

**ROLE OF TOP MANAGEMENT TEAM IN STRATEGY
IMPLEMENTATION IN AUDIT FIRMS, NAIROBI COUNTY, KENYA**

BY

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DECLARATION

STUDENT DECLARATION

This project is my original work and has not been presented for the award of degree in another University.

Signed..... Date.....

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D61/87711/2016

APPROVAL

The project has been presented for the examination with my approval as the supervisor.

Signed..... Date.....

Dr. J. Kagwe

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DEDICATION

I dedicate my research project to Eric Aholi, my boss, Zipporah Kagendo, Norbert Ombese, David Mugo, Julian Kemunto, Maxwell Munyi, Juliet Awuor and my family for their love, encouragement and continued support throughout my studies.

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ABBREVIATIONS AND ACRONYMS

CEO	Chief Executive Officer
CFO	Chief Finance Officer
COO	Chief Operating Officer
CPAKs	Certified Public Accountants
ICPAK	Institute of Certified Public Accountants of Kenya
IEBC	Independent Electoral and Boundaries Commission
KASNEB	Kenya Accountants and Secretaries National Examinations Board
PWC	Price Water Coopers
RAB	Registration of Accountants Board
SMPs	Small and Medium size Practitioners
TMT	Top Management Team

ABSTRACT

There are dramatic changes that have come around the world of business as a result of ever increasing technology, competition as well as globalization. For an organization to survive in this environment, strategic changes are of key importance. When an organization makes a strategic decision, it is making a fundamental choice regarding what it is going to do and what it is not going to do. If strategy implementation in an organization is bad, there are no possible results. The study objective was to determine the role of top management in strategy implementation in audit firms in Nairobi County, Kenya. The theories that were used in this study are the Upper Echelons theory and the Stakeholders' theory. The study assumed a descriptive research design. The study sample frame comprised the 678 audit firms operating in CBD. This enabled the researcher to arrive at 68 audit firms to be the sample size. Through use of semi structured questionnaire, information was gathered. Descriptive as well as inferential statistics analyzed quantitative data. The study concluded that the tenure of the top administration is significant for strategy implementation in the county of Nairobi. The study also concluded that the top management diversity is very important in strategy implementation in audit firms. In addition, top management size of the team and average age had an impact on strategy implementation. The study revealed that there was low representation by women in the top management in audit firms. Firms should improve gender distribution and can adopt the constitutional requirement of one-third representation.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

There have been constant changes in the business environment and organizations have been finding ways to adapt to the changes to remain competitive and profitable. The mandate to ensure the success of an organization rests with the top management who come up with new strategies and also ensure the strategies are well implemented. EHåkonsson, Burton, Obel and Lauridsen (2012) indicated that effective strategy implementation is also affected by how the organization is managed and its information process and analysis. This is also associated indirectly with what type of strategy is implemented. In this case, there is emphasis placed on the managers' role, which includes wide-ranging cooperation, assessment of opportunities that are emerging which are used for creating a competitive advantage and having the correct decisions made based on analyses (Forbes and Milliken, 2014).

The theoretical foundation of the study on top management role indicates how they were relevant to the study. The theories that were used in this study are the Upper Echelons theory and the Stakeholders' theory. The Upper Echelons theory indicates that the characteristics of the members' top management (TMT), including previous experiences, their personalities, and values affect how organizational and strategic decisions are made. The Stakeholders' theory elaborates on how top management is supposed to ensure that all the business stakeholder needs are adequately and equitably catered for by implementing inclusive strategies.

There are several challenges that face Audit firms in Kenya which emanate from both internal as well as external forces which comprise of changes in technology, competition, social-cultural, economic and inadequate resources. These challenges

pose a great threat of survival among these firms. Therefore, there is need for audit firms to come up with dynamic and strategic changes in order to ensure their survival as well as growth. Such a milestone can be achieved through involvement of top management in the implementation of strategies.

1.1.1 Top Management

Top Management is a term which refers to the individuals at higher leadership ranks which includes owners of an organization, executives who are high such as CFO, CEO, COO etc, as well managers who are based at the senior-level position. Hitt, Ireland and Hokisson, (2011) are of the opinion that top management effect on implementation of a strategy has been emphasized by several researchers. They point out the important role of figurehead that managers have with regard to implementing strategies in an organization. For instance, Tsui et al., (2012), opinesnba that the board of an organization is of critical significance at the time of implementing strategies.

The Top Management is usually used by firms in order to ponder on the strategic opportunities and problems when formulating strategic decisions. Koontz and Weihrich (2010) broadly stated that management is the process where a setting is planned and preserved, and where persons work together in groups efficiently to achieve provided objectives. Kraus and Ferrell (2016) indicated that Top Management is very important to the performance of an organization. In a bid to have influence on the organizational results, top organization leaders come up with a group purpose, introduce values, influence culture, and determine the strategic plan for an organization. Top management varies in different organizations but generally, it is a relatively small group of people who include the organization's president, vice president, CEO, and directors

Among the responsibilities of these executive management is coordination, organizational composition alignment, making sure that processes are streamlined, ensuring that staff are motivated and also committed to implementation of the strategy. Sirmon, Grove and Hitt, (2008) acknowledged the responsibility of the executive management, which is to ensure that there is uniformity in allocation of resources, processes, and the anticipated strategy of a firm.

1.1.2 Strategy Implementation

Pearce & Robinson (2008) assert that strategy implementation is the process of putting a firm's resources towards executing of the crafted strategies so as to achieve the firm's goals. Strategy implementation involves allocating the company's resources to execute sophisticated strategies to achieve business goals. Strategy is an important tool for any organization's management that captures multiple dimensions with different authors defining it differently. Strategy involves an effective matching of the resources and skills of the business, the hazards and the opportunity from the operational environment as well as the goals to be achieved (Chapman, 2004). The function of strategic implementation is the provision of direction and guidance on the various organization undertaking. Since the strategic decisions influence the organizations' reactions towards the operational environment, it is important for the company to develop well-thought resolutions that are efficient in the current environment. The strategic purpose is to create guidelines that will help the organization to meet its targeted objectives and respond to risks and opportunities from its operation (Wheelen & Hunger, 2008)

Strickland et al., (2008) reported that many companies are facing difficult situations due to continuous variations in the environmental business conditions. To cope with unprecedented changes, the businesses need to develop good strategies and implement

and evaluate the processes involved in the execution of strategies. Effectively implementation of a strategy can be difficult because it requires well-coordinated efforts by people or employees in the entire organization. Senior managers must identify the fundamental success activities for the company's strategy and develop the organizational structure that supports these activities. For a strategy to increase the superior performance, it must be implemented based on the company characteristics and employees' skills and behavior. Managers need to create a system and culture to promote the success of the formulated strategy. According to Chandler (2002), the structure of the organization follows the strategy in certain circumstances, however, Hussey (1998) focused on the effective implementation of the strategy by soft and hard aspects of implementation. In his argument, soft and hard elements must fit together for the strategy to be employed.

Strategy implementation integrates activities across all the levels of management, incorporates the stakeholders and calls for a creative and committed champion team, which has support of top management (Pearson et al, 2009). Top management should communicate the strategy to the middle and lower level of management. Well communicated strategy creates sense of purpose and urgency to employees (Porter, 2007). During strategy implementation; employees are organized into teams headed by champions who have a strong commitment to strategy philosophy. Management support through provision of resources and conducive environment enhances strategy implementation by encouraging creativity and innovation. Developing working relationships with stakeholders creates synergy to the implementation process.

Johnson and Scholes (1999), argued that Strategy implementation involves putting formulated strategies into action. During this process, organizations make changes so as to adapt to the turbulence in the external environment. Resistance to change falls as

the major challenge in strategy implementation. Change is the only constant, it affects every organization at some point in time. Implementing a new change in the organization can be a difficult process. Scrapping a strategy leads to corporate failure. When corporate leaders want to implement new strategy, they educate company members, have a series of meetings and negotiate with the staff to implement strategy and when the staff fail to do this, the leaders dictate it. Corporate leaders should understand why their employees resist changes so as to make it easier to create a plan of action for smooth implementation of changes.

1.1.3 Audit Firms in Nairobi County

In Kenya, the profession of Accountancy is anchored through and regulated under Accountants Act, Chapter 531 of the Laws of Kenya. The Act was sanctioned in 1977 and brought into being three bodies; ICPAK, RAB and KASNEB. ICPAK serves as the umbrella body that regulates the exercises of qualified and enrolled Certified Public Accountants (CPAKs). The order of ICPAK are; Setting and upholding guidelines of expert work on including bookkeeping, examining and moral models

The accountancy practice in Kenya comprises of customary money related bookkeeping, taxation and auditing works and also other vital administrations, for example, business counseling, business consultancy and administration bookkeeping (Haria, 2011). ICPAK built up the (KCA), which is currently one of the main mentors in bookkeeping in Kenya for implementing a program of value certification for review calling; checking moral conduct and arbitrating over cases including indiscipline through the Statutory Disciplinary Committee; accommodating the upkeep of ability by overhauling individuals' information through distributions and proceeding with expert instruction; and creating arrangements through which bookkeeping accountants can be moved forward.

They are several challenges that face Audit firms in Kenya which emanates from both internal as well as external forces which comprise of changes of technology, competition, and changes emanating from social-cultural, economic challenges as well as inadequate resources. The aforementioned challenges pose a serious threat of survival among these firms. According to data obtained from ICPAK, there are 678 registered audit firms in Nairobi County as at 2017 (ICPAK, 2015). However, these firms have been dominated by the big four auditing firms comprising PWC, Delloite &Touch, Ernst & Young, KPMG. Most of the firms are small in size and financially unstable while the big four are large in size and financially stable. The researcher stratified the auditing firms into the two categories so as to get unique findings from each stratum and make generalizations of the population. These firms are registered as local partnerships and operate under the mandate of Institute of Certified Public Accountants of Kenya. They are subject to international quality performance reviews from the global network to ensure they perform at optimal levels, and that and that their reputational risk is managed.

1.2 Research Problem

There are dramatic changes that have come around the world of business as a result of ever increasing technology, competition as well as globalization. In order for an organization to survive in this environment, strategic changes are of key importance. When an organization makes a strategic decision, it is making a fundamental choice regarding what it is going to do and what it is not going to do. If strategy implementation in an organization is bad, there are no possible results. For successful strategy implementation, every organization should first understand the changes taking place in the external environment. Sustainable competitive advantage and better performance in an organization can only be achieved after successful

implementation of strategy. In the 21st century, commitment of top management on implementation of strategies is becoming a key issue (Elenkov, 2008). According to Mezger and Violani (2012), an effective strategy implementation needs to adjust adequately to the competences of the organization. This specifically relates to core issues such as the managers' information, the combined experience, and decision-making contrivances that are well-functioning. Implementation of strategy relies heavily on Top Management and the team characteristics might have an impact on its success. These characteristics include the team tenure, size of the team, diversity, the team average age, and the team gender ratio. These characteristics are known to have an effect on the success of strategy implementation.

Recent unprecedented developments in the accountancy profession such as increased competition due to increased new entrants, undercutting in audit engagement, tight investigation by the regulatory body ICPAK through audit firm reviews to ensure that all audit firms follow regulations, increased number of compliances, market saturation, increased cost of office space specifically in Nairobi and global challenges, all this have serious strategic threat to existing firms. Due to all this development, good percentages of small and medium audit firms find it difficult to survive this turn of events and are forced out of business. There are quite a number of SMPs audit firms in operation and for them to survive, they purposed to actively strategically position their operations in the market and hence adopted serious competitive strategies. Therefore there is a need to undertake a study on the role that top management plays on strategy enactment in audit firms in Kenya.

Several studies have been done in relation to top management and strategy implementation. Mumanya, Mokaya and Kihara (2014) carried out a study to examine the factors influencing nominal strategy application in manufacturing industry based

in the fertile Nakuru County Kenya, with a focus on the productive Bidco Oil Limited. A case study research design was adopted. Questionnaire was utilized to gather data was then studied using evocative as well as inferential statistics. Leadership of the organization appeared to be most significant factor which influenced the implementation of strategy positively with a strong positive Spearman correlation of 0.458; $p\text{-value} < 0.01(0.000)$. The study recommends that, the directors, managers and supervisors in a manufacturing industry should enhance a flexible leadership style that is consultative, open to ideas and encourages and motivates employees. Although the study is relevant to the current study, it focused on Bidco Oil Refineries Limited and thus its findings cannot be generalized to audit firms.

Lekasi (2014) conducted a study to determine the trials of tactical management in strategy implementation by the IEBC in Kenya. Primary data was obtained from the respondents through interview guides and key informant interviews. A total of 16 respondents were targeted to be interviewed using interview guides as follows 3 Commissioners, 3 Directors, 5 managers, 5 Assistant managers/Coordinators out of which, 15 responded and 1 (one) did not respond. Secondary data from respondent organization, reports and past strategic plans was used to verify and validate the primary data. The data collected was analyzed to give information pertaining to the study objective. Research conclusions exposed that at IEBC tactical leadership is crucial in speaking not only every day matters of the company but also effective in directioning, resourcing and impelling tactical presentation of the IEBC. However, the study focused on IEBC and thus cannot be generalized to audit firms.

Ogaja and Kimiti (2016) inspected the outcome of strategic leadership applicable on various strategic resolutions in public universities specifically in Kenya. The study utilized an evocative research design. A census was conducted and structured

questionnaires administered to Chairpersons of Departments and Heads of Sections of the two universities. In addition, data analysis followed in form of both evocative and inferential statistics, concurrent with statistical package for social sciences (SPSS) version 21. Correlation analysis was done to investigate the special relationship if any, between the variables under study. The findings showed that tactical management effects the application of tactical resolutions in both institutions. The researcher resolved that strategic management plays a noteworthy role in the application of strategic decisions. The researcher recommended that Universities should review their leadership style and embrace strategic leadership to assist in making tactical decisions in the institutions. The study focused on strategic leadership and not top management, a gap that this study sought to bridge. None of these studies examined how top management influence strategy implementation, and more so in the auditing industry. It is from these gaps that the study required to find a solution to the following question: what was the role of top management in strategy application in Audit firms in Nairobi County, Kenya?

1.3 Objective of the Study

The study objective was to determine the role of top management in strategy implementation in audit firms in Nairobi County, Kenya

1.4 Value of the Study

The study may be relevant in understanding the research problem identified. The study may be useful to the researchers since they would be capable of knowing how top management characteristics in terms of tenure and diversity affects planning, formulating, and implementing strategies to achieve the goals. This also includes the challenges experienced during the whole strategy implementation process.

The study would also be of value to scholars and academicians to further improve the field of study and also act as reference literature for other studies. Scholars who are interested with further studies with regards to how strategic leadership and commitment of top managers' influences the implementation of the strategy may find this study to be of great value.

The study may also be important to policy makers who deal with audit firms as they would be able to know the structure of audit firms' top management and know how to deal with county issues when necessary. Operations in audit firms might be different from public sector and it is therefore important for the practitioners to know the county way of business that are in alignment with the strategies being implemented.

The management of audit firms may find this study of great significance as they may be able to know the essence of ensuring that top managers are committed in the implementation of the strategies. This study may document the importance of top management commitment with regards to the strategy implementation. The findings of this study may aid them in policy formulation.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter examined the theoretical and general literature on top management characteristics and their influence on strategy implementation audit firms in Nairobi County, Kenya. In particular, it explored the theoretical literature which highlights the several concepts that form the base of the study. The chapter also explored the theories informing the study, general review of literature on study variables, empirical review as well as a conceptual framework.

2.2 Theoretical Foundation of the Study

The theories that were used in this study are the upper echelons theory and the stakeholders' theory.

2.2.1 Upper Echelons theory

The upper echelons theory was published by Hambrick and Mason (1984) and is based on the principle that the top administration's experiences, personalities, and values has an impact on their situational interpretation which in turn influence on the organizational performance. Competitive advantage may be gained by an organization through the top management, which defines the majority of its financial and nonfinancial performance. The upper echelons theory has two intersecting parts: the first one is where executives act based on their individual understanding of the strategic situations they face. The second part is that these individual understandings are based on the executives' experiences, values, and personalities (Paroutis et al, 2013). Therefore, this theory is established on the premise of bounded rationality

This theory provides two subordinate sections that are relevant to top management. The first sub-section focused on how the Top Management characteristics provide details of organizational outcomes as compared to the traditional focus on the individual top executive such as the CEO alone. The leadership of a large and complex institution is a shared responsibility, and the combined understandings, capabilities, and interactions of the Top Management enter into strategic behaviours (Hambrick, 2007).

This theory is significant to the study as it indicates how Top Management at Nairobi County is likely to select strategic choices and implement them based on their characteristics such as their individual experience and group diversity. This theory will be useful to the study because it is based on the premise of the organizational result both strategies and effectiveness which replicate the values and reasoning bases of authoritative actors who in this case are the organization's top management. In particular, the theory indicates that the perception of the top managers has a high influence on the organizational strategic choices which affects organizational performance. The focus of the top management is primarily values and intellectual base. This is because humans have a limited capacity to process information at any particular time, personal tendencies and dispositions end up deciding which elements to attend to in the environment.

2.2.2 Stakeholders' Theory

The stakeholders' theory approach to strategy began in the mid 1980's after Edward Freeman's infamous publication on Strategic Management dubbed: A Stakeholder Approach in 1984. The rationale of the theory was to attempt to construct a framework that was responsive to the needs of managers who were encountering high levels of environmental turbulence and change (Freeman and Mc Vea, 2001).

Traditional strategy frameworks did not assist managers to come up with new directions in strategy nor assist them understand how new opportunities can be created in the midst of change. The purpose of stakeholder management was to come up with ways these groups and relationships that arose from the organization processes can be managed.

Stakeholder management is believed to be executed by the top administration of an organization. On the one hand, the managers should be able to manage the organization to benefit the stakeholders so as to ensure that during decision making their rights and participation are in place. The top management must, on the other hand, act as the shareholder's agent so that the firm survival is preserved for the long term stakes of each group (Fontaine et al, 2006).

This theory will be useful to the study since it will highlight the various stakeholders in the audit firms who are to be considered when formulating and implementing strategies. This theory will be useful to the study, as strategy implementation emanating from top management, can be envisioned from a special angle between the top leadership and/or management and the employees explained by the fact, that a unique cooperation is a factor necessary in achieving strategy implementation success, in a typical organization.

2.3 Top Management

An organization strives to come up with a management team that will effectively steer it with the right strategies. Therefore, organizations form Top Managements that have satisfactory operational knowledge and knowledge, and also teams to interrelate with the firm's stakeholders as well as the opponents. The study will therefore analyse

whether these top management characteristics enable them to make strategic decisions with regards to strategy implementation.

2.3.1 Top Management Tenure

The top management tenure refers to the average duration the top managers have been in charge of organization management. Top Management tenure acts as a force in organizations where boards that have long tenure generally follow similar strategies compared to boards having a shorter term (Golden and Zajac, 2001). In addition long tenured boards are likely to tolerate current Top Management members leading to longer tenure and have experience in dealing with strategic issues (Johnson, Hoskisson and Hitt, 2003). Individuals become convinced of the ideologies of the organization as they devote more time in an organization, and as they accomplish and rise through the organization's hierarchy. This makes them to have a commitment to their own past actions, especially if those actions were publicly taken and were explicit, as typically characterizes strategic choices.

Increased management tenure is related with better communication, stability, and reduced conflict (Katz, 1982). The study measured the team tenure from the average tenure of the individual board members in all the county departments. The average TMT tenure for all the departments was compared to how they have been able to implement new strategies and embrace organization changes

2.3.2 Top Management Diversity

Diversity is the level to which Top Management members vary based on their practical backgrounds (Cannella, Park and Lee, 2008). It is usually an indication of how the knowledge, skills, and abilities of top managers in an organization are varied. Teams that are functionally varied are typically anticipated to gain more knowledge as

well as affective struggle, despite varied past experiential facts (Lovelace et al., 2001). Team diversity is likely to increase heterogeneity in the group, since the diversity brings about dissimilarity. Top Management composition may directly have an impact on innovation strategy and the innovation results (Hambrick, 2007). Heterogeneity is the state of having assortment in content and, on the part of strategic decision-making, team heterogeneity usually leads to increased creativity and better adaptability (Murray, 1998).

Priem (1999) indicated that team heterogeneity makes the management have lower agreement levels. The study noted that there might be a relationship between management consensus and higher performance levels in dynamic environments. The study measured diversity by analysing the education background of the board members. Analysis was made of the size of all the county departments and the education diversity of the department members at Nairobi county council. From these, the study checked to determine whether board size and education diversity have an impact on strategy implementation.

2.3.3 Top Management Size

Top Management size can be stated as being the sum of individuals in the organization board. The number of individuals in Top Management typically has an influence on the level of team heterogeneity. Large teams may have members with various diverse backgrounds. In smaller groups, the addition of a member who is dissimilar makes the actions more instable as this will significantly alter the arrangement of the group (Tihanyi, Ellstrand and Daily, 2000). Top Managements in an organization usually engage in intellectual struggle but limit affective conflict. Cognitive conflict occurs when there is divergence in tasks which arise from

standpoint differences. Affective conflict occurs when the disagreement is individual-oriented which arises from personal disaffection.

Even though the management team size is linked with greater affective conflict, there is superior openness which attributes to less affective conflict for teams that have significant levels of mutuality (Amason and Sapienza, 2007). According to Hellmann and Puri (2002), more human resource is available, together with the absolute level of human capital, when the team is large. This leads to having companies particularly targeting and focusing on growth. Ucbasaran et al. (2003) also stated that higher levels of human capital can provide more development, thereby increasing the ability to instantly solve issues and to adjust to external environment changes naturally

2.3.4 Top Management Age

This can be analysed from two perspectives: the average TMT age and the age heterogeneity. Average TMT age is simply the total age divided by the number of board members, while age heterogeneity is the age gaps between board members. It is believed that younger individuals are more risk takers than the older people while at the same time the old people have more experience in dealing with situations compared to young people. There are several stereotypes that are built behind older employees which might act as a threat to strategy change. For instance there are stereotypes that at old age, employees are resistant to change, they have a phobia of adopting new technology and that they may be less effective. With such myths and stereotypes, organizations anticipate challenges on how older employees teams can be managed (De Lange et al, 2006).

2.3.5 Top Management Gender Ratio

Top Management gender indicates the ratio of female to male in the board. There are typically two main propositions for the presence of women to be increased in the Top Management: ethical or financial aspects (Campbell and MínguezVera, 2008). Brammer et al. (2007) indicated that through these, organizations are able to have a greater women picture, not just as a means to an end, but also as a required end in itself. Campbell and Mínguez-Vera (2008) indicated that creativity and innovation is increased by diversity since these features tend to differ and not randomly distributed in the population (e.g. gender)

Several previous investigations, indicated that more women in Top Managements bring economic benefits to the organization, i.e. there exists a positive correlation between diversity of gender and performance of the organization (Erhardt et al., 2003). It has therefore been demonstrated previously that there is a close relationship on the number of women present in top management and firm performance, i.e. an increase in the sum of women in top management position results to better business (Daunfeldt and Rudholm, 2015; Campbell and Mínguez-Vera, 2008; Erhardt et al., 2003).

2.4 Top management and Strategy Implementation

Strategy implementation entails introducing change to an organization and implicates both macro-organizational changes (e.g the structure, technology, decision processes, reward systems), and micro-organizational matters (e.g organization culture and resistance to change). Of importance is to note that while Top leadership and executives concentrate on performing and implementing very complex tasks, it's paramount that these tasks often require them to be conversant with the organization's operations. Organizations in reaction, therefore, try to match up, and create a Top

Management with the requisite familiarity and skills so as to effectively run the organization, even though that can work with all the organization's stakeholders as well as the contestants (Hitt et al, 2011).

Finally, the top management is intricate in the design of the organization data systems. As the overall managers, they have the unique capacity to create an immense impact on the environment. They also ensure that data regarding the aforesaid environmental variables is obtainable to the managers who would be charged with that responsibility (Ott, Zatz and Thomas, 2016). To note, is Top leadership should be able to seamlessly provide candid feedback regarding the organization's performance including feedback on business unit performance. Such information is useful to both members of the organization and other stakeholders in order to maintain very accurate performance records on the organization including results on the interaction of the organization with the environment. It can be deduced, therefore, that implementation of a strategy often requires the top leadership involvement so that the entire organization can respond positively to suggested or imposed change.

2.5 Empirical Literature

Taylor (2007) conducted a study on the role of strategic leaders in strategy implementation. He used an explorative research design for a period of ten years. The findings revealed that great pioneers will dependably guarantee that significant changes happen with the end goal that they can get the most abnormal amount of enhancement in exercises identified with the association. To succeed, such pioneers impart to both outside and interior individuals using an open style of management, whose principle objective is the advancement of new corporate cultures which workers can fit in to.

Awino (2007) was interested on selected variables on corporate performance by looking at the management of supply chain, i.e. large private manufacturing firms in Kenya. The study used a descriptive survey research design to investigate the relationship between variables. The study used both primary and secondary source of data. It found out that it is only good leadership which can ensure effective implementation of strategies. Awino (2007) further argues that the top management, led by the CEO, must commit everything for strategy implementation to be a success, and that comprises involving all members of staff.

Lufthans (2012) did a survey of the influence of transformational leadership on strategy implementation at Kellogg a multinational food manufacturing company. The study used a descriptive survey and interviewed a hundred top management executives. The findings showed that it was imperative for organizational leaders to provide resources, share the vision, show commitment, and ensure employee involvement in strategy implementation as well as welcoming new ideas.

Aosa (2008) studied the nature of strategic management; the findings revealed that the kind of leadership exhibited by the top management influenced how strategic plans implementation would vary from one organization to the other, with some organizations having low participation while others exhibiting high participation. Muhoro (2011) was interested in identifying how implementation of strategic change depends on leadership with a focus in Telkom Kenya. Descriptive survey was deemed appropriate to explain the existing relationship between strategic leadership and implementation of strategic change management. Primary data via use of a questionnaire was deemed fit for the study. The results showed that leadership was an essential tool in effective change management; leaders provided support, direction, facilities and resources that enhanced successful implementation of strategy.

2.6 Summary and Research Gap

From the above review, the findings depict that top management play a significant role in contributing towards implementation of strategies. The kind of top management leadership style, communication approach and organizational resources highly influence strategy implementation in the organization. Even though extensive research has been done on the effect of tactical leadership on strategy application, limited concentration has been laid on parastatal bodies in the country. This study attempted therefore, to link this gap by determining the role of top management on strategy implementation in audit firms in Nairobi County, Kenya

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Kothari (2004) labels research methodology as the systematic and organised approach or way to solve the research problem. It also describes the steps followed to scientifically solve a research problem, and the logic behind these steps. He further states that it not enough to state the methodology adopted, but it is also critical to be able to defend the approach and or technique embraced and to explain the logic or reasoning behind them.

3.2 Research Design

The methodology taken by research is denoted by research design with intentions to meet its intended goals and is the guide or a controlling plan that defines the approaches, techniques and processes for gathering and examining the required data or simply a model or blue print of operation for the study (Mugenda & Mugenda 2003).

The study assumed a descriptive research design. Theory according to Mugenda and Mugenda (2003) state, that the design was declared strategic as the major interest was to establish the viable link and define how the features supported matter under study. Descriptive study design is a technical method which comprises detecting and defining the nature of a topic without affecting it in any way. This design gives further understanding into study obstacle by defining the desired variables. The creation phase is flexible in regard to decisions on administrations of questionnaires which made the respondent use both structured and unstructured questions. Standardized questions make measurement of variables more particular by affecting uniform

definitions upon the participants as well as making sure that the same kind of data is collected from groups then deduced comparatively.

3.3 Target Population

A well-defined or group of individuals, elements, collection of households or things being studied describes study population is (Bogdan & Biklen, 2009). This definition ensures that the population of study is similar. A study's population of interest should be clearly described and the unit of analysis should be identified, which is not easy sometimes.

The population of interest comprised of audit firms in Nairobi. According to the Institute of Certified Public Accountants of Kenya records, (2015), there are 678 registered audit firms located in Nairobi County. Therefore the target population for the study was the 678 audit firms.

3.4 Sample Size and Sampling Technique

Ogula, (2005) defined a sampling design as the target population that is being studied using sampling methods. The study sample frame comprised the 678 audit firms operating in CBD to ensure that adequate results are accomplished. The technique called Stratified random sampling technique was used.

From the above group of 678 audit firms, a sample of 10% from each set in fractions that each group have in the population wholly was obtained using stratified random sample design. This enabled the researcher to arrive at 68 audit firms to be the sample size. A sample of 10-30% is quite characteristic of the whole population as per Mugenda and Mugenda (2003)

3.5 Data Collection

Through use of semi structured questionnaire, information was gathered. Self-administered questionnaires enabled the respondents to answer to the questions by their own and at their own speed. Both open and closed-ended questionnaire was used. More designed responses were provided by close ended questions to enhance tangible recommendations. The closed ended questions were utilized in the evaluation of numerous features and this assisted in lowering the number of associated response in order to attain more diverse opinions. Data was collected from the head of units.

Added information that might not have been dealt with in the close-ended questions were provided by the open-ended question. The participants gave their opinions in a five point Likert scale. The questionnaire was partitioned into two segments. Section A covered the respondent as well the firm demographic information. Section B assessed the relationship between top management and strategy implementation. Each section had both the open and closed ended questions.

3.6 Validity and Reliability

In order to test whether the content represented by test items is the desired content to be measured, content validity was adopted in this study. Suitability of the research instruments, their clarity as well as their accuracy was determined through pilot study. The intention is to modify those items which do not evaluate what the variable intended. The instruments were examined by the supervisor in order to ensure validity.

Reliability is the degree of measure where several trials produce similar results. An instrument is said to be reliable if results from several trials are not inconsistent (Gay 1992). In order to measure reliability, the instrument was tested

twice by administering it to a group of the pilot test at one period of time and then re-administering it roughly after one week with an assumption that the construct does not change. To compute the correlation co-efficient, in order to establish the degree of consistency of the instrument, this study utilized Cronbach's Coefficient alpha. Cronbach's alpha value of not less than 0.50 suggests an acceptable level of inner consistency (Cronbach, L.J. and H. Azuma 1962)

3.7 Data Analysis

Data cleaning was done immediately after the collection of the data. Coding was then done and data was entered into the SPSS. Descriptive as well as inferential statistics analyzed quantitative data. Also, quantitative data was presented using graphs as well as tables.

Further the data was regressed to obtain t - values, p-values, specific coefficients and intercepts, standard errors among other values at given significance levels. These values was used for further analysis. The inferential statistics constituted of multivariate regression scrutiny which was utilized to govern the connection between the dependent and independent variables.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The study endeavored to determine role of top management in strategy implementation in audit firms in Nairobi County, Kenya. This chapter contains the demographic characteristics of the respondents from the audit firms in Nairobi County responses in section 4.3, while the effect of top management on strategy implementation is contained in section 4.4, Section 4.5 presents regression analysis while Section 4.6 contains the discussions of the study findings.

4.2 Response Rate

With the intent of the study being to analyse the outcome of top management on strategy implementation, interviews were led with top managers/departmental heads in the audit firms and the study was able to conduct 68 interviews with the top management. A total of 68 questionnaire were administered and 59 usable questionnaires were returned translating to 86.7% response rate. Kaiser-Meyer Oikin test gave a value of 0.779 which advanced a recommended minimum value of 0.6 showing the sample was adequate for drawing inferences from the study. Babbie (1990), articulates, response rate of 50% is satisfactory, 60% is good, 70% very good and effective for analysis. Bailey (1996) sets the competence bar at 75% and Chen (1996) contends that the larger the reaction rate, the lesser the non-response error

Table 4.1: Response rate

No. of questionnaires Returned	Target No. of respondents	Response Rate (%)
68	59	86.7%

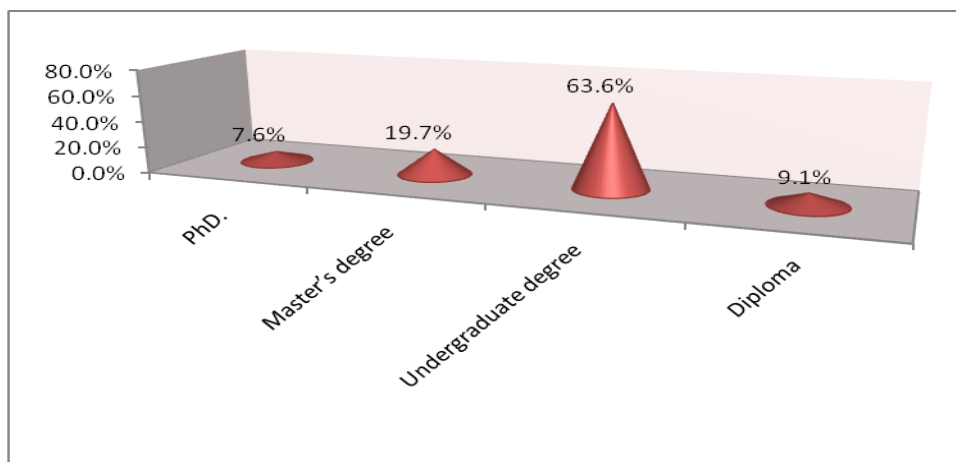
4.3 Demographic Characteristics

This section presents general information of the respondents and organisations. It includes education level, length of service in the organisation, age group and gender of the respondents

4.3.1 Professional Diversity

The data in Figure 4.1 presents the findings on the highest levels of education attained by the respondents.

Figure 4.1: Level of Education



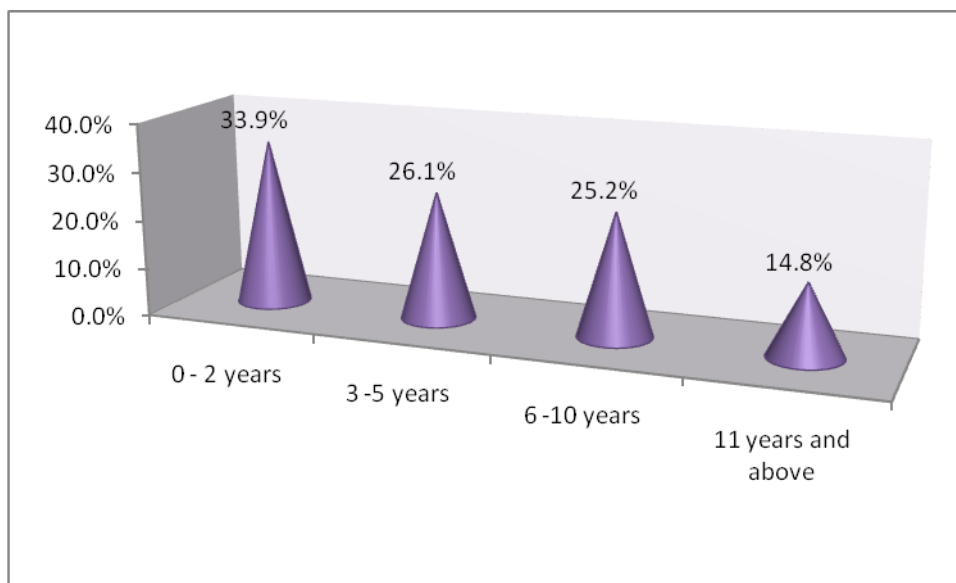
Based on the data, 63.6% of the respondent had Bachelor's degrees, 19.7% had Master degrees, and 9.1% had Diploma while 7.6% had PhD. The findings imply that audit firms in Nairobi City County recruit employees with variable educational experiences which guarantees there are varied professional skills and knowledge

within the staff. The results show that the members are well educated and have the capacity to carry out decisions with respect to formulation and implementation.

4.3.2 Length of Service in the Organisation

The researcher required to establish the number of years that respondents had provided useful service through employment in the respective organizations. The study findings are as summarized in Figure 4.2 below

Figure 4.2: Length of Service in the Organisation

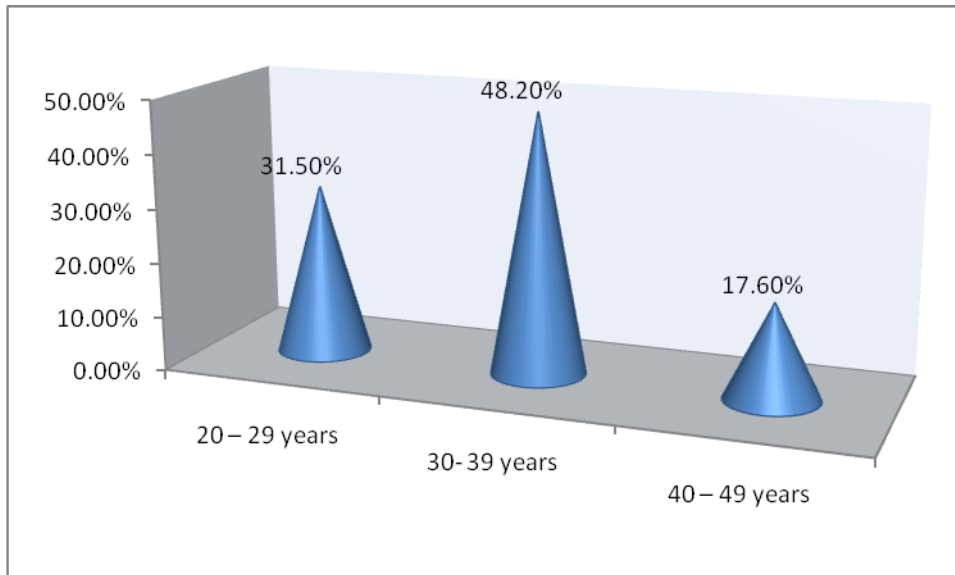


Based on the findings offered in Figure 4.2, a larger part of the respondents (33.9%) had worked in the corresponding organizations for a period between 0-2 years, (26.1%) had worked for a period of 3-5 years, while (25.2%) had worked for over 6-10 years in the organizations. 14.8% of the respondents had operated for over 11 years. This suggests that the respondents' gave precise data about sequence planning and holding of employees based on their involvements and how long they have operated in those organisations.

4.3.3 Age Group of the Workforce

The respondents were appealed to specify their age group. The study findings are as presented in Figure 4.3 below

Figure 4.3: Age Group of the Workforce



The results in Figure 4.3 reveal that the age group of majority of the top managers in the audit firms in Nairobi City County lies between 30-39 years at (48.2%), another (31.5%) characterized the age group of 20-29 years, while (17.6%) signified the age between 40-49 years. This suggests that the workforce in the organizations was youthful. The age distribution was relevant in analysing whether they have an impact on strategy implementation.

4.3.5. Gender of the Respondents

The researcher wanted to determine the gender representation of the persons being interviewed and the study findings were as shown in Figure 4.4.

Figure 4.4: Gender of the Respondents

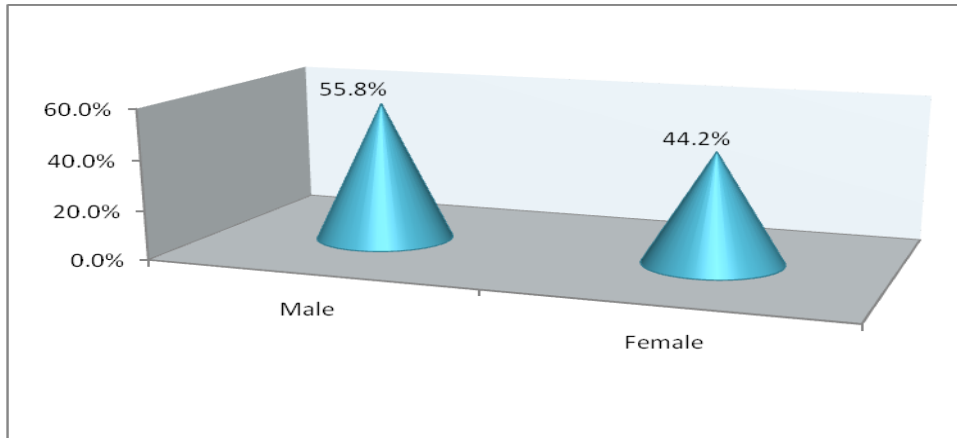


Figure 4.4 established that a significant portion of the respondents as represented by 56% were males while 44% were female. This implies that there is gender balance as the gap between the genders is minimal within the audit firms in Nairobi County.

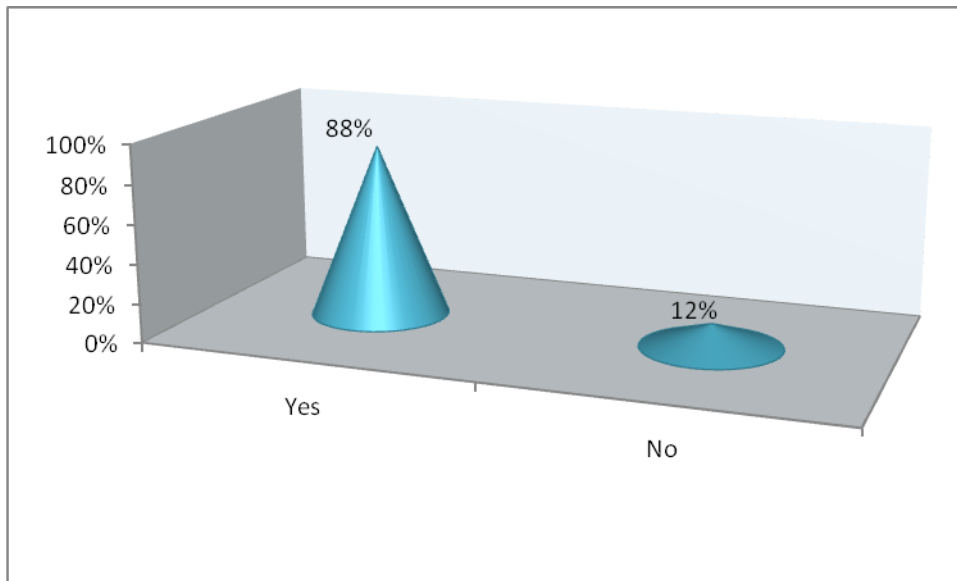
4.4 Top Management and Strategy Implementation

The study sought to probe the role of top management in strategy application in audit firms in Nairobi County, Kenya. The study findings are as offered in subsequent subheadings

4.4.1 Opinion on whether top management improve strategy implementation

The study sought to define from the respondents whether top management improves strategy implementation in their corresponding organizations. The study findings are as shown in Figure 4.5 below

Figure 4.5: Opinion on whether top management improves strategy implementation

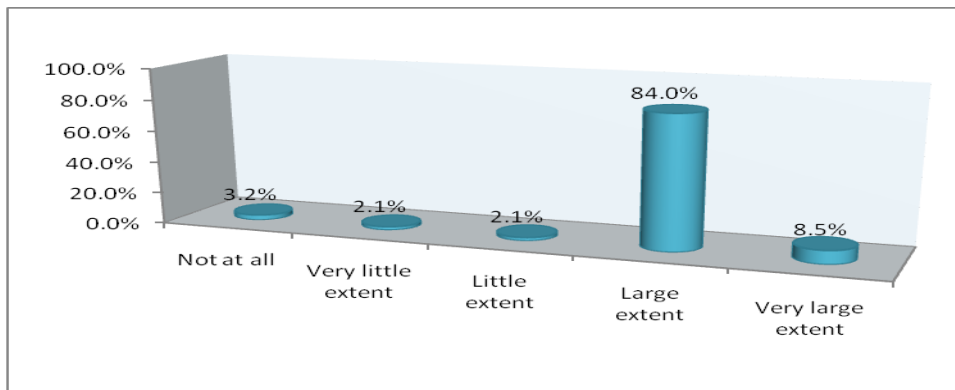


Based on the study findings as indicated in Figure 4.5 above, majority of the respondents as represented by 88% affirmed that top management improves strategy implementation in their respective audit firms while only 12% were on the contrary opinion. This implies top management improves strategy implementation in audit firms in Nairobi County, Kenya.

4.4.2 Extent to which top management improve strategy implementation

The study aimed at finding out the extent to which top management improve strategy implementation. Study findings are as shown in Figure 4.6 below

Figure 4.6: Extent to which top management improve strategy implementation

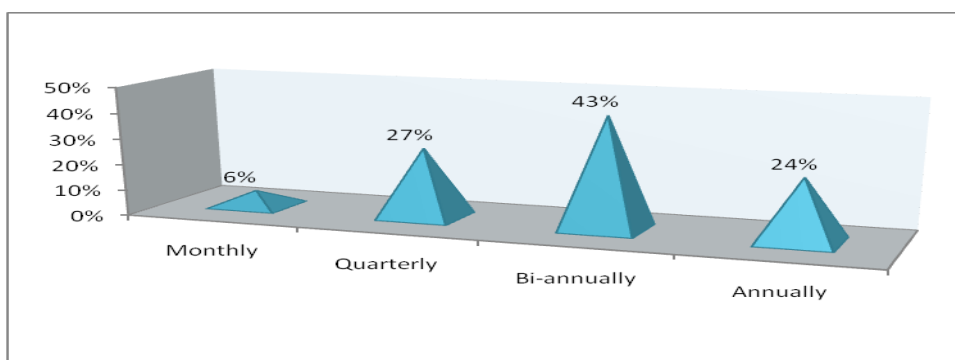


Based on the study, majority of the respondents (84%) indicated that top management improve strategy implementation to a large extent, 8.5% indicated to a very large extent, 3.2% indicated that top management does not improve strategy implementation, while only 2.1% indicated to a little extent and very little degree respectively. This implies that top management improves strategy implementation in audit firms, Nairobi County in Kenya to a large extent.

4.4.3 Frequency of Formulation and Review of Strategies

Respondents were requested to indicate how frequently their department formulate and review its strategies. The study outcomes are as shown in Figure 4.7 below

Figure 4.7: Frequency of Formulation and Review of Strategies



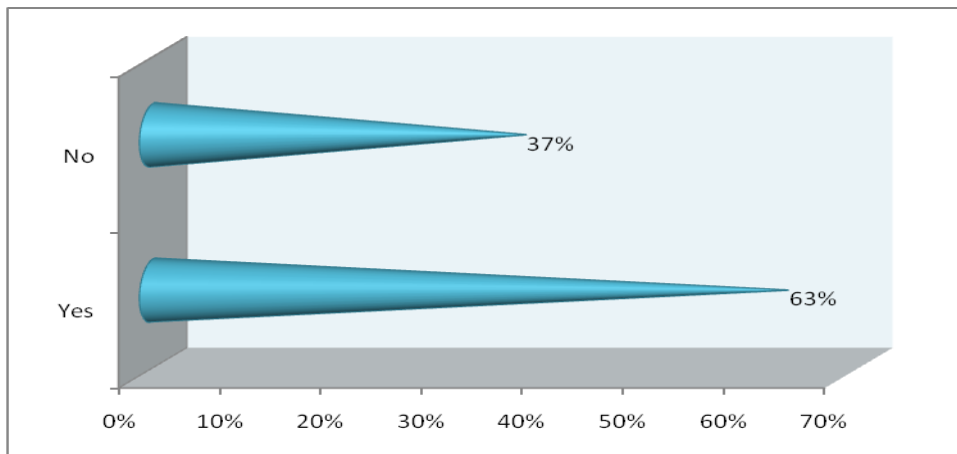
Based on the study findings in Figure 4.7 above, most of the respondents (43%) indicated that their department formulates and review its strategies bi-annually, 27%

indicated quarterly, 24% indicated annually, while 6% indicated monthly. This is an indication that most of audit firms in Kenya formulate and review their strategies bi-annually

4.4.4 Whether strategies formulated and implemented assist in attaining organization goals

The details below were derived from the study, to establish whether strategies formulated and implemented assist in attaining organization goals. Figure 4.8 below shows the study findings.

Figure 4.8: Whether strategies formulated and implemented assist in attaining organization goals



The findings showed that most of the respondents (63%) felt that strategies formulated and implemented assist in attaining organization goals while 37% of the respondents were of the conflicting view. This implies that strategies formulated and implemented assist in attaining organization goals within audit firms in Nairobi County

4.4.5 Top management and Strategy implementation

The study was also aimed at assessing the extent of agreement with various statements on the effect of top management on strategy implementation in audit firms

in Nairobi County, Kenya. The status of this variable was rated on a 5 point Likert scale ranging from; SA-strongly agree (5), Agree(4), N-neutral(3), D-disagree(2), SD-strongly disagree(1). The study findings are depicted in table 4.2 below.

Table 4.2: Top management and Strategy implementation

	Mean	Std. Deviation
The tenure of top management has an impact on the rate of strategy implementation at the department	4.0319	0.61263
The diversity of top management impacts the rate of strategy implementation at the department	4.0957	0.46534
The number of department board members (size) impacts on the rate of strategy implementation at the department	3.9362	0.70036
The age of top management has an impact on the rate of strategy implementation at the department	4.0106	0.37373
The gender ratio of top management has an impact on the rate of strategy implementation at the department	4.0638	0.50393

From the study culmination, the interviewees strongly affirmed that, the education level of top teams impacts the rate of strategy implementation at the department (mean=4.0957), The gender ratio of senior team of management has an impact on the rate of strategy implementation at the department (mean=4.0638), and that the tenure of team of management at the peak has an impact on the rate of strategy implementation at the department (mean=4.0319). In addition respondents agreed that the age of top management has an impact on the rate of strategy implementation at the department (mean=4.0106) and that the number of department board members (size)

impacts on the rate of strategy implementation at the department (mean=3.9362). This implies that, the diversity of top management impacts the rate of strategy implementation within the audit firms in Nairobi County, the gender ratio of top management has an impact on the rate of strategy implementation in the audit firms in Nairobi County, and that the tenure of top management has an impact on the rate of strategy implementation in the audit firms in Nairobi County.

4.4.6 Influence of Top management on strategy implementation and response to change

The study was also aimed at assessing the extent of agreement with various statements on how top management affects strategy implementation in audit firms in Nairobi County, Kenya. The status of this variable was rated on a 5 point Likert scale ranging from; SA-strongly agree (5), Agree(4), N-neutral(3), D-disagree(2), SD-strongly disagree(1). The study findings are depicted in table 4.3 below.

Table 4.3: Influence of Top management on strategy implementation and change response

Statements	Mean	Std. Deviation
Top management of our firm is committed to implementation of strategies in the organization	4.661	0.477
Top management develops strategies for organizational improvement.	4.317	0.466
Top management allocate satisfactory resources for strategy application of key strategies in the organization	3.960	0.63
Top management encompasses values and beliefs (culture), to employees which effect the organization to attain her objectives/strategies.	4.321	0.812
There is adequate communication of the strategies being implemented by the top management to the employees in the organization	4.549	0.499

A majority of the people who responded agreed that top management of their firm is committed to implementation of strategies in the organization (Mean=4.661), there is adequate communication of the strategies being implemented by the top management to the employees in the organization (Mean=4.549), top management encompass values and beliefs (culture), to employees which influence the organization to achieve her objectives/strategies (Mean=4.321) and that top management develop strategies for organizational improvement (Mean=4.317). In addition, respondents also agreed

that top management allocate adequate resources for strategy implementation of key strategies in the organization (Mean=3.96). This implies that top management of audit firm in Nairobi county is committed to implementation of strategies in the organization, and there is adequate communication of the strategies being implemented by the top management to the employees in the organization. Top management encompass values and beliefs (culture), to employees which influence the organization to achieve her objectives/strategies and that top management develop strategies for organizational improvement

4.5 Regression Analysis

The regression analysis entails conveyance of the normal estimation of one irregular variable as alternate variables which require not be arbitrary are permitted to take distinctive qualities. A multivariate regression show was connected. The regression show particularly interfaces the normal estimations of y for different estimations of the x-variables. Fundamentally, the regression examination is utilized in two unmistakable courses; (1) as a method for considering data considering some other pertinent variables by alteration of the arbitrary variable; and (2) to produce numerical structures that would then provide utility in forecasting the irregular variable from other (independent) variables.

Table 4.4: Regression Model Summary

Model	R	R Square	Adjusted R Square		Std. Error of the Estimate		
			R Square	F	Sig. F		
1	.930 ^a	.864	.858	.239	.864	47.341	.000

a. Predictors: (Constant), Top management tenure, Top management diversity, Top management size, Top management age, Top management gender ratio,

b. Dependent Variable: Strategy Implementation

Source: Research data, (2017)

A thorough and detailed analysis of the table above reveals that $R^2=0.864$ (86.4%) and that variation in the strategy implementation in audit firms in Nairobi County is explained by the specified characteristics that the model adopted (Independent variables). However 13.6% variation in strategy implementation in audit firms in Nairobi County is highly construed by characteristics that were not specified in the aforesaid regression model. An analytical deduction of the model shows that it's a good model and can be used for approximation resolves.

Deriving a conclusion from the findings shown in the table above, it can be alluded that there was indeed a direct positive connection between all study variables as shown by $R=0.930$, i.e. 93%. This shows that there is an important affiliation between the forecaster variables and strategy implementation

Table 4.5: Analysis of variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.596	4	2.649	46.474	.023 ^a
	Residual	3.135	55	.057		
Total		13.371	59			

a. Predictors: (Constant), Top management tenure, Top management diversity, Top management size, Top management age, Top management gender ratio,

b. Dependent Variable: Strategy Implementation

Source: Research data, (2017)

The model summary also designates that it forecasts the dependent variable meaningfully well. The F test specifies an important aspect, being the statistical significance that was run on the model. The P=0.023, which is less than 0.05 shows that, overall the deterioration model statistically and meaningfully forecasts the result variable that is good fit for the data.

/

Table 4.6: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B		Tolerance	VIF
	B	Std. Error	Beta			Lower Bound	Upper Bound		
1(Constant)	.181	.416		.192	.847	-.743	.885		
Top management tenure	.469	.100	.383	4.69	.033	.378	.116	.243	1.431
Top management diversity	.140	.014	.157	.002	.015	.243	.321	.333	.321
Top management size	.309	.086	.317	.027	.013	.168	.513	.438	.456
Top management age	.350	.110	.159	.039	.029	.521	.212	.311	2.136
Top management gender ratio	.241	.113	.331	.027	.035	.432	.467	.156	4.123

a. Dependent Variable: Strategy Implementation

Source: Research data, (2017)

From the results, table 4.6, it's apparent that the variable did not have any multicollinearity since the variance increase factors (VIF) were less than 10. Therefore, the multiple linear regression equation was deduced as follows:

$$Y = .181 + .469 X_1 + .140 X_2 + .309 X_3 + .350 X_4 + .241 X_5$$

Where the p-values of a regression are less than 0.05 then the regression constant is labelled important and the reliable analyst is a good predictor and can be used in the model. All the regression constants in the model are important since their p-values are less than 0.05.

Interpreting the above results, the larger the t-values obtained from a model, the more likely that the coefficient of regression is significant. Consequently, t-values obtained from table 4.6 indicate, that there are no defined marked variations in the t values emanating for the regression coefficients in question and hence it is the case that these values are in contract with p values.

4.6 Discussion of the Findings

The study revealed that top management improves strategy implementation in audit firms in Nairobi County, Kenya. In addition, the study established that top management improves strategy implementation in audit firms at Nairobi County in Kenya to a large extent. Further the study exposed that strategies formulated and implemented assist in attaining organization goals at audit firms in Nairobi County. Similar to the study of the findings, Lufthans (2012) showed that it was imperative for top leaders in organizations to endeavor to make adequately available resources, continuously communicate the firm's vision, breed commitment, and constantly ensure that there is committed employee active participation the firm's strategy implementation and also in yielding and breeding of innovative, new ideas. The top

management is intricate in the overall design and structure of the organization data systems. Leaders ought to have an overlook on frequent environmental variables that could affect the operations of the organization.

In addition the study established that the diversity of top management impacts the rate of strategy implementation within the audit firms in Nairobi County, the gender ratio of top management has an impact on the rate of strategy implementation in the audit firms in Nairobi County, and that the tenure of top management has an impact on the rate of strategy implementation in the audit firms in Nairobi County. In consequent with the study findings, Taylor (2007) revealed that great pioneers will dependably guarantee that significant changes occur with the end goal that they can get the most abnormal amount of enhancement in exercises identified with the association. To succeed, such pioneers impart to both outside and interior individuals using an open style of administration, whose fundamental goal is the improvement of new corporate societies which workers can fit in to. In addition, Aosa (2008) revealed that the kind of leadership exhibited by the top management influenced how strategic plans implementation would vary from one organization to the other, with some organizations having low participation while others exhibiting high participation. Muhoro (2011) also showed that leadership was an essential tool in effective change management; leaders provided support, direction, facilities and resources that enhanced successful implementation of strategy.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This final chapter covers the summary and conclusion of the study with respects to the effect of top management in strategy implementation in audit firms in Nairobi County, Kenya. The chapter provided the summary of the completed study in section 5.2 and presented the conclusion of the study in section 5.3 based on the outcomes of the analysis. The study recommendations and limitations of the study were presented in section 5.4.

5.2 Summary of findings

Implementation of strategy in audit firms may experience challenges. Therefore with the research gap on top management and strategy implementation in audit firms that was identified, the study formulated an objective to define the role of top management on strategy implementation in audit firms in Nairobi County, Kenya. Literature review was conducted by looking at the top management and how they affect strategy implementation using two major theories. Top management characteristics that were used in the study were tenure, diversity, size, age, and gender ratio and were analysed with the context of in audit firms in Nairobi County. The quantitative sections were analysed using means while the qualitative section was analysed using content analysis.

The study revealed that top management improves strategy implementation in audit firms in Nairobi County, Kenya to a large extent. Further the study exposed that strategies formulated and implemented assist in attaining organization goals within audit firms in Nairobi County. In addition the study established that the tenure of top management has an impact on the rate of strategy implementation in the audit firms in

Nairobi County, the diversity of top management impacts the rate of strategy implementation within the audit firms in Nairobi County, the size top management impacts the rate of strategy implementation within the audit firms in Nairobi County, the age top management impacts the rate of strategy implementation within the audit firms in Nairobi County and that the gender ratio of top management has an impact on the rate of strategy implementation within the audit firms in Nairobi County, and that

The study further established that top management of audit firms in Nairobi county is committed to implementation of strategies in the organization, there is adequate communication of the strategies being implemented by the top management to the employees in the organization, top management encompass values and beliefs (culture), to employees which influence the organization to achieve her objectives/strategies and that top management develop strategies for organizational improvement

5.3 Conclusion

The objective of this study was aimed at determining what influence top management has on characteristics that define strategy implementation in audit firms, Nairobi County, and hence overall impact. The characteristics that were used to conceptualize the top management were tenure, diversity, size, age and gender ratio. Analysis was done for each of the characteristics and results provided. From the results of the first characteristic, top management tenure, the study concluded that the tenure of the top administration is significant for strategy application in the county of Nairobi. The extensive the occupancy of the management team, the better the strategy implementation at the county. The findings of the second top management characteristic, top management diversity indicated that it significantly influenced

strategy implementation. Consequently, the study can conclude that the top management diversity is very important in strategy implementation in audit firms.

The third characteristic of top management characteristic was size of the team whose results indicated that it had an impact on strategy implementation. This result led to the conclusion that it is an important factor to consider when forming top managements in audit firms. A very large team or a very small team may not be ideal for top management when formulating and implementing strategies. The fourth top management characteristic that was analysed in the study was average age of the management team. The results indicated that it has an impact on strategy implementation. The fifth top management characteristic analysed in the study was gender ratio and whether it effects strategy implementation. Therefore, the low representation by women in the audit firms departments should be improved for gender parity and also to be in line with the constitutional requirement of one-third representation.

5.4 Recommendations of the Study

From the findings and conclusions argued in this context, the study provides various recommendations to improve strategy implementation at audit firms in Nairobi County, Kenya. Firstly, the study recommends that top management members should have the relevant professional qualifications within their departments so as to provide relevance when formulating and implementing strategies.

The audit firms should also come up with policies on minimum qualifications for top management members. The study also recommends that policies should be laid out in regards to the tenure of the top management so that one does not become a top management member for too long, and also have a mix of experienced and non-

experienced members so that they can learn from each other and improve strategy implementation.

With regards to age, the study recommends that a mix of experience and young members should be done so as to combine experience with technology and flexibility. On the final top management characteristic, the study recommends a gender balance in audit firms to have gender inclusion in the government in order to have the one-third gender representation.

The study also recommends that strategy formulation and implementation should have framework and policies so that they are not affected by politics and corruption. Politics and corruption in the country is able to cripple processes in an institution and therefore it is important to have policies and frameworks that are able to streamline strategy formulation and implementation processes in audit firms.

5.5 Suggestions for Further Research

From the study findings, one of the suggestions for advance research is that further analysis could be done on other top management elements that affect strategy implementation in audit firms. Finally, research can be done in other organizations across the country and beyond in order to confirm whether all organizations are affected in the same way.

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APPENDICES

APPENDIX I: Research Questionnaire

Kindly tick [] the most accurate and appropriate response or provide information that in your best knowledge, is most relevant. Please note that your responses will be anonymous and confidential and will only be used for the purposes of this study. As such, your personal identifiers such as name, is not required for this exercise.

Section One: Demographic Information of Respondents

1. Indicate your highest level of education.

PhD.

Master's degree

Undergraduate degree

Diploma

Other specify: _____

2. Indicate your length of continuous service in the organization.

0 - 2 years

3 -5 years

6 -10 years

11 years and above

3. What is your age?

20 – 29 years

30- 39 years

40 – 49 years

50 years and above

4. What is your Gender?

Male

Female

Section B: Top Management and Strategy Implementation

5. In your own opinion, does the top management improve strategy implementation in your organization?

Yes No

6. To what extent does the top management improve strategy implementation in your organization?

To a very great extent

To a great extent

To a moderate extent

To a little extent

To a very little extent

7. How long do your department strategies cover?

One year

Two years

Above Two years

8. How frequently does your department formulate and review its strategies?

Monthly

Quarterly

Bi-annually

Annually

9. Do the strategies formulated and implemented assist in attaining organization goals?

Yes

No

10. The statements below are majorly concerned with known effects of top management on the strategy implementation. Please tick the one that best describes your opinion? Scale SA-strongly agree (5), Agree(4), N-neutral(3), D-disagree(2), SD-strongly disagree(1). The study findings are depicted in table 4.19 below.

statements	5	4	3	2	1
The tenure of top management has an impact on the rate of strategy implementation at the department.					

The diversity of top management impacts the rate of strategy implementation at the department.					
The number of department board members (size) impacts on the rate of strategy implementation at the department					
The age of top management has an impact on the rate of strategy implementation at the department					
The gender ratio of top management has an impact on the rate of strategy implementation at the department					

11. On a scale of 1 to 5, SA-strongly agree (5), Agree(4), N-neutral(3), D-disagree(2), SD-strongly disagree(1) indicate the extent to which the following affect strategy implementation and change response in your department?

statements	5	4	3	2	1
Top management of our firm is committed to implementation of strategies in the organization					
Top management develop strategies for organizational improvement					
Top management allocate adequate resources for strategy implementation of key strategies in the organization					
Top management encompass values and beliefs (culture), to					

employees which influence the organization to achieve her objectives/strategies					
There is adequate communication of the strategies being implemented by the top management to the employees in the organization					

12. How else do you think the top management would affect the strategy implementation in your organization?

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APPENDIX 2: List Of Audit Firms

1	A Mulu & Associates	17	Clif and Associates
2	A.A.Ali & Co	18	Costa Luis & Co.
3	A.K Wachira and Associates	19	Crowe Horwath Kenya
4	A.M. Shah and Sons	20	D.K. Waweru & Associates
5	Ababsy & Associates	21	Delloite and Touche Limited
6	Abdulbasid & Associates	22	Digital Consulting Group Ltd
7	AbdulHamid and Company	23	Dtex Entreprises Nairobi
8	Aggrey and Company	24	Edamars Enterprises
9	Ashford Financial Consultants	25	Ernst and Young Kenya
10	Ashwin Brothers CPA K	26	Fine Accounting services
11	Ayon Africa (Kenya) Ltd.	27	Fragomen Kenya Limited
12	B.C. Patel & Co.	28	Gachoka And Associates
13	Bell Associates	29	Gachoka Associates
14	Cezam and Associates Limited	30	Githuku Mwangi and Kabia
15	Chasmac Consulting Associates	31	Green Kenya Corporation
16	Chrisbooks Consulting	32	Horwath Erastus & Co.

33	Joy V Bhatt Co.	48	Mugo & Co.
34	K. Waweru & Associates	49	Muiru Kandia & Co.
35	Kamurusi and Associates	50	Muita Njoroge Associates
36	Kassim Lakha Abdulla & Co.	51	Muriason and Company
37	Kenya National Audit Office	52	Ndirangu Mwangi and Co.
38	Kigundu Mwangi & Associates	53	Nganga Mwangi & Co.
39	Kingori Kimani & Company	54	NGS Payroll and book keeping
40	Koka Koimburi & Co	55	Ngugi Mwangi & Co. Advocates
41	KPMG Kenya	56	Nyaga Associates & Co.
42	Makeni Mutua	57	Osoro & Company
43	Mazars	58	PKF East Africa
44	Mbaya & Associates	59	PWC Kenya
45	MDN Kenya LLP	60	Robert & Associates
46	MGK Consulting	61	RSM Ashvir
47	Muchungi & Associates	62	SCI Koimburi Tucker & Co

63	Shah and & Associates	66	Swan Consulting
64	Sir Robert and Company	67	The Tax Shop, Nairobi
65	SMEC International (Kenya)	68	Wachira Irungu & Associates