementation, insurance firms structures support implementation of strategic initiatives and to a large extent there are rewards and incentives allocated for those employees that meet the strategic plans.

5.3 Conclusion

Strategy implementation is very crucial to the successful operations of any given organization because it addresses all the issues to do with who, where, how and when to achieve the set goals and objectives. Organizations and companies that effectively implement their strategies also realize high performance. For a company to implement its strategic plans it requires all systems to be place, adequate resources to finance the plan, skilled human resource and proper and well-functioning structures. Having a culture that understands the core values, belief and principles of an organization is crucial to the success of strategic plan implementation.

Leadership is an approach and a work disciple which is able to empower a person to carry out any given role and duty by directing organizational operations from the top to the bottom. Organizational leadership from board of directors, top management, supervisors are important in the progress of organizations. Effective strategy implementation must be spearheaded by strong leadership that is able to consolidate all the necessary efforts and direct them toward the organization goals. Organizations with strong and transformational leadership always succeed in strategic plan implementation than those without strong leadership. Resources can be defined as the inputs used in the production of those things that we desire. Resources are among the most important aspects of strategy implementation; therefore, large organizations require a lot of resources when launching their new strategic plans. To successful implement strategies organizations need resources both human resources and financial resources. Organization of the firm's resources and staff motivation are part of strategy implementation. Strategies are implemented by the people therefore, skills, knowledge and experience of the employees of organization contribute to successful strategy implementation.

5.4 Recommendations

This study recommends that insurance companies and firms stakeholders should appreciate the importance of organization culture not only in strategy implementation but also in general performance of their firms. They should encourage a culture that is results oriented, focused and discipline in order to succeed. The extent to which organization was willing to engage the employee in building a good organization culture will in turn have a positive correlation with strategy implementation.

The stakeholders of insurance firms should understand the role leadership plays in strategic plan implementation. Insurance companies should strive to look for strong individuals who have the qualities to imbued, motivate, inspire and equip other staff with the vision of the future in order to attain the set objectives. Individuals mandated with the responsibilities to lead other must understand that the success of the organization depended on their abilities to coordinate all the system in an efficient manner.

Strategic implementation is a process that requires both adequate financial and skilled human resources. Therefore, organizations that need to succeed in the strategic plan implementation should invest adequately both in terms of finance and human labor. Training of the staff should also be undertaken to ensure all employees understand where the organization is headed and what is required of them. Organizations should be structured such that there is timely and effective flow of information both vertically and horizontal with the organization. Good organization structures make it easy for junior staff to communicate to their leaders. Good communication channel make problem solving and decision making less difficult since it encourage consultations.

5.5 Limitations of the Study

A rigorous working environment hindered my deep indulgence with the respondents in that I was not able to follow up on some of them who had given partial and unclear responses on some key areas of research. Lack of cooperation from some respondents was witnessed by the researcher. Given the confidentiality of some of the information requested, some respondents were not willing to cooperate in a research that they were unaware of its intentions. The researcher therefore had to explain the details of the study and its overall objective as purely an academic undertaking. The researcher further vowed that information divulged would be held in confidentiality. The respondents in this research were from one sector of the economy. The conclusions of this study may not be representative and therefore should not be generalized to other industries operating in Kenya.

5.6 Suggestions for Further Research

Future researchers should conduct a similar study to find out the causes of disjoint in the understanding of the effects of organization culture, leadership, resources and communication on strategic plan implementation by insurance companies in Kenya. Future researchers should also focus on the effects of research and development on the success of strategic plan implementation.

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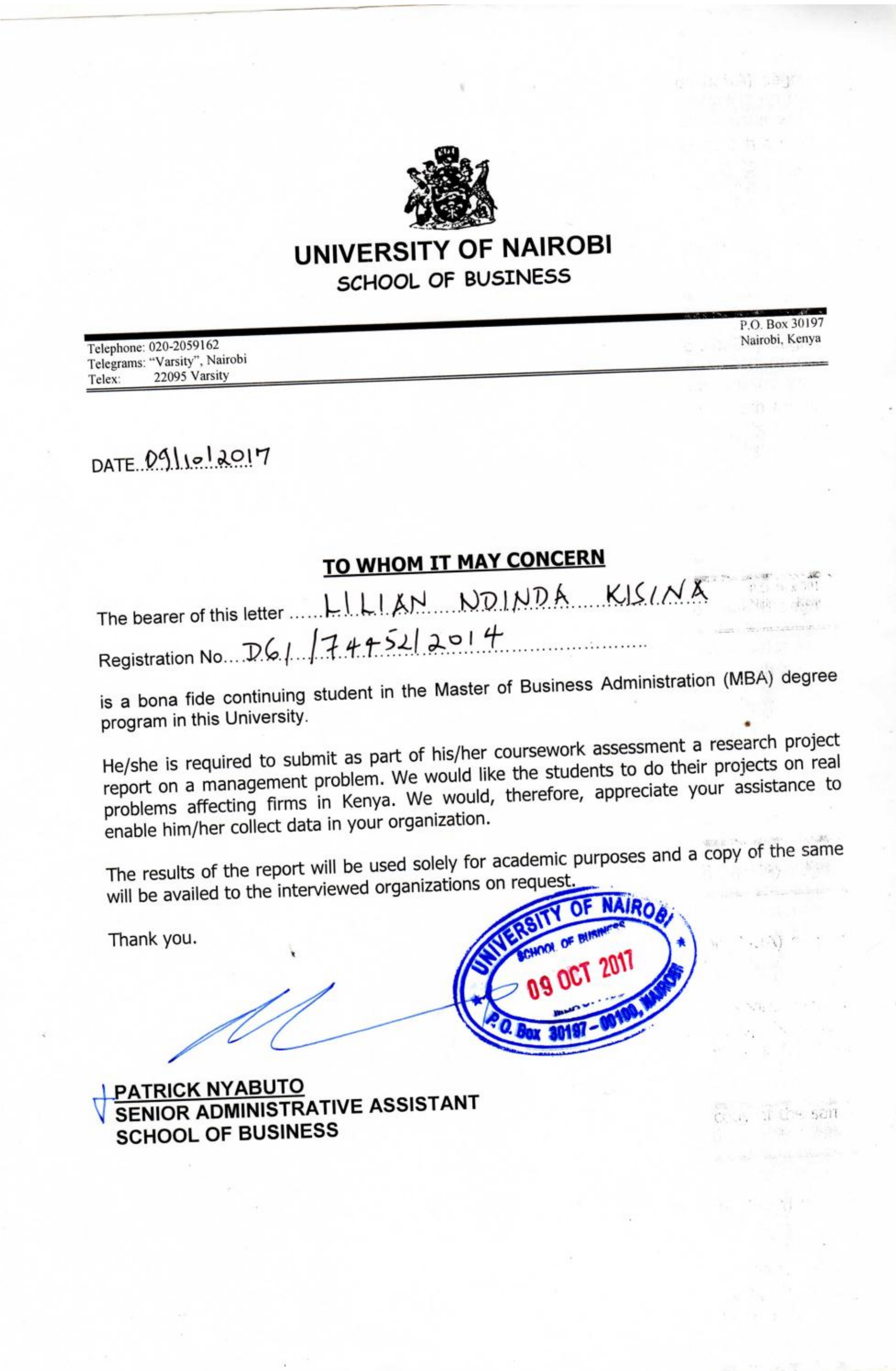
APPENDICES

APPENDIX I: INTRODUCTION LETTER



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DATE 09/10/2017

TO WHOM IT MAY CONCERN

The bearer of this letter LILIAN NDINDA KISINA

Registration No. D61/74452/2014

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
09 OCT 2017
P.O. Box 30197 – 00100, NAIROBI

PATRICK NYABUTO
SENIOR ADMINISTRATIVE ASSISTANT
SCHOOL OF BUSINESS

APPENDIX II: QUESTIONNAIRE

This questionnaire seeks to collect information on the effect of selected determinants on the implementation of strategic plans by insurance companies in Kenya.

Section 1: **General Information**

(Instruction -Tick where appropriate)

1. Name of Insurance Company (Optional) ……………
2. When the Company was started (Year)………………
3. Kindly indicate gender
   - ☐ Male
   - ☐ Female

4. Age

- ☐ 18- 30yrs
- ☐ 31-40 yrs
- ☐ 41 –50 yrs
- ☐ 51 yrs and over

5.What is your highest level of education?

- ☐ Secondary level
- ☐ College level
- ☐ Undergraduate level
- ☐ Postgraduate level.

6. Number of years in current employment

- ☐ Less than one year
- ☐ One to two years
- ☐ Three to five years
- ☐ More than five years

7. Organization Size

- ☐ Less than 50
- ☐ 50-100
- ☐ 100-200
- ☐ Above 200

Section 2: Organization's Resources

What is the extent to which you can relate the statements in the table below with resource base competencies as a factor of successful implementation of strategy? Please used the likert scale given below and make a tick in front of each of the statements based on your experience. (1=not at all, 2=small extent, 3=moderate extent, 4=large extent, 5=very large extent)

Organization Resources	**1**	**2**	**3**	**4**	**5**
Our organization has adequate and efficient human resource (competent employees)					
Our organization is always able to meet its set resource department goals and objectives					
Resource allocation is done in an appropriate and timely manner					
Operations are never delayed or halted due to resource unavailability					
Our organization has a resource base that matches the company's needs					

2. To what extent do organizational resources contribute to the achievement of the company's strategic plans?

- ☐ Not at All
- ☐ Small Extent
- ☐ Moderate Extent
- ☐ Large Extent
- ☐ Very Large Extent

Section 3: Leadership Styles

1. To what extent does leadership influence the success of a strategy? Please record your answer by ticking at the space provided by the scale indicator.

(1=not at all, 2=small extent, 3=moderate extent, 4=large extent, 5=very large extent)

Leadership	**1**	**2**	**3**	**4**	**5**
Leaders wait for emergence of problems before acting					
The subordinates are blamed when things go wrong					
When the employees achieve their targets or set objectives, they are rewarded					
Mangers use inspirational motivation in empowering subordinates					
Managers create organizational conditions in which subordinates can develop their own leadership capabilities					
Leadership is dictated by environmental changes within and outside the organization					
Managers serve the needs and the desires of the subordinates always					

Managers demonstrate a sense of moral responsibility and respect for employees					

Section 4: Organization's Culture

1 To what extent is your level of agreement with the following statements regarding organizational culture and strategy implementation? Please record your answer by ticking at the space provided by the scale indicator.

(1=not at all, 2=small extent, 3=moderate extent, 4=large extent, 5=very large extent)

Organizational Culture	**1**	**2**	**3**	**4**	**5**
Our organization tolerates new ideas and risks					
Our organization has a mission and vision statement					
Our organizations shows respect for a diverse range of opinions, ideas and people					
Our organization provides a fun and friendly customer centered environment					
The tolerance of new ideas enhances strategy implementation					
Risk tolerance helps in strategic implementation in the organization					

2. In your opinion, to what extent do you think organizational culture influence strategy implementation?

- ☐ Not at All
- ☐ Small Extent
- ☐ Moderate Extent
- ☐ Large Extent
- ☐ Very Large Extent

Section 5: Communication

1. To what extent has communication in your organization been effective in addressing the following aspects of implementation of strategic plans? Please record your answer by ticking at the space provided by the scale indicator.

(1=not at all, 2=small extent, 3=moderate extent, 4=large extent, 5=very large extent)

Communication	**1**	**2**	**3**	**4**	**5**
Employees understand the strategic plan					
Employees have good interpersonal relationships and self-initiative					
Employees understand what new responsibility, tasks and duties need to be performed by them in order to implement strategy					
There is an agreement between the top, middle and lower level managers on strategy objective and strategy implementation					
The company uses internal memos in communicating the strategy implementation					
The company uses stakeholder meetings in communicating strategy implementation					
The company uses word of mouth in communicating strategy implementation					
The company uses emails in communicating strategy implementation					

2. To what extent do you think communication contributes to the implementation of strategic plans?

- ☐ Not at All
- ☐ Small Extent

☐ Moderate Extent

☐ Large Extent

☐ Very Large Extent

Section 6: Implementation of Strategic Plans

1. Does your organization develop strategic plans?

☐ Yes

☐ No

2. To what extent do you agree whether the following components have been effectively used in strategy implementation in your organisation? Please record your answer by ticking at the space provided by the scale indicator.

(1=not at all, 2=small extent, 3=moderate extent, 4=large extent, 5=very large extent)

Implementation of strategic plans	**1**	**2**	**3**	**4**	**5**
Does the current organization structure support implementation of strategic initiatives					
The availability of human resource in managing and implementing new strategies.					
Organizational policies or systems put in place to respond to the challenges of the implementation process.					
Rewards and incentives allocated for those employees that meet the strategic plans					

APPENDIX III: INSURANCE COMPANIES IN KENYA

1. AAR Insurance Kenya Limited
2. AIG Kenya Insurance
3. AMACO Ltd
4. Allianz Insurance Company Ltd
5. APA Insurance Limited
6. APA Life Assurance Limited
7. Barclays Life Assurance Ltd
8. Britam General Insurance Ltd
9. British American Insurance Ltd
10. Cannon Assurance Ltd
11. Capex Life Assurance Ltd
12. CIC General Insurance Ltd
13. CIC Life Assurance Ltd
14. Continental Reinsurance Ltd
15. Corporate Insurance Ltd
16. Direct line Assurance Ltd
17. EA Reinsurance Company Ltd
18. Fidelity Shield Insurance Ltd
19. First Assurance Company Ltd
20. GA Insurance Ltd
21. GA Life Assurance Ltd
22. Geminia Insurance Company Ltd
23. ICEA LION General Insurance Ltd
24. ICEA LION Life Assurance Ltd
25. Intra Africa Assurance Ltd
26. Invesco Assurance Company Ltd
27. Kenindia Assurance Ltd
28. Kenya Orient Insurance Ltd
29. Kenya Orient Life Assurance Ltd
30. Kenya Reinsurance Corp Ltd
31. Liberty Life Assurance Kenya Ltd
32. Madison Insurance Company Ltd
33. Mayfair Insurance Company Ltd
34. Metropolitan Cannon Life Assurance Ltd
35. Occidental Insurance Company Ltd
36. Old Mutual Life Assurance Ltd
37. Pacis Insurance Company Ltd
38. Pioneer Life Assurance Company Ltd
39. Pioneer General
40. Phoenix of EA Assurance Company Ltd
41. Prudential Life Assurance Ltd
42. Saham Assurance Company Ltd
43. Sanlam General Insurance Ltd
44. Sanlam Life Assurance Ltd
45. Tausi Assurance Company Ltd
46.the Heritage Insurance Company
47. Trident Insurance Company Ltd
48. Resolution Insurance Company
49. UAP Life Assurance Ltd
50. UAP Insurance Company Ltd
51. Takaful Insurance of Africa
52. The Jubilee Insurance Company
53. The Monarch Insurance Co.Ltd
54. The Kenyan Alliance Insurance
55.Xplico Insurance Limited

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