STRATEGY IMPLEMENTATION AND PERFORMANCE AT METROPOL CREDIT REFERENCE BUREAU LIMITED IN KENYA

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

2019

DECLARATION

I declare that this is my original work and has not been submitted for any award at any other institution.

Signature………………………….. Date………………………..

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D61/89151/2016

This research project has been submitted for examination with my approval as the University Supervisor.

Signature………………………….. Date………………………..

PROF. BITANGE NDEMO

ACKNOWLEDGEMENT

My gratitude to the Creator of the Universe for enabling me to achieve this milestone. Am also deeply indebted to my supervisor Prof. Bitange Ndemo under whose supervision and guidance I was able to complete this project. Your patience and guidance made all this possible sir and for that I extend my gratitude to you again. I want to also thank the employees of Metropol Credit Reference Bureau who took their time to respond to my research questionnaire. Your cooperation enabled this research to be a success. Furthermore I want to thank my parents, the Mokayas and my siblings for the moral support they extended to me during the period of this research. Special thanks to my classmates who also gave me ideas on the best ways to go through the research especially with data collection. I might not be able to acknowledge all the parties that directly or indirectly contributed towards the success of this research. But all in all, to all the parties that made this research a success, may the Creator of the Universe bless you abundantly.

DEDICATION

I would like to dedicate this research to my son Ace Liam Mokaya, my sisters and my parents the Mokayas.

TABLE OF CONTENTS

LIST OF TABLES

ABBREVIATIONS

BSC: Balanced Score Card

CBK: Central Bank of Kenya

CEO: Chief Executive Officer

COO: Chief Operations Officer

CRB: Credit Reference Bureau

KPI: Key Performance Indicator

KPIs: Key Performance Indicators

MFI: Micro Finance Institution

PMS: Performance Measurements Systems

SPMS: Strategic Performance Measurements Systems

ABSTRACT

Metropol Credit Reference Bureau operates in an industry where it is facing stiff competition from its rivals. This study sought to find out the relationship between strategy implementation and performance at the company. To collect the data required by this research, a research questionnaire was used. The data collected was analyzed using content analysis technique. The findings from the analysis of the data informed the recommendations and conclusions of this research. The firm has a strategic management process that guides its scope and the practices it undertakes in the business environment. The company has adopted key performance indicators that are used to show its performance during given business periods. This research found out that the performance of the firm has been increasing as a result of the successful implementation of the 2016-2020 strategic plans. The importance of a firm having in place an effective strategic management process can't be overemphasized. A firm's success squarely depends on how it successfully implements its strategies. With the advent of globalization, the business environment has become increasingly competitive and thus the need to continuously innovate or perish. The business enterprise needs to put in place measures that will enable it to continue its performance trajectory. The challenges it faces demand the adoption and implementation of new strategies that will ensure its going concern is assured into the foreseeable future.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Freeman (2010) says that strategy implementation enables a firm to put in place processes and resources that are geared towards achieving clearly set objectives. He adds that once the process of strategy implementation is in place, the success of the strategy will be measured by Key Performance Indicators (KPIs) after a particular period. He argues that performance measurements show how well a corporation is performing in as far as the realization of its mandate to its stakeholders is concerned. A business entity exists to maximize shareholders value. It puts in place measures and strategies whose aim is to better the financial position of its shareholders and ensure the continuity of the business into the foreseeable future (Grant, 2016). The success of any strategies put in place is measured by the key performance indicators.

Hill, Jones and Schilling, (2014) says strategy and the overall performance of a firm are interlinked. He also argues that better strategies that are well executed will result in the firm performing well, as measured by the strategy measurement metrics. If the firm is performing well the key performance indicators will have a positive value and if the firm is performing badly, key performance indicators will have negative values.

The study was guided by the profit maximizing and competition based theory, and the survival based theory, Hill et al., (2014). The profit maximizing and competition theory state that a firm aims to reap the maximum profits from its operations by outsmarting its competitors. The survival based theory opines that a firm carries out its operations with an intention of being profitable and ensuring its continuity into the future. Metropol Credit Reference Bureau Limited has two competitors in its line of business as Shisia et al., (2014) highlights.

This research was guided by the two theories because they outline the general expectations of and about a business entity in the ever changing and competitive business environment. The survival based theory states that a firm aims to continue its operations into the long term by putting in place competitive policies and procedures that enable it to stay abreast of emerging trends in its industry. The policies or strategies put in place by the firm are aimed at ensuring that the firm continues operating or surviving into the predictable future. It is expected that the firm’s going concern is assured for the foreseeable future (Hill et al., 2014).

This research assessed how the Key Performance Indicators (KPIs) are developed for each employee within the organization and how the balanced score card, as the major strategy performance measuring tool is used to monitor and measure the performance of the Organization and that of the achievement of individual KPIs. The research further sought to find out whether the KPIs are reflective of the Corporate Strategy and how well they measure the performance of the firm in relation to it achieving its strategy. It also looked at the extent to which the KPIs show the value of the company’s resources both tangible like properties and intangible like customer goodwill.

1.1.1 Performance

According to Kaplan and Norton (2006), an effective performance measurement plays a critical role in executing a strategy as well as supporting in strategy formulation. Most successful Organizations have well thought out strategies. Stephen and Mary (2002), define performance as the accumulated end results of an organization’s work processes and activities. It is the ability of a firm to prevail, Lipton (2003).

In measuring the performance of a Company, both Financial (objective) and non-financial (subjective) measures for instance the level of customer satisfaction are normally used (Kaplan and Norton, 1995:2008). Organizational performance is determined by the strategies that a Company adopts. KPIs assist in measuring the performance of a firm. Financial KPIs such as profitability, liquidity, ROA and ROI for instance can be used. The number of employees and how it has been increasing as well as the growth in customers that the company serves and increase in its market share are also determinants of Business performance Kathleen, (2014). The Organizational performance was measured on how effectively Metropol CRB achieves its strategies / strategic plan. For this particular study, achievement of set Key Performance Indicators (KPIs) was considered in measuring performance of Metropol CRB.

1.1.1.1 Key Performance Indicators (KPIs)

Permenter (2015), defines Key Performance Indicators (KPIs) as measures that show how well a firm is using its resources in achieving its objectives. The main performance measurement metrics include, profitability, market share, liquidity ratio and return on marketing investment, Permenter (2015). The executives of an enterprise are tasked with strategy formulation. After the strategy has been formulated it is then communicated to the employees and together they work towards ensuring that the strategy is implemented effectively. The success or failure of the strategy will be reflected by the KPIs after a particular trading period (Wairimu, 2013).

After a particular business period the strategy formulators should evaluate how effectively the firm is achieving its mandate as outlined in the strategy documents and as measured by the KPIs, Permenter (2015). In order to achieve the objectives of the strategy, all employees should be informed about it and the operations of the firm tailored towards the goal of achieving it. Businesses need to be competitive both in the short term and long term so as to ensure its continued existence into the foreseeable future. KPIs enable the firm to know how it is performing on its mandate as compared to its competitors.

1.1.2 Strategy Implementation

Strategy implementation refers to the process of allocating resources and personnel so as to achieve a desired outcome over a given period of time, Adrian et al (2008). To successfully implement a strategy, the top level management should allocate the necessary resources, hire or utilize the right employees and formulate processes and procedures that will enable the firm achieve its objectives.

In the process of strategy implementation there should be modalities to take into account emerging trends, and to effectively manage change. To manage change, the management might be forced to re-allocate resources or employees or to put in place new processes and procedures in the production of its products or services. There should be in place periodic assessments of how well the firm is performing in as far as the achievement of its strategy objectives is concerned. These periodic assessments will enable the firm to adjust its practices in line with emerging trends so as to be able to achieve its intended objectives (Haberberg et al., 2008).

1.1.3 Credit Reference Bureaus in Kenya

Banks and other credit providing entities were saddled with bad loans before 2013 as there were no mechanisms available for a financial institution to ascertain the credit worthiness of a particular business or person. There were no agreed methodologies on the sharing of credit information pertaining a particular person or business, hence the

Central Bank of Kenya (CBK) created legislations in 2013 that govern the sharing of information on customer's credit worthiness. The legislation governing Credit Reference Bureaus are found in Section 31(4) of the Banking Act (Kariuki et al., 2016).

Credit reference bureaus collect individual persons and businesses' credit information and share that information with organizations or parties interested with that customer's credit history. As of December 2017, data from Central Bank of Kenya showed that there were three credit reference bureaus in the country, Trans Union Africa Credit Reference Bureau, Metropol Credit Reference Bureau and Credit info Credit Reference Bureau Kenya Ltd. The credit reference bureaus have gone a long way in ensuring that banks and other institutions have an access to a central database about a particular business' or person's credit information. However, there have been complaints that credit providers rely too much on the information from the credit reference bureaus as a basis for granting credit as opposed to merging it with other factors to determine an individual's credit worthiness. This can be said to have limited access to credit to entities and individuals that would otherwise be credit worthy if other factors were aggregated in the determination of credit worthiness (Wairimu, 2013).

1.1.3 Metropol Credit Reference Bureau Limited

According to the company's website the firm began its operations in Kenya in 1996. It is licensed and operates under the guidelines of CBK. The firm aims to assist financial institutions that offer credit services by having a central database about a particular person's or business' credit history. It sources credit information from various sources including, Banks, Higher Educations Loans Board, Microfinance institutions, SACCOS and other providers of credit (Nasieku et al., 2016).

The firm has put in place strategies that enable it to be a reference bureau of choice among banks and other credit providers as articulated by its mission statement: To develop innovative solutions with unique experiences to enable individuals make sound economic decisions. The firm's financial information is up to date, audited and can also be accessed publicly (Nasieku et al., 2016). The management uses a balanced score card to ascertain its various Key Performance Indicators (KPIs) hence this research will have access to the necessary data in our later analysis.

Metropol Credit Reference Bureau Limited is headquartered in Upper Hill region of Nairobi Kenya. Being a credit reference bureau, it is operating in an increasingly competitive business environment as evidenced by the stiff competition in this segment of the market. This is in accordance with the 2017 Central Bank report on Financial Stability (Ndungo et al., 2017).

1.2 Research Problem

Strategy implementation is important for any organization to achieve its corporate goal. However, organizations are faced with many challenges trying to implement strategies. Implementing a strategy in an organization requires Key Performance Indicators (KPIs) especially the ones that require management actions and are affected by top management (Radomska, 2016). This may take the form of developing new processes of doing things, improving on the existing process and capacity building among staff and customers to enable them work comfortably with new systems implemented in an organization.

According to Oneill (2016), after a time or a particular trading period the firm will have to evaluate its performance and how the performance has contributed to the overall strategy of the firm. Credit Reference Bureaus in Kenya have the best crafted strategies, policies and procedures but results of the organizations are not rewarding in accordance to long term objectives neither are the results in line with the performance targets/measurements put in place. This is because the issue of Key Performance Indicators (KPIs) has not been given the attention it deserves and this has negatively affected their strategies, CRB Africa and Metropol (2018).

A report by CRB annual report (2018) also indicated that the industry has experienced many cases of ineffective implementation of strategies and this has occurred as a result of poor Key Performance Indicators (KPIs). This shows that only a limited time is put by management to adopt and implement strategies by setting appropriate Key Performance Indicators (KPIs). These Key Performance Indicators (KPIs) have affected the overall personnel competency, disrupted work teams come at a cost hence affecting effective strategy implementation as well as performance of such firm.

Agina (2013) did a research on adoption and implementation of key performance indicators by auditing firms in Kenya in their international operations. Both primary and secondary data was used to analyze the adoption and implementation of KPIs. The study concludes that the management team of an organization should be responsible for making strategic decisions on adoption and use of various performance measures. The study paid attention and focused on implementing the key performance indicators only and failed to analyze the relationship between Key Performance Indicators (KPIs) and strategy implementation.

Adekola (2015) did a study on assessment of performance measurement in business strategy implementation among companies in Kaduna Town in Nigeria. He found out that there is no significant relationship between a firm's performance measurement and its business strategy implementation. Shen (2013) did a case study on the implementation of successful KPIs for the business strategy of an international logistic company in Sweden. He used scientific theories and his mode of data collection and analysis was qualitative. The study concluded that organizations develop and implement successful KPIs that are effective, complete, and aligned to their business strategy.

A case study was done by Liljenström (2013) on aligning scorecards and metrics to determine strategic effectiveness in E.ON IT Company. The study utilized an exploratory research approach/model and the data collection for the study was based on interviews and existing documentation such as relevant literature, books and articles. The study found out that financial metrics is the most important metric to be applied to the IT Strategy to get a sound performance system measuring the efficiency. Therefore, Key Performance Indicators (KPIs) and scorecard enhances strategy effectiveness, alignment and execution.

The few available researches were mostly on individual Key Performance Indicators (KPIs), performance measurements and how they relate to a whole industry. Thus a research gap exists in this and therefore, this study will fill the gap by analyzing the Key Performance Indicators (KPIs), performance and strategic implementation at a single firm with reference to Metropol Credit Reference Bureau Limited.

1.3 Research Objective

To assess Key Performance Indicators (KPIs) and strategy implementation and how they contribute to performance at Metropol Credit Reference Bureau Limited.

1.4 Value of the Study

A business should be profitable so as to ensure its survival. A business' survival is important because the business provides employment opportunities to the citizens of a country and also pays taxes to the government (Iraki, 2009). A business entity is thus at the core of the harmonious existence of a country. With the ever changing business environment and the advent of globalization, a business need to be on top of its game if it is to survive the challenges of the ever competitive business environment. This study will help the firm and all its stakeholders in coming up with policies and strategies that will enhance its competitive advantage.

By analyzing how KPIs affect the way a strategy is executed at Metropol CRB ltd, the research will form a basis on which the firm can gauge the effectiveness of its strategy implementation and what factors are key in achieving that strategy. The firm will thus align its resources effectively by knowing areas that are efficient in as far as its strategy achievement is concerned, and to also put in place corrective mechanisms for areas that are hindering strategy execution. As a credit reference bureau the firm is an important partner to credit providing institutions. Banks rely on it to provide accurate timely credit information on their clients so as to minimize the risks of bad loans, (Wairimu, 2013). This research will also show the effectiveness of the overall performance of the firm in achieving the laid down strategies. The firm can thus use this research and compare itself with its competitors and thus know how well it is performing.

The regulatory bodies including the CBK and the Capital Markets Authority can use this research as a basis of coming up with rules and regulations that will make the industry more competitive. The CBK can also use the research to advise the firms operating as credit reference bureaus on better ways to manage the relationships between banks and them (Ndungo, 2017). Investors who want to invest in the firm can also use this research to analyze how well the firm is likely to perform in the future as shown by how effective it is in achieving its strategy objectives.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews the various sources of information and data in this field and also reviews theories on which the whole study is based. The theories on which the study is based are also discussed in detail. Also the main objective of the study that's how KPIs affect strategy implementation are analyzed and discussed in detail. The chapter also presents an analysis of the various empirical issues in this research.

2.2 Theoretical Foundations to the Study

This research was guided by the survival based theory and the profit maximizing and competition based theory (Miesing & Preble, 1985). These two theories formed a basis for this research because they extensively explained the reasons why an organization exists. Apart from an organization being mandated to fulfill its responsibilities to its shareholders, it is also tasked with fulfilling its responsibilities to the non-stakeholders. Thus a firm has to have the wider picture in its perspective as it carries out its normal businesses. It should stay abreast of what the current business trends in its business environment are and also monitor the activities its competitors (Miesing & Preble, 1985).

2.2.1 Profit Maximizing and Competition Based Theory

The theory assumes that the main objective of any business is to maximize its long-term profits and to develop a sustainable competitive advantage within the external environment in which it operates (Miesing & Preble, 1985). A firm therefore, exists or is formed so as to generate the maximum possible profits in its line of business by being competitive (Freeman, 2010).

The firm has to gauge the activities of its competitors and come up with policies and strategies that will outsmart the competitors. The firm has to remain competitive because the business environment is always changing and thus the need to always keep the strategies up to date. Iraki (2009) suggest that a business carries out its normal trading so that it gets a profit from its operations. This means that continuity of an enterprise relies on it being profitable. If the business isn't generating enough profits, it'll be forced to close shop. In order for the business to continue generating profits it should be socially responsible and abide by the relevant legislations in its country of operations. A business is thus forced to conduct its activities in such a way that it abides by the laws of the land, is socially responsible, and maximizes shareholder value.

In the Kenyan business environment, Metropol CRB Ltd has two competitors in its line of business. Industry data shows that Metropol CRB Ltd is the industry leader in credit information industry (Dalal, 2018). Thus the firm has to align its policies with the demands of the ever changing business environment and if it doesn't, its competitors will out-compete it and lead to its demise. This theory is relevant because it guides the firm to stay true to its mandate by always putting in place strategies and measures that will ensure it continues to reap the maximum possible profits from its operations.

For a firm to ensure that it maximizes its profits and stays competitive both in the short term and long term, it has to take into account the several factors affecting the business environment (Charles et al., 2014). It should adhere to all the laws set by the government, analyze what the competitors are doing and use the best technologies in its production processes.

2.2.2 Survival Based Theory

The concept of survival-based theory is also known as “survival of the fittest’ theory. It was originally developed by Herbert Spencer, Miesing and Preble (1985). It is based on the assumption that an organization needs to constantly and continuously adapt to its competitive environment in order to survive (Iraki, 2009). A firm puts in place strategies and procedures that ensure that it will continue doing business both in the long term and short term. This can only be achieved by deploying strategies that would be focused on having efficient operations and being able to respond rapidly to the changes in the competitive environment.

The organization that is able to successfully adapt to its environment and become the most efficient and economical in the production and operation will survive. The firm’s main aim is to continue existing (Freeman, 2010). To ensure its survival the firm has to take into account the emerging business trends and changes in legislation. It also needs to put in place strategies that counter those of its competitor’s that are aimed at putting the firm out of business.

This theory will be important in our analysis of Metropol CRB Ltd because it gives both a long term and short term perspective on strategies the firm has put in place. It will also be useful in helping the executives of the firm formulate strategies that reflect the current trends in the business environment. By doing that the enterprise will be in a better position to continue operating into the future and it will also be help the managers to manage the company more efficiently and to better adapt to the environment. This is in the hope that it would improve their profitability and achieve the ultimate goal of surviving (Charles et al., 2014).

2.3 The Concept of Strategy

Strategy has been defined differently by different writers based on their schools of thought. The main schools of thought are the planning school and the resource based school of thought as Adrian et al (2008) reckons. However most of the writers define strategy as the measures put in place by a firm to ensure its profitability, competitive advantage, adherence to government regulations and staying ahead of competition. Freeman (2010) defines strategy as an activity carried out by the top level managers of a business entity that give the firm direction both in the short term and long term. Strategy is thus concerned with giving the firm direction in its normal business activities. A strategy provides a basis on which managerial decisions can be based so that the resources of the firm can be used effectively.

Business strategies are categorized basing on whether they are aimed at giving a game plan to the whole entity or just a functional area. The scope of a particular strategy can either be the corporate level, the business level and the functional level strategy (Freeman, 2010). Strategic management is concerned with formulating the visions and mission statements of the enterprise. A business is required to carry out an internal audit, so that it knows its capabilities. This will enable it select the best desirable options that maximize shareholder value and reduces wastage of resources (Hill, 2014).

Strategic management isn’t a one-time process but a continuous one. This is because the business environment isn’t static but keeps on changing. The executives of a firm are forced to always be on the lookout for emerging trends in the business environment. Hill et al. (2014) is of the opinion that the activities of the competitors should always be analyzed and appropriate responses formulated.

Strategic planning details the capabilities of the firm, its capacities, purposes and the guidelines on how to achieve (Ansoff & McDonell, 1990). Implementation is the process where the business pursues its objectives as outlined by the strategy. During the implementation process, there should be controls to ensure the necessary adjustments are factored into the process where needed and essential (Johnson et al., 2006). New strategies adopted by the firm should be formulated by taking into account the funds available to the firm and the happenings in the external environment (Hill, 2014).

2.3.1 Strategy Implementation and Performance of a Firm

Once a strategy has been formulated what is left is implementation. According to Hitt et al. (2017), describe the strategy implementation as a process where the executives of a firm translate their visions, objectives and goals into real actions. Strategy implementation involves statement of objectives, strategy formulation, allocation of funds and resources, monitoring, evaluation and control (Pearson & Robinson, 2009).

Strategy implementation is the action phase of the strategy management process (Pearson & Robinson, 2009). The managers now have to set in to motion activities, personnel, procedures and resources that will enable the strategy to be implemented. The challenges that might make strategy implementation difficult include lack of communication channels between the different parties, insufficient funds, internal company politics and generally non-actionable strategies (Kaplan & Norton, 1996).

Birnaum (2009), argues that an organization can fail to effectively implement its strategies if there is a mismatch between the strategy and the realities of the business environment. The employees tasked strategy implementation might not be having the necessary skills to carry out the specific tasks. Also the organization might not have the required financial resources to implement it. There might have been changes in the business environment that rendered the strategy obsolete hence affecting performance of such a firm negatively. An effectively implemented strategy, positively affects the performance of the Organization (Chandler, 1962).

Performance evaluation for any Organization is a continuous process. The Organization sets targets and evaluates the measures it is taking towards the achievement of such targets (Kaplan, 2015). The targets need to be in line with the set strategic objectives. The measures that evaluate performance of an institution are known as KPIs. For complete measurement of Organizational performance, the Balanced Score card that takes into account both financial and non-financial measures is used.

Performance management refers to measures put in place to ensure goals are being achieved consistently in both an effective and efficient manner. Effective strategy implementation is of great importance in order to ensure that an Organization survives in the ever changing and competitive environment (Bourne, 2003). Carter (1997), opines that Organizational performance is coming up with Organizational goals, monitoring the performance of the same goals and taking corrective action towards the achievement of the same goals.

Successful strategy implementation is determined by analyzing whether the Organization is meeting its targets as outlined in the Strategic plan. If targets are not being met, then the strategic plan will in turn not be met and this will lead to shortfalls in performance. Well implemented strategies enhance / facilitate the achievement of Organizational performance as shown by the study done by Blahová and Knápková (2010).

2.4 Key Performance Indicators (KPIs) and how they Affect Strategy Implementation

Key Performance Indicators (KPIs) are measurements of how well the firm is performing in reaching its goals. There are various Key Performance Indicators (KPIs) that can be used to analyze the success of an organization in achieving its strategy. The Key Performance Indicators (KPIs) can be grouped into, financial metrics, sales metrics, marketing metrics, supply chain metrics, social media metrics, and retail metrics (Permenter, 2015).

There is need for all organizations to have an understanding on how their strategy is working and also come up with ways on how it can effectively work in order to achieve its vision, mission and on objectives. Bowen (2005) avers that the vision statements of an Organization provides a broad guideline for the future organizational goals, a mission statement defines why an Organization exists and also differentiates it from other Organizations within the same industry. Objectives are tangible milestones that the organization uses to achieve its vision.

An analysis of an Organization's Vision, mission statement and objectives needs to be done before determining applicable KPIs for measuring performance achievement. Having a thorough analysis of the aforementioned ensures that the organization is consistent in making decisions by ensuring that the operational activities are linked to the vision and mission statement. Being able to measure market share, customer demand and customer satisfaction is very essential for all organizations. This is because such measures are able to tell the current positioning of the Organization and the kind of improvements that need to be made so as to achieve the desired target. The process of identifying the right metrics is an uphill task.

According to Hauser and Katz (1998) metrics are only good if they have actions and decisions that improve the metrics as well as improve the firms desired long term outcomes. KPIs being general indicators of performance tend to only focus on the critical outputs or desired outcomes and reflect on the key success factors of the Organization (Chan & Chan, 2004); John (2008). KPIs adopted by any organization must be accepted, understood, and owned across the organization in order to ensure that such KPIs are effective. The KPIs also need to exhibit such characteristics as appropriateness, relevance, accuracy, timeliness, completeness and comprehensiveness. KPIs evolve and are subject to change and refinement (Chan & Chan, 2004).

KPIs provide a means to measure how well an entity has performed. The development of performance indicators is part of governance and accountability in an organization since the management of an Organization are tasked with making strategic decisions on the kind/type of performance measures to be used. The KPIs also indicate whether strategic planning has been undertaken and whether the objectives are focused on the reason for the organization existing (Chan & Chan, 2004).

2.5 The Balanced Score Card as a Tool to Measure Strategy Implementation

A business enterprise can be viewed from the perspectives of a BSC (Kaplan & Norton, 1996). Initially firms used to gauge their performance by only the financial metrics. To solve the problems arising due to using a single metric to measure the performance of a firm, the BSC was developed. It measures the performance of a firm basing on four metrics namely, the financial perspective, customer perspective, learning and growth and the process perspective (Kaplan & Norton, 1996).

For a strategy to be successfully implemented despite its abstractness and complexity, it should cascade down to the lowest levels of the business. Kaplan and Norton (1996), have suggested four management processes that will enable the strategy to be effectively implemented. First the management should agree on the objectives of the intended strategy. The vision and mission statements should be communicated to the employees. The second process involves integrating the strategy to all levels of the organization. This will enable all the parties involved have a long-term perspective of the strategy. The third process involves allocation of financial resources. The limits of the funds available to implement the strategy will be calculated. The last process is learning and growth where the firm evaluates its operations and processes betters its processes or continues on the same path of strategy implementation (Kaplan & Norton, 1996).

Financial perspective shows the financial position of the firm as shown by the financial ratios. Some of the financial ratios include return on equity, profitability, return on capital employed and economic value added. The Customer evaluates the relationship between the enterprise and its customers. The customer perspective has the elements of customer satisfaction and customer loyalty. The business process perspective outlines how the firm is structured and how its internal business operations run. Learning and growth perspective focuses on measures that improve the whole strategy management process (Hill et al., 2014).

Since its formation by Kaplan and Norton in 1993, it has evolved so as to reflect the current changes in the business environment. Writing in the Harvard Business Review, Kaplan et al., (2010), emphasized the importance of the BSC in measuring the success of an organization because it acts as a strategy map. It shows the management how achieving objectives at the various levels of the business contributes to the success of the organization. The balanced scorecard analyses strategy implementation of firm from different perspectives. The BSC is effective because it focuses on the strategy of the firm by monitoring key elements that shape the performance of the firm.

2.6 Summary of Empirical Review

Strategy is a conscious, planned process usually initiated by the top management with an aim of restructuring an organization so as to achieve desired outcomes and objectives. Most organizations have seen the importance of formulating a strategy, but the success of its implementation to achieve organizational objectives is challenging (Radomska, 2016). There are various theories reviewed that are related to Key Performance Indicators (KPIs) and strategy implementation. According to survival based theory by Spencer (1985) a firm has to gauge the activities of its competitors and come up with policies and strategies that will outsmart the competitors. The organization needs to constantly and continuously adapt to its competitive environment in order to survive.

On the other hand, profit maximizing and competition based theory by Miesing & Preble, (1985) reveal that a firm puts in place strategies and procedures that ensure that it will continue doing business both in the long term and short term. Various empirical studies have been done on the area of Key Performance Indicators (KPIs) and strategy implementation in various organizations and several studies support the assumption that the key metrics of performance can result in implementation of strategies in organizations and other studies have shown there is no consensus and do not support the same.

In addition, there is so far enough evidence to identify the most effective Key Performance Indicators (KPIs), since most performance research studies have primarily been undertaken as case studies of various institutions and organizations using different methodologies.

For instance, globally (Bhatti et al., 2014) did a study on the key performance indicators (KPIs) and their impact on overall organizational performance and strategy execution in manufacturing sector in Pakistan and the study found out that the manufacturing organizations put more focus on the customer satisfaction and delivery reliability in terms of performance measurement to enhance organizational performance and strategy execution. The study also showed that cost, quality of financial resources, safety, customer satisfaction, employees' satisfaction and social performance indicators have positive impact on the overall organization's performance and strategy execution (Bhatti et al., 2014).

Okfalisa et al (2015), conducted a study on KPIs used to measure and monitor the performance of strategy implementation in Malaysia. The study used a balanced score card as a performance measurement tool. The study findings indicated and concluded that the balanced scorecard can be effectively used in monitoring and measuring the performance of organizational strategy implementation. Results further indicated that organizations have embraced the concept of Key Performance Indicators (KPIs) in monitoring and in a bid to increase their implementation of strategies. Moreover, the study emphasized that knowledge and expertise of top and middle managers are very crucial in strategy implementation since they directly or indirectly engaged in developing and implementing strategic decision that have wider implication on many other functional areas (Okfalisa et al., 2015).

Ho et al. (2014) conducted a survey study on performance measures, consensus on strategy implementation and performance in operational level of organizations in Taiwan financial services companies and established that consensus exists between the effectiveness of performance measures and is critical to the success of an organization's strategy implementation. The study further indicated that customer-oriented strategy in terms of customer satisfaction is positively associated with implementation of strategies in financial services companies.

Xavier (2016) did a study on the role of performance measurement systems in strategy formulation processes in Spanish companies and empirical data gathered from surveys completed by 349 CEOs of medium and large Spanish companies provide support for a positive association between the use of Performance Measurements Systems (PMS) and strategy formulation processes taken in each strategic review. The findings suggest that the use of Strategic Performance Measurements Systems (SPMS) by an organization's top management team translates into a more comprehensive strategic agenda.

Regionally, a study by Adekola (2015) on assessment of performance measurement in business strategy implementation among companies in Kaduna Town in Nigeria found out that there is no significant relationship between a firm's performance measurement and its business strategy implementation. The study findings revealed that most staff members at the lower level of the firms are not involved in the development of various strategies, thus making it difficult for strategies to be implemented.

Locally, Kalungu (2013) did a study on performance measurement systems implementation among large food and beverage processors in Nairobi, Kenya and the findings indicated that large food and beverage processors in Nairobi County have implemented performance matrix, performance measurement systems and the critical success factors to drive firm performance and strategy implementation. There is a positive correlation between implementation of strategies and performance measurement systems such as the balanced scorecard and performance measurement matrix.

A study by Wughanga (2010) on the application of the balanced scorecard in strategy implementation at the Kenya Commercial Bank found out that indicators and performance measurement were critical elements in strategy implementation and in translating an organization's mission or strategy into reality. The study concluded that the balanced scorecard has been a useful tool for bringing the attainment of the mission of the bank hence has enabled strategies to be implemented. This is explained by the ability of this tool to bring consensus around the vision and therefore chart the way for its execution (Wughanga, 2010).

Research on Key Performance Indicators (KPIs) has majorly been conducted in the banking industry; manufacturing sector and quite a number have been done in the corporate sector. The research available has not looked at and there is no research that has been done on the Key Performance Indicators (KPIs) and strategy implementation with reference to the Metropol Credit Reference Bureau Limited in Kenya. Moreover, in the Credit Reference Bureau, the literature reviewed shows that the debate on implementation of strategies and Key Performance Indicators (KPIs) is few despite the fact that many of them are transforming their operations to be sustainable.

Hence, from the above studies, the link between Key Performance Indicators (KPIs) and strategy implementation in Metropol Credit Reference Bureau Limited was not yet looked at and none of the studies identified had a match for the concept, context and methodology to this study hence a research gap exists, therefore the study will identify and fill this gap.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter details the data collection procedure and techniques, research design, and data analysis techniques.

3.2 Research Design

According to Cooper, Schindler & Sun (2006), research design refers to the techniques used by a researcher to interlink the various components of the research so that the problem statement and research question is well addressed and a conclusion found. The research design for this research was a case study. There was no population or sample design, because this case study analyzed how KPIs contribute to strategy implementation at Metropol Credit Reference Bureau Limited, a single firm. The project was limited to the study of how Key Performance Indicators (KPIs) affect strategy implementation at Metropol CRB Ltd. A case study was effective in the analysis of a single firm as it provided an in-depth view of the firm basing on the parameters under study.

By only focusing on a particular firm, a case study research was in a better position to effectively analyze a particular factor and how it affects the firm under consideration. In the case of this research, this study gave an excellent analysis of how well Metropol CRB ltd achieves its stated objectives and strategies. The main shortcoming with a case study that focuses on only one firm is that it is difficult to know about the general industry trends or make predictions about the future of that industry (Cooper et al., 2006).

3.3 Data Collection

The study was qualitative in nature where a qualitative questionnaire was used to collect primary data. The questionnaires were distributed to the top level management who are concerned with strategy formulation and implementation. The top level management for the purposes of this research included middle-level managers and senior level managers. The primary data that this research sought was mainly to do with strategies that management formulated and how those strategies were impacted by the KPIs. Secondary data was gotten by desktop research mainly from company documents and other published reports such as the company's annual statement. The secondary data acted as the evidence on how the strategy fared as far as achieving its intended purpose is concerned.

3.4 Data Analysis

Qualitative content analysis was used for this research. Cooper et al (2006), defines qualitative content analysis as a technique used to analyze a qualitative research, that doesn't incorporate so much numerical details. It involves studying the data collected and sifting it for given qualitative aspects. Qualitative aspects refer to the issues in a research that can't be quantified with exact numerical values but can only be measured by their quality or by how well they perform or have been achieved. The data collected through both primary and secondary sources was analyzed and used to arrive at the conclusions and findings of this research. This research sought to interview thirty top executives of the firm.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The research objective of this study was to found out how strategy implementation affects performance at Metropol Credit Bureau Kenya ltd. Since the case study involved a research on the strategy management process, the research selected the top level and middle level managers of the firm as the respondents. This chapter presents an analysis of the data collected by the research questionnaire and a discussion of the results. The respondents were twenty two top level managers and middle level managers. The data collected by the research questionnaire was analyzed using content analysis. The research targeted thirty respondents. However the research managed to collect data from only twenty respondents giving a response rate of 73%.

4.2 Demographic Information

4.2.1 Position Held in the Company and the Department

This section sought to determine the suitability of the respondents in providing replies to the research questionnaire. The case study sought to interview respondents that were tasked with the strategy implementation process. All the respondents worked in top level management positions or middle level management positions. The departments the respondents worked in were the finance department, marketing department, Data Management department, human resource department, Business development, Client Relationship Management, IT, Internal Audit, Analytics and operations department. All the respondents were directly involved with the strategy management process.

4.2.2 Gender and Level of Education

22% of the respondents were female while 78% were male. All the respondents had undergraduate degree qualifications. In addition to the undergraduate qualifications 44% had Master's degree qualifications while 11% had PHD qualifications. The level of education of the assenters is important because it shows whether they have the ability to effectively implement the Company's strategy. Undergraduate qualifications are important as they equip an individual with a capacity and ability to manage changes in the business world. The gender of the respondents will be a non-issue in the strategy management process. However, the firm should work towards having more women in the executive positions in line with emerging business trends and practices in the world.

Table 4.1: Summary of the Respondent's Gender and Level of Education

Male 78%	**Frequency**	**Female 22%**	**Frequency**
Undergraduate	100%	Undergraduate	100%
Master's degree	44%	Master's degree	50%
PHD	11%	PHD	0

4.2.3 Years of Service in the Firm

The table below summarizes the length of time the respondents have worked in the firm.

Table 4.2: Respondents' Length of Service

Years	**Percentage**
0-3 years	33%
4-6 years	61%
7+ years	6%

A majority of the respondents, 61% have worked in the company for over four years. This makes them conversant with the company’s internal processes and bureaucracies. Since most of the executives of the firm have been with it for a long period of time, they are in a better position to clearly articulate the strategies and the mission of the company. A research done by Shen (2013), highlights the importance of a thorough understanding of a company’s internal processes on the success of the strategy management process. A senior level manager who has worked with a company for a long time is in a better position to articulate the firm’s strategy. The middle level and senior level managers of the firm have been with it for a considerable time to enable them to effectively outline the firm’s mission and vision.

4.3 Strategy Implementation

4.3.1 Implementation of Strategies by the Firm

All the respondents indicated that the firm has a strategy Implementation process that effectively guides the activities of the company. The strategy Implementation process is shaped in a top-down style. The senior and middle level managers formulate strategies that are communicated to the lower level employees. The strategy management process is guided by timeliness and is normally reviewed as need be to give the business an edge over its rivals in the market.

The respondents indicated that the firm is currently implementing its 2018-2022 strategic plans. The current strategic plan adopted by the firm covers a period of five years and is aimed at bettering the firm’s performance in the market. The firm’s strategy management process is formulated in such a way that it takes into account the resources available to the business enterprise and the existing market conditions and dynamics.

4.3.2 Goals and Objectives of the Company’s Strategy Implementation

The study found out that the organization has varied goals and objectives when it comes to implementation of its strategies. The goals and objectives that the respondents stated were to increase its revenue growth models, market leadership, offering advanced credit risk assessment solutions, giving the firm a purpose and as a basis on which the firm can measure and track its overall performance. The objectives of the strategy management process are geared towards ensuring the going concern of the firm and maximizing shareholder value.

4.3.3 Challenges the Organization Experienced with its Strategy Implementation Process

The research found out that the strategy implementation process faced challenges both internally and externally. The internal challenges were insufficient capital to pursue all the intended strategies, slow adoption of emerging trends in the business sector, procrastination, lack of internal strategic management training to all the employees and lack of an effective communication channel between the lower level employees and the executives. The external challenges included unconducive government legislations, a general slowdown in the economy, competitor’s actions and upheavals in the local business environment.

The challenges the firm is facing in its strategy implementation process will force it to come up with innovative solutions to mitigate them. The company should introduce a strategy management training seminars to all its personnel so that the strategy implementation process flows seamlessly. The external challenges the firm faces during the strategy implementation process can be mitigated by adoption of the latest business technologies and trends that are cost-effective.

4.3.4 The Person Responsible for Strategy Implementation in the Firm

The research found out that the company has adopted a top-bottom approach to its strategy implementation process. Majority of the respondents indicated that the persons tasked with the strategy implementation are the top level and middle level managers. However, the Chief Operations Officer (COO) is the one tasked with the overall strategy implementation process. The COO works with other top managers of the enterprise to formulate and implement the strategies that guide the activities of the firm. Resources to implement the various strategies are also allocated by the top-level managers. After the formulation of particular strategies, the various heads of the various departments of the company are tasked with communicating the strategy to the personnel in their departments.

4.3.5 Benefits that Accrue from Strategy Implementation

Various benefits have accrued to the firm as a result of its strategy implementation process. The main benefits that the assenters accentuated were giving the firm a tracking mechanism for achieving its missions and vision, enabling the company to set and measure its performance, aligning the operations of the firm with emerging business trends, tackling competition and competitors strategies, aligning the operations of the firm with the relevant government legislations and effective allocation and utilization of resources. From the findings, the firm is experiencing a positive growth trajectory as a result of successful implementation of its strategies.

4.4 Key Performance Indicators

This section shows the findings of the research on the KPIs set by the firm, the extent to which the company has adopted KPIs, awareness of employees and customers to the KPIs set by the business, how KPIs have affected strategy implementation, how customer satisfaction affects strategy implementation, the use of internal business processes as a KPI to enhance strategy implementation, the relationship between employee competencies as a KPI and strategy implementation, challenges faced in strategy implementation and KPIs management , and a discussion of the findings.

4.4.1 Key Performance Indicators Set by the Firm

The research found out that the firm measures its performance by tracking its financial performance, customer management performance, internal business processes performance and learning and growth. The key performance indicators set by the firm are tracked using the balanced scorecard (BSC) it has developed. The current KPIs adopted by the firm are geared towards making the firm's performance and growth to increase with regards to achieving its strategies. Each department within the organization has KPIs aligned to their specific strategies they expects to achieve in relation to the overall strategy.

Customer management forms the basis of the firm's success as it is the customers that bring the enterprise business. The financial performance of the firm is measured quarterly as shown by the respondents. However the overall performance of the firm is measured at the end of the business year. The internal business and processes are reviewed as needs be and bettered where appropriate. The firm also has in place mechanisms where learning and growth are incorporated into the strategy implementation process.

4.4.2 The Extent to which the Organization has Adopted KPIs

The business enterprise has adopted KPIs to a large extent as this study found out. The heads of the various departments are given clearly defined set targets that should be achieved by their teams. The performance of the various KPIs targets set for particular departments are evaluated quarterly. The company has in place mechanisms that ensure that its overall performance at any time is in line with its intended objectives and goals as all employees are required to do activity based reporting daily. With the firm having adopted KPIs, it formulates strategies that cement or better its performance at any particular point in the business cycle.

4.4.3 Awareness of Employees and Customers to the KPIs Set by the Organization

The customers aren’t aware of the KPIs set by the organization or how they are impacted by them. However, the employees are aware of the KPIs set by the enterprise as communicated to them by the quarterly review of the individual BSC, as this research found out. The customers are external parties hence aren’t aware of the strategies and KPIs set by the company. The employees are aware of the KPIs set by the organization as they are part and parcel of the strategy management process.

4.4.4 How KPIs have Affected Strategy Implementation

The respondents accentuated that KPIs are the basis of any strategy implementation in the firm and by the firm. The review of KPIs by the enterprise both quarterly and annually effectively shapes and determines the strategies the firm pursues or continues implementing both now or in the future business periods. The KPIs are able to inform how far it is in achieving its strategies.

KPIs have enabled the firm to champion the strategy implementation agenda. The research found out that KPIs are the basis on which the performance of the various strategies the firm adopts can be assessed. It has created to track individual member's contribution towards strategy implementation.

4.4.5 How Customer Satisfaction Affects Strategy Implementation

The customer is the main focus of the firm's strategies as this research found out. Petri & Jacob (2016) highlights the importance of the customer to any business and its going concern. It is with the realization that the customer is king that the company has formulated strategies aimed at enhancing customer loyalty and acquiring new customers. The company has customer management departments tasked with creating value to the customer. The way the customer reacts to the products the firm offers is monitored by the firm and corrective actions adopted where necessary. From tailor-made ads to differentiation of its services and products, customer satisfaction shapes the strategies implemented by the firm.

4.4.6 The use of Internal Business Processes as a KPI to Enhance Strategy Implementation

The internal business processes of the firm needs to be free of bureaucracies, adopt lean production technologies, employ the most qualified personnel and make it possible to reduce product cycle times as the research by Porter and Heppelman (2015) accentuates. This study found out that the company is experiencing challenges in the management of some of its internal processes. There top-down approach in the strategy management process leaves little room for the lower level employees to voice their input on the strategies the firm adopts.

With the limited resources the firm is facing difficulties in effectively implementing strategies that would have bettered its internal business processes. The company should look for funding from various sources and use them to effectively streamline its internal processes. An effective communication channel between all employees should be formulated so that the strategies the firm adopts incorporate the views of most of the stakeholders of the business. With an effective communication channel adopted, the challenges facing internal operations will be tackled.

4.4.7 The Relationship between Employee Competencies as a KPI and Strategy Implementation

Employees of an organization are the ones who execute the strategies the firm intends to achieve. An employee with the right training and skills for a particular job will deliver on their set targets. This study found out that all the personnel of the firm have at least an undergraduate training. This means that the employees can effectively deliver on their mandate. With the firm having the right employees with the right qualifications, it just needs to empower them by allocating the necessary resources, so that they can steer the company to better performance.

4.4.8 Challenges Faced in Implementing Key Performance Indicators

The overall performance of the firm is normally shown by the annual reports prepared at the end of a particular business period. This study found out that there are different KPIs adopted by the firm and that the overall performance of the firm is normally aggregated at the year end. The measuring of the overall performance of the company at the end of the business period poses a challenge when there is need to alleviate challenges that might affect the performance of the firm at a particular time. Daily activity reporting by employees in the different sectors means that the enterprise has to invest in extensive data analytics methods and models. Also, the fact that not all the personnel of the enterprise are trained in the implementation of KPIs rather than they just await their performance to be measured after a particular period is a major challenge.

Adoption of some KPIs isn't reflective of the actual tasks that the individual performs hence affecting strategy implementation. The organization imposes KPIs on the employees without their input as some of the respondents accentuated. The changing business environment means that the organization to adopt new KPIs for the employees midway during the business period. Ineffective communication of the required elements in the KPIs hence leading to a lack of comprehension among the employees. Some qualitative aspects of the strategy are hard to convert into measurable KPIs. Organizational politics and the influence lack of management in the implementation of some KPIs.

4.4.9 Benefits that Accrue from Strategy Implementation and Key Performance Indicators

The tergiversators accentuated various benefits that arise from the successful implementation of strategies and KPIs. The organization is able to formulate policies that are aimed at bettering its performance basing on the available resources, and to effectively evaluate their success after the end of given business periods. The strategies formulated should be evaluated periodically and either is bettered or done away with basing on how they affect the performance of the enterprise.

The implementation of strategies and KPIs enable the company to streamline its operations so as to cut on unnecessary processes and bureaucracies, tackle the activities of the competitors, and align the business to existing legislations and emerging business trends and to effectively enable the employees to work towards a common goal and purpose. KPIs provide a blue-print for strategy implementation.

4.4.10 Key Performance Indicators that Influence Strategy Execution within the Organization

The research found out that the firm tracks key performance indicators that influence its strategy implementation The KPIs the firm tracks are categorized into customer management, financial metrics, internal business and processes and learning and growth. The major KPIs that affect strategy implementation include revenue growth and achievement, market growth, customer satisfaction, product development and data quality and uptime of the systems. These KPIs are the basis on which the firm tracks and measures its performance. With the company having clearly identified performance metrics, it can formulate its strategies and evaluate their performance basing on its intended goals and objectives.

4.5 Discussion

This research was guided by the profit maximizing and competition based theory, and the survival based theory. Its objective was to evaluate strategy implementation and performance at Metropol Credit Reference Bureau Kenya. An analysis of the data collected shows that the firm has put in place a top-down strategic management process. As Freeman (2010) highlights, the performance of a firm is directly related with the strategies it has put in place. The firm currently has a strategic plan that runs from 2018-2022. The strategic plan is aimed at increasing the performance of the firm in both financial and non-financial metrics. The findings of this research that the firm has in place strategies that guide its operations underpin the importance of the resource based and competition theory, and the survival based theory.

The firm has put in place mechanisms that will ensure it continues operating into the foreseeable future as the survival based theory opines. It is in its own interest that the firm continues its operations by being competitive, deploying the resources it has effectively, so that shareholder value is maximized.

The study found out that despite the firm having in place a strategic implementation process, not all its employees are involved in the process. The top-down strategic management style adopted by company limits the input of the lower level employees. This findings concurs with the findings of a study done by Oketta (2018) that highlighted the importance of employees to the successful strategy implementation. Thus, for a firm to function seamlessly, all the personnel in the company should be part of the decision making process. This finding means that there are areas the firm needs to innovate or change its strategy implementation style so that its performance can increase the more. With the firm putting in place a strategy implementation process that inputs the views of all the stakeholders in the firm, it will effectively be utilizing the resources at its disposal hence effectively underpinning the importance of the Survival based theory. Effective utilization of its resources will enable it to compete effectively and thus its going concern will be assured as the research done by Adekola (2015) shows.

The successful implementation of strategies and KPIs has enabled the organization to have a positive performance over the last three years. The performance has been positive because of the implementation of the firm's 2018 - 2022 strategic plan. This findings concur with the findings of Bhatti et al., (2014) who found out organizations that successfully implement their strategies and measure their success as shown by KPIs will continue having a positive performance. Also these findings concur with the findings of Alvarez and Barnley (2017) on the importance of the resource based and competition theory to a firm. A firm exists to maximize shareholder value and this means that it has to effectively utilize the resources it has to ensure its continuity into the future. With the firm facing cut-throat competition from its rivals, there is need for it to continuously innovate in the solutions it offers to its customers in its industry.

The resource based and competition theory, and the survival based theory have successfully guided the company's operations as the findings suggest. The firm is implementing KPIs that effectively show its performance. This in effect shows how well the firm is utilizing the resources at its disposal to maximize shareholder value. However the findings also indicated that despite the successful implementation and adoption of KPIs, there are some challenges in their implementation. If the firm can mitigate the remaining challenges in the implementation of KPIs, its performance will increase, as Permenter (2015) highlights.

The customer management process put in place by the firm has enabled the firm's performance to increase and thus enabling it to deliver on its mandate as envisioned in the strategy document. These findings concur with the findings of Morgan and Rego (2006) on customer satisfaction and the performance of a firm. If the firm can continue with its current performance and growth trajectory, its survival assured into the foreseeable future. The challenges it is facing both within and without its operations should be tackled and mitigated by the adoption of appropriate strategic responses. The findings of this study underpin the importance of the resource based and competition theory, and the survival based theory on the performance of any firm. If the firm's operations are guided by these theories then their performance will increase as Alvarez & Barnley (2017) shows.

CHAPTER FIVE: SUMMARY, RECOMMENDATIONS AND CONCLUSION

5.1 Introduction

This chapter summarizes the findings by this research, the resulting conclusions by an analysis of the data, the impact of the research on policy and theory, the limitations of the study and suggestions for further research. The research questionnaire responses and the resulting data collected were the basis on which the findings and conclusions of this research were based.

5.2 Summary

A firm exists to maximize the shareholders' value and all the other stakeholders' as Kalungu (2013) shows. This research sought to find out how Strategy implementation as measured by Key Performance Indicators (KPIs) affects the company's performance. The firm has put in place a top-bottom strategic implementation process. It also has adopted the use of balanced scorecard as a tool that is used to aggregate relevant KPIs for benchmarking its strategy implementation. This KPIs are the basis with which the performance of the firm is evaluated.

The study found out that the performance of the firm has been growing in the current 2018 - 2022 strategy plan. This means that the strategies adopted by the enterprise have been successfully implemented and thus the positive growth as Freeman (2010) highlights. Despite the positive performance for the period under consideration, the company has been faced some challenges in its strategy implementation process. There are limited resources that would have enabled it to pursue all the strategies it intends to implement.

The existing work culture where the lower level employees have a limited input on the strategies the firm implements, means that there are disgruntlements among some employees and this has affected negatively the implementation of some strategies. The importance of having employees that are well trained is shown by this research. The firm's employees are all well trained and are the reason why it has experienced a positive growth in the last three years. The firm needs to adopt or put in place strategy management seminars with emphasis on strategy implementation where all the employees can be trained on how to effectively deliver on their mandate and in effect make the performance of the firm to increase further.

The study found out that the top-down strategic management process is replete with challenges as it leads to some employees not feeling that they are part of the company strategy implementation process and that their views are less important or not being taken into consideration. Other challenges being experienced include inadequate funds to implement some strategies, lack of proper communication channels between all employees, cut-throat competition, the shifting dynamics and technologies used in the industry and a work culture that potentially minimizes the input and innovations to the strategies adopted by the company. To be able to continue its growth trajectory, the company needs to mitigate all the challenges it is facing by the implementation of appropriate strategic responses.

This research found out that by having in place a tracking mechanism on how the Key Performance Indicators (KPIs) are used to monitor the performance of strategy implementation, the business is able to track its performance, allocate relevant resources where needed and take corrective action in a timely manner to ensure the strategies are properly implemented. From experiences gained in prior business periods, the firm is able to estimate if the implementation of particular strategies will be successful or not. The strategic management process adopted by the firm needs to be expanded so that it is all inclusive and takes into account the inputs of all stakeholders.

5.3 Conclusion

The performance of any business is as good as the strategies it implements as Blahova & Knapkova (2010) shows. With this realization the company has put in place a functioning strategy implementation process. The business environment globally is experiencing dynamic shifts in the technologies used in production of goods and services, customer management, personnel management, competitor intelligence and research and the increasing consumer choices as the study by Brown et al., (2007) shows. For the firm to continue its operations into the foreseeable future, it is thus forced to adapt or die. The strategic responses any firm adopts as a result of challenges within and without its control directly affects it performance.

There is need for the firm to expand its strategy Implementation process so that all employees feel part and parcel of the process. The top-down approach to how it is managing its strategies has an effect of lowering employee morale and hence performance. The performance of employees that are well motivated normally increases and thus there exists more opportunities for the performance of the company to increase even more if it makes the process more inclusive.

The research found out that strategy implementation is a complex process that is affected by factors within and without the company's control. When a firm adopts KPIs as a basis of measurement on how well its strategies are performing, it is able to monitor and thus achieve its growth targets. The challenges the firm faces during the strategy implementation process demand appropriate strategic responses. The performance of the firm for the foreseeable future is expected to be positive if it effectively handles its external and internal challenges.

5.4 Recommendations

From an analysis of the data collected and its findings, this research recommends that the top-down strategy management process should be expanded to incorporate the inputs of various stakeholders. The firm should continue coming up with innovations in as far as mitigating the challenges within and without its control is concerned. To enable the firm to continue being the industry leader, it should invest more in creating awareness of its services and have in place a competitor's intelligence and monitoring mechanisms. The tracking of KPIs should be sustained and appropriate technologies adopted that can show real time performance of the enterprise as a whole as opposed to quarterly review.

5.5 Implication on Policy, Practice and Theory

A business operates in an environment where it is always forced to evaluate its position in the market and in industry. Competitors are always coming up with innovative solutions aimed at making them the industry leader or the best in their field. The importance of a firm having in place the necessary resources to pursue its strategies is shown by this research. In order to effectively measure the performance of the firm in achieving its goals and objectives, there needs to be a way to track on how it implements its strategies. KPIs come in handy. The importance of measuring both the financial and non- financial performance is shown by this research.

This research has shown the importance of a strategic implementation process to any company and thus adds to the available knowledge in the field of strategic management. The role of government in the performance of a firm is also shown by this study. The government should thus come up with policies that make the business environment function seamlessly. The role of employees in enabling an enterprise achieve its strategies is also shown by this research. The employees should be motivated well so that their performance increases. This research will make the performance of the firm to increase if it adopts the recommendations suggested.

5.6 Limitations of the Study

Collecting data from the executives of a firm requires a lot of time, and thus this poses challenges to the researcher with the limited resources available. The performance of a firm normally changes over time hence responses given at different times will vary basing on the performance of the firm at that time. The study can't make recommendations and conclusions for the whole credit risk management industry as it was limited to one firm in the industry. Thus the findings and recommendations by this research are only applicable to the organization under consideration. Also information collected from only a section of the personnel of the company can't be described to be representative of the opinions of all workers in the company. The time limit in collection of the data also pose challenges having in mind the fact that the respondents have other jobs to do and when they are rushed to provide replies, they might not have all the required details at hand.

The content analysis data technique this research adopted has some disadvantages. The context of the research can be misinterpreted by the respondents resulting in them proving inaccurate data. With the respondents having a wrong context, the study will arrive at a wrong conclusion. It is also time consuming to go through large volumes of data and be able to come up with unbiased conclusions. This data analysis technique becomes difficult when it comes to researches that are of quantitative nature.

5.7 Suggestions for Further Research

The study limited itself to the middle and top level managers. A similar research should be carried out and incorporate the views of all the management structure in the firm. A study should also be done to ascertain how strategy implementation and performance is effected in the credit risk management industry in Kenya.

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APPENDIX

Appendix I: Research Questionnaire

This questionnaire consists of three sections. Kindly respond to all questions by filling in the blank spaces. Your cooperation is highly appreciated.

Section A: Biographic/Personal Information

1. Please indicate your position?
2. Please indicate the name of your department?
3. Please indicate your gender?
4. What is your highest level of education?
5. How long have you been working with Metropol Credit Reference Bureau Limited?

Section B: Strategy Implementation

6. What are the main goals and objectives of the company's strategy implementation?
7. Is the organization involved in any implementation of strategies?
8. What challenges has the organization experienced in terms of strategy implementation?
9. Who is responsible for strategy implementation in the organization
10. In your own view do you think there are benefits that accrue from Strategy implementation?

Section C: Key Performance Indicators (KPIs)

11. Are there any Key Performance Indicators (KPIs) set by the organization?
12. What is the extent to which the Organization has adopted Key Performance Indicators (KPIs) in its operations?

13. Are the employees and customers aware of the available Key Performance Indicators (KPIs) set by the organization?
14. Kindly indicate how the Key Performance Indicators (KPIs) have affected Strategy implementation?
15. Please indicate how customer satisfaction affects and has a relationship with strategy implementation?
16. How does the organization employ business processes as a KPI to enhance Strategy implementation?
17. What is the relationship between employee competencies as a KPI and Strategy Implementation?
18. What key challenges have you faced in implementing the Key Performance Indicators (KPIs)?
19. In your own view do you think there are benefits that accrue from Strategy implementation and Key Performance Indicators (KPIs)
20. Please outline if there are major Key Performance Indicators (KPIs) that you think influence strategy execution within the organization