

**Challenges of Strategy Implementation In Pensions Department,
Ministry of Finance - Kenya**

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for the Award of the Degree of Master of Business Administration,
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DECLARATION

This research project is my own work and has not been presented to any other university for the purpose of study or otherwise

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This Research Project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate this project to my mum and family who have encouraged me to keep in good shape during the long hours of my studies towards successful completion. God gave you the patience to be peaceful and as you spurred me on, I knew the results would be there for all to see. Indeed this has come to pass and thank you for your great support.

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ABSTRACT

This study investigated challenges facing strategy implementation in pensions department, ministry of finance of Kenya. The general objective of the study was to determine the challenges the government faces in the implementation of pensions strategy for civil servants in Kenya. To achieve the main objective, a content analysis of major documents at the ministry concerning strategic planning was conducted. Interviews from key offices in the department of pensions at four main divisions that are centrally placed in strategic plans implementation processes were carried out to get an in-depth view of the challenges that hinder smooth implementation of a pensions' strategic plan. In its findings, there were challenges in organization structure, reward system, communications, policies, roles of change managers and political as well as corporate governance. The study could be of great significant interest to the corporate world in Kenya and may have generated new information that could be used for policy formulation by the government and its ministries in the republic. Clearly, the study points towards enabling policy makers and practitioners of strategic plans management carry out plans that are manageable in order to steer organizations carefully into future success. The research also advanced the work of previous scholars and academicians. In particular it gave a supporting point to the change management theory where it is imperative to have full involvement of staff in formation and implementation of strategic plans. Based on the research findings the study concluded that training and lack of incentives was a major factor that affected strategic change management at the ministry. The study recommended that training and a policy of rewarding should be highly considered by the leadership and management of Pensions department. Another recommendation pointed to the reforming of governance structures and promotional systems that would lead to motivated staff to steer the implementation of pensions strategic plan.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The government is there to serve the people through operations and activities that create wealth and cater for the good living standards of its citizens both young and old. It is very important therefore to have the proper managers in place running all activities according to proper management styles and regulations (Drucker, 1954). In this respect, the government is an organization whose continued existence depends on a strategy to have the present and future needs well planned for. This calls for strategy whose importance has been highlighted by several scholars (Porter, 1980; Ansoff & McDonnell, 1990; Mintzberg, 1994).

The challenge is on delivering higher quality service at competitive prices since pensions schemes have sprung up to fairly compete with government. Social change also challenges the quality, focus and relevance of services to the citizen. This study seeks to discover how challenges in strategic plans can be overcome to allow dissemination of relevant information and solutions that can assist in improving the pension's strategic plan. This will ensure that pensioners' services are conveniently met with needed efficiency and quality that satisfies their requirements. The government through the Ministry of Finance should be able to take advantage of the scale and pace of technological change that facilitates the supply of services in new ways and discover the ample need to rethink on effective way of implementing strategic plans for greater responsiveness while protecting the public interest which in this case is the need to have a smooth implementation of pensions strategic plans.

For organizations to achieve their goals and objectives, they have to constantly adjust to their environment (Pearce & Robinson, 2003). This environment is turbulent, constantly changing, and therefore it is imperative for organizations to continuously adapt their activities in order to ensure survival. Organizations that do not adequately adjust to meet environmental challenges will experience a big problem – the strategic problem (Aosa, 1992). This problem arises out of the maladjustment of any organization to its environment. It is the failure to change or the ability to adjust to the changes that will map out a successful or a failing organization. The success and, indeed, survival of every organization depends on how well it relates with its challenges and how it positions itself to the external environment. An organization that does not take its external environment seriously will eventually perish (Awino, 2001).

1.1.1 Concept of Strategy

Strategy has been defined as the goals and means to achieve those goals (Aosa, 1992; Kaplan & Norton, 2001; Pearce & Robinson, 2005). Other scholars (Capon, 2008; Obara, 2008; Koske, 2003) have defined strategy as the pattern of objectives, purposes and plans for achieving those goals stated in such a way as to define what business the organization is in and what the organization is aiming to be in future. Porter (1980) has defined strategy in terms of the competitive domain of a company in a market place. In this definition, Porter shows that the aim of strategy is to establish a sustainable and profitable position against the forces that determine industry competition.

As a government, the functions of strategy include long-term planning (Kimeli, 2008; Kiprotich, 2008; Obara, 2008). According to Pearce and Robinson (2005), this provides a perspective for a good perspective for the various activities over time. Organizations are therefore able to perform current activities while at the same time viewing them in terms of their long-term implications for the probable success of the organization and its people. It is therefore clear that strategy has potential advantages to organizations and in particular the government of Kenya. If appropriate strategies are developed for the government, then they would be a good guideline in designing an appropriate structure to carry out successful long-term activities.

Thompson and Strickland (2007) give the benefits and purposes of Strategic planning in organizations as; to clearly define the purpose of the organization and to establish realistic goals and objectives consistent with its mission in a defined time frame within the organization's capacity for implementation, Communicate those goals and objectives to the organization's constituents, Develop a sense of ownership of the plan, Ensure the most effective use is made of the organization's resources by focusing the resources on the key priorities, Provide a base from which progress can be measured and establish a mechanism for informed change when needed, Bring together everyone's best and most reasoned efforts and Have important value in building a consensus about where an organization is going. Such developments towards the realization of the importance of effective strategy formulation and implementation need to be guided by research.

According to Kimeli (2008), the foremost thinking in Strategic Management reflects business circumstances in developed countries. It is the submission of this study that the extent to which certain findings in developed world are applicable to a developing economy like Kenya is dependent on the economy in question. This is in agreement with Mintzberg (2004), who argued that while basics of managerial work were the same all over the world, the difference in developing countries lay in the context in which managers operated and the special challenges they faced. This is true of Kenya government in the daily routine and strategic operations especially the Ministry of Finance.

According to Johnson, Scholes and Whittington (2008) the scope of strategic management is greater than that of any one area of operational management, and is concerned with complexity arising out of ambiguous and non-routine situations with organization-wide rather than operation-specific implications. Strategic management should include understanding the strategic position of an organization, strategic choices for the future and turning strategy into action. Neither results nor resources exist inside the business. Both exist outside. There are no profit centers within the business, there are only cost centers. Any organization must therefore understand its external environment in order to place itself strategically – adapt to changes, get the best resources and knowledge and effectively apply them for the result best desired by the environment, that is, customers, human resource, amongst others (Mintzberg, 2004).

1.1.2 Challenges of Strategy Implementation

Organizations continually consume resources from the environment (as inputs), transform them (throughput process) and release them (as output) to the same environment (Porter, 1985). Organizations cannot be separated from their environment for they are open systems, that is, they are environment-dependent. Threatening the flow of inputs, through negative external environment pressures, is tantamount to killing the organization (Mundia, 2010).

For organizations to achieve their goals and objectives, they have to constantly adjust to their environment (Pearce & Robinson, 2003). This environment is turbulent, constantly changing, and therefore it is imperative for organizations to continuously adapt their activities in order to ensure survival. Organizations that do not adequately adjust to meet environmental challenges will experience a big problem – the strategic problem (Aosa, 1992). This problem arises out of the maladjustment of any organization to its environment.

The success and, indeed, survival of every organization depends on how well it relates with its challenges and how it positions itself to the external environment. An organization that does not take its external environment seriously will eventually perish. Organizations have developed and adopted different techniques overtime to help cope with the threat posed by the strategic problem. One of the most recent and most comprehensive of these management approaches is strategic management. Strategic management involves various activities including formulation, implementation, control and evaluation of strategy (Pearce and Robinson, 2003).

Robinson and Scholes (2005) observed that there are many organization characteristics which impede or constrain strategy implementation. They state that most challenges involve connecting strategy formulation to implementation, resource allocation, match between strategy and structure and creating a strategy supportive culture. Research indicates that most strategies do not stay on course and quickly divert to designing new strategy before fully implementing the last strategy.

1.1.3 Overview of Pension Schemes in Kenya

The Kenya Pensions sector does not have any formal plan both in the colonial era and the present day independent state. According to Njuguna (2010), the regulation of this sector has been under various Acts of Parliament. The Acts include The Trustee Act (cap 167), The Provident Fund act (cap 191) and the NSSF Act (cap 258) as well as the pension scheme for all public servants.

However, in spite of all the Acts, there have been numerous cases of funds misappropriation and the general feeling of malaise by the public. This prompted the Kenya government to create the Retirement Benefits Authority enacted in 1997 for regulating, supervising and promoting of retirements benefits sector. This Act became operational in 2000 (GoK, 2000).

There are various Retirement benefits but generally divided into two major categories; occupational retirement benefit schemes and individual retirement benefit schemes.

According to Omondi (2010), the occupational schemes are established by an employer to provide retirement benefits for its employees in which case the employer is referred to as the sponsor or funder.

On the other hand, the individual schemes are established and run by insurance companies and could be utilized by any individual person whether unemployed, self-employed or employed by any organization. For the private schemes, this could involve pension schemes in which funds are paid out on a regular period or could involve provident funds in which a lumpsum one-off payment is made to the beneficiary.

The RBA has regulated the sector which has 78 defined benefit schemes run by 124 firms that are mainly state-owned (Mwangangi, 2006). The Pensions schemes however face difficulties as most of them are not run with a well defined strategic plan. This has been complicated further by the fact that modern life has made retirement at age 55 or 60 appear a young age in which retirees are still increasing the baby boom thus making the schemes loose a lot of money through supporting individuals that outlive the projected life support period for a retired person.

1.1.4 The Pensions Department, Ministry of Finance, Kenya

The pension department in Kenya operates under the Ministry of Finance and Planning with the aim to ensure efficient, effective and timely payment of pensions, gratuities and other benefits to retired employees of Kenyan Public Service.

The Kenyan government also pays pensions and other benefits to deceased officers in the Public Service as well as to their dependants and legal representatives. For dependants under 18 years the dues are paid to Public Trustee until they reach the age of majority. The money pays for their education and they are paid any balance on reaching 18 years.

The provision and management of retirement benefits for public service employees is governed by The Pensions Act (Cap.189), of the laws of Kenya which makes provisions for the granting and regulating the payment of pensions, gratuities and other allowances in respect of the public service for officers under the Government of Kenya.

Regulation of the pension's schemes in general is governed by the Retirement Benefits Act (1997) and supplemented by the Retirement Benefits Rules and Regulations (2000).

The main provisions of RBA Act (1997) are, to provide a time limit investing of accrued benefits (5 years), an 80 percent minimum funding level, reporting standards and investment guidelines. The Act puts in place a mandatory 3-tier management of trustees, asset managers and custodians for any pension scheme.

Pension schemes exist to serve three main purposes. Firstly, the need to retire employees in due time while continuing to motivate those who remain in service; secondly, the need to attract and retain staff in the employment categories which community practice treats as occupationally pensionable and thirdly as a means of rewarding loyalty (Escolme *et al.*, 2000).

The general retirement ages have been sampled as in table 1 in which Kenya has a standard retirement age of 60 (increased from 55 to save the government a huge wage bill) for all public servants except those with security of tenure like judges who retire at age 74 and military top ranking officers.

Table 1: Retirement ages for selected public employees in the world

	Country	Retirement age
1	Canada	65
2	Kenya	60 (previously, 55)
3	France	60
4	USA	65
5	UK	65
6	Japan	65

Source: Adapted from Escolme *et al.* (2000)

The Retirement Act of Kenya specifies when each cadre of employee in the civil service can retire but the economy is so reliant on the massive civil service workforce and the retirement is almost non-beneficial to the republic without a set plan of entrepreneurship. Many government policy documents can be said to be compliant with Vision2030. The main focus in Vision 2030 is the absorption of a huge labour force that comes from education institutions. However, there is a large labour force of highly experienced people from the government who retire and enter in to the job market when they are still very energetic and at their prime of performance.

1.2 Research Problem

Changes in the modern world have become increasingly complex, novel and discontinuous from the past experience leading to several failures in organization systems and processes. This calls for careful strategic planning and implementation. The environmental turbulences call for contingency planning which alone cannot save an organization from collapse. According to Thompson and Strickland (2007), change has become increasingly less predictable and filled with many surprises leading to a high demand for employees with skills in strategy management.

The evolving challenges in organizations over time have involved technological changes, market forces, social responsibility pressures and the ever-increasing managerial workloads especially in government sector (Mundia, 2010). Government strategic plans are met with these and many other challenges which require complex solutions by a large working force using modern tools. Without strategic capability, a government will not have success internally and externally (Mwangangi, 2006).

Since independence, the Kenya government has experimented with various strategic plans to counter the effects of retirement and retrenchment including advance notification, holding of send-off parties, severance pay, retraining programmes, creation of expert retention programmes and strong counseling. The strategic plans have not been very successful due to many challenges. Unfortunately, job security is not guaranteed both in working years and retirement years especially in developing countries. The period from early 1990s to early 2000 enabled the Kenya government to set up several modes of

preparation for pensioners and retiring staff (GoK, 2011). The mechanisms both formal and informal have however had problems and difficulties. The problems need to be identified and measures to counter them prepared for the government and pensioners.

Logne and Radar (2008) have stated that organizations and governments are aware of the responsibility of retiring staff and have started to get them involved in current activities. In Kenya's long-term strategy, Vision 2030 is tasked with ensuring that there is continuity and occupation for all living Kenyans. Scholars like Mutua (2003), Koske (2003) and Kimeli (2008) have studied strategic plans in public sector and concluded that most government departments do not have active programmes to make retirement a success. Leaman and Fieldman (2008) studying retirement activities for UK civil servants observed that the amount and type of post retirement corporate assistance given to retirees can have a major effect on their stress levels. Similarly, Kauffman (2002) in his study on employee retirement benefits reported that corporate management has traditionally been reluctant to engage or advice retirees adequately leading to resentment of retirement as a whole.

Gaps exist from most of the studies mentioned. The studies carried out in this field (Seeger, 2002; Kohn, 20004; Kauffman, 2002) have been mainly from Western countries whose culture, security benefits, alternative employment and life span is very different from Kenya as a developing country. Both social and economic systems for the Western countries and developing ones like Kenya also differ making it a big gap in studying pension's strategies for the two sides. Similarly, Kenyan scholars including Mundia

(2010), Kimeli (2008) and Wanyama (2004) studied strategy in state corporations and did not directly examine the Ministry of Finance. It is from this background that a study on challenges facing government strategy on handling the issue of pension was borne. In the study, the research question that guided in the survey was; are there challenges that impact on the implementation of strategy at the pensions department in the Ministry of Finance in Kenya?

1.3 Research Objective

The objective of the study was to determine challenges the government faces in the implementation of pensions strategy for civil servants in Kenya.

1.4 Value of the Study

This research sought to investigate the challenges that Pensions department in the ministry of finance faces in their implementation of pension scheme strategies. The research findings can therefore be of importance to the government of Kenya for policy formulation and implementation in pension scheme for retiring civil servants.

The study would be of significance to educational planners in developing suitable retirement education programmes that encourage retirees to take risks and innovatively create new businesses. Finally it will contribute to the knowledge body of scholars and professionals who seek to improve and strengthen the theory and practice of strategy formation and implementation.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Chapter two deals with the literature review in the field of strategy and the challenges of implementation. A brief introduction on the concept of strategy is followed by a review of the stages of strategy implementation. The final section of this chapter reviews factors and challenges that other scholars have studied in the past.

2.2 The Concept of Strategy

Strategy consists of combination of competitive moves and business approaches that managers employ to please customers, compete successfully, and achieve organizational objectives. Ansoff and McDonnell (2001) saw strategy as the "common thread" among an organization's activities. This can be defined further as an organization's response to the external environment given the resources the organization possesses (Mintzberg, 2004). These are listed as external opportunities and threats facing the organization and the internal strengths and weaknesses in that organization.

Another function of strategy according to Porter (1980) is to develop a competitive edge in order to outperform the competition or rivals. This function is very helpful to the government especially with the opening up of several retirement schemes competing for a very limited number of customers in Kenya economy. Burns (2000) gives another function of strategy as change management in which organizations must anticipate and carefully respond to changing patterns both locally and globally.

This is very much in line with the government of Kenya as several changes have swept the global economy necessitating change management strategy (Koske, 2003; Kimeli, 2008; Mundia, 2010). Finally, strategy is seen as enabling organizations focus their resources and efforts in order to have critical tasks performed and hence proper allocation is required. According to Thompson and Strickland (2003), resource and effort allocation ensures that the purpose of each activity is achieved without wastage leading to a fair distribution of organization wealth among all stakeholders

For organizations to achieve their goals and objectives, they have to constantly adjust to their environment (Pearce & Robinson, 2005). This environment is turbulent, constantly changing, and therefore it is imperative for organizations to continuously adapt their activities in order to ensure survival. Organizations that do not adequately adjust to meet environmental challenges will experience a big problem – the strategic problem (Aosa, 1992). This problem arises out of the maladjustment of any organization to its environment. The strategy of an organization sums up the organization's future, the present position and develops superior strategy that can be competently implemented (Koske, 2008). This means strategy is about where the business of an organization is trying to get in the long run.

Strategic management is therefore a continuous process rather than a one-time event and implementers must become thinkers and organizers, thus changing it as necessary. According to Mintzberg (2004) strategy can be viewed as defining the business of a company in the present and future vision.

Johnson and Scholes (2006) in support of Mintzberg defined strategy as: The determination of the basic long-term goals and objectives of an enterprise, and the adoption of courses of action and the allocation of resources necessary for carrying out these goals. Thompson and Strickland (2007) in a more elaborate version recognized strategy as the pattern of major objectives, purposes or goals and essential policies and plans for achieving those goals, stated in such a way as to define what business the company is in or is to be in and the kind of company it is or is to be. Strategy therefore gives a company an identity or a personality. Pursuant of a strategy is therefore what precipitates strategic planning and management (Aosa, 1992; Awino, 2001).

2.3 Strategy Planning Process

Strategy is always connected to the process of strategy formation in an organization. Strategic management has enjoyed the support and critique of various scholars including Mintzberg (2004), Porter (1980), Aosa (1992) and Awino(2001). According to Johson *et al.*(2009), strategic management is thinking through the overall mission of a business. From this view, strategic management can be thought to be three main elements within it.

First, there is strategic analysis which seeks to understand the strategic position of the organization. Secondly, there is strategic choice which deals with formulation of possible causes of action, the evaluation and choices to be made. Finally, there is strategic implementation which is concerned with planning how the chosen strategy is put into effect or practice. The three stages are not completely separate and in fact overlap while interacting at all times (Kaplan & Norton, 2001).

2.3.1 Strategy Formulation

Pearce and Robison (2005) indicate that strategy formulation is designed to guide executives in defining the business they are in together with the aims and means of accomplishing those strategies. This is much more of organizational process involving many people spread out among multiple levels in an organization. Strategy formulation therefore combines a future-oriented perspective with concern for an organization's internal and external environments in developing its competitive plan of action. Strickland and Thompson (2007) define strategy formulation as including development of vision and mission, identifying an organization's external opportunities and threats, determining internal strengths and weaknesses (SWOT analysis), establishing long term objectives, generating alternative strategies and choosing particular strategies to pursue.

Some strategy formulation issues include, deciding on new business for entry, what business to abandon, how to allocate resources, whether to expand operations or diversify, whether to enter international markets, merging of organizations, forming joint ventures and avoiding hostilities or conflict with other market players. Since all organizations have limited resources, strategists must decide which strategy to adopt to benefit optimally. Aosa (1992) found out that strategies determine long term competitive advantages. In this case, top managers have the best perspective to understand fully, the ramifications of strategy formulation decisions and they also have the authority to commit resources necessary for the implementation.

2.3.2 Strategy Implementation

According to Thompson and Strickland (2007), strategy implementation is defined as a set of decisions and actions that result in the realization of long-term plans designed to achieve organizational objectives. Its purpose is to complete the transition from strategic planning to strategic management by incorporating adopted strategies throughout the relevant systems as emphasized by Kaplan and Khan (2001). Strategy implementation is concerned with both planning on how the choice of strategy can be put into effect, and the management of the required changes. This means that implementation is the action stage of the strategic management.

Implementation of strategy will therefore require mobilization of employees and managers to put formulated strategies into action. It is often considered to be the most challenging stage and its success is dependent on management ability to motivate employees as a creative art. Strategy implementation therefore requires personal discipline, commitment and sacrifice (Mintzberg, 2004). Interpersonal skills are very critical for successful implementation of strategy since strategy formulated and not implemented serves no purpose to an organization. Pearce and Robinson (2005) have indicated that strategy evaluation is concerned with tracking the results, monitoring new developments as new strategy is being implemented, detecting problems or changes in underlying parameters and making necessary adjustments. This is the final stage in strategic management.

At this stage, managers desperately need to know when particular strategies are not working well. Strategy evaluation is the primary means of obtaining this information.

Some environments are fairly predictable while others are quite turbulent. However, all strategies are subject to future modification because external and internal factors keep changing. The main activities of strategy evaluation include review of external and internal factors that are the basis of the current strategies; measuring performance and thirdly, taking corrective action. According to Porter (1980), strategy evaluation is needed because success today is no guarantee for success tomorrow. Success always creates new and different challenges such as competition and resource depletion and these calls for intervening measures. Organizations that are complacent in their strategies face demise (Aosa, 1992).

2.4 Factors that Affect Strategy Implementation

As observed in the previous sections, strategic management is a factor of very many issues that span across the organization and the working environment where there is very strong competition for survival (Porter, 1996). Both the internal and external environments are therefore subjected to many factors that enhance or diminish the chances of any given strategy getting to the final stage.

Although the factors can be said to be endless, the main ones that have been mentioned by scholars including Aosa (1992), Awino (2001) and Mundia (2010) include organization structure, organization culture, communication, planning, managing strategic change, supported systems, leadership styles, politics and corporate governance.

The factors that do influence strategy implementation are therefore what make strategic implementation a challenge to planners both in private and public sector. Each of the factors has a different weight but with an influence on the way implementation is carried out especially in the government departments.

Organization structure is the grouping of an organization's logistic and managerial activities which happen when activities are stimulated by the growing of an organization's environment. One of the responses to environmental turbulence is restructuring (Barnes, 2004). Restructuring is a consequence of environmental changes based on the notion that changes in the environmental factors precipitate a mismatch between the organization's structure and its environment. Consequently, it is normally inevitable to devise an appropriate strategy that would create a 'fit' between the environment and the organizational structure (Johnson & Scholes, 2005).

Thus, as strategy is dependent on the environment, the organization strategy will cause the organization to develop their internal capacities that will enable it to exploit the opportunities in the environment or to overcome environmental challenges. Structure can either facilitate or inhibit strategy formulation and implementation (Awino, 2001). If the structure is unsuitable, it can eliminate or discourage the search for alternative strategies among environmental possibilities. According to Aosa (1992), corporate structure encasing the firm, focuses its attention, creates its unique view of the environment, and limits its search and investigation leading to a corporate strategy.

Communication is important in affecting changes, influencing action and realizing effective internal functioning as it integrates the managerial functions. According to Burnes (2004), communication also sets up and agrees on clear guidelines with the people implementing the strategies. This is aimed at ensuring that all involved understand what is expected of them, resolve any ambiguity or confusion and ensure that the organization is properly coordinated (Ansoff & McDonnell, 1990).

Transmission of information and decision making depends mostly on the structure of the organization and how communication flows through it. This implies that an organization with a good structure will facilitate good communication at all levels. Good communication involves sharing of ideas, facts, opinions, and emotions as well as providing timely feedback. Information should flow in all directions in order to successfully implement strategies. According to Chapman (2004), this involves communication movement downwards, upwards and laterally but in good faith and honesty.

The responsibility of managing strategic change is bestowed upon managers and the mechanisms they use in their organizational re-design, day to day routines, cultural aspects of the organization and overcoming political blockages to change. Kaplan and Norton (2001) indicate that change should be mobilized through the executive leadership of an organization in order to effectively implement strategies.

Awino (2001) has also mentioned that strategy implementation requires continual attention and focus on the change initiatives and performance against targeted outcomes.

If those at the apex of an organization structure are not energetic enough to lead the process, change will not take place. This according to Aosa (1992) leads to failure of strategy implementation resulting in the missed opportunity to have a breakthrough in performance.

The advocacy for most organizations is to inculcate all levels of management and staff in the management of strategic change. To do so, the vision and mission statement of the organization should seek to unite members of an organization to drive towards the same goals and objectives. This according to Mintzberg (2004) is what holds the pieces of strategic planning and implementation together.

A critical ingredient of strategy implementation is the skills and abilities of the organizational leaders. Leadership style is a critical element in strategy given that a chief executive officer (CEO) is both symbolic and substantive in its implementation. There is need to have a leader in an organization to facilitate the implementation process by motivating the workers towards achieving the objectives of the strategy. According to Mintzberg (2004), a leader is one who is able to influence the attitudes and opinions of a group towards the achievement of organizational as well as personal goals. Strategic leadership therefore refers to the ability to articulate a strategic vision for an organization or part of the organization and to motivate others to buy into that vision.

Thompson *et al.* (2007) have proposed that organization politics present strategy leaders with the challenge of building consensus for the strategy and its subsequent implementation. Effective strategy formulation and implementation cannot be put into

practice without taking into consideration organizational politics and internal political maneuvers. Thus, politics play an important role in strategy implementation meaning that the task of executing strategies must include understanding politics and knowing how to deal with political issues appropriately.

Kaplan and Norton (2001) have also pointed out that people have to buy into the strategy of an organization in order to enhance the chances of implementing it. Once individual commitment is achieved, psychological bonding with the organization occurs making it possible to buy-in, be supportive and hence assure implementation process of strategy.

The authors add that corporate governance is a system of direction and control that organizations in modern times cannot afford to avoid.

Corporate governance looks at institutional and policy framework of organizations with the aim of maximizing contributions of the organization to the overall economy. This is only possible with the balanced score-card of involving all departments of the organization. This also implies that the integrity of an organization is particularly central to strategy implementation.

According to Thompson and Strickland (2007), systems refer to all procedures both formal and informal that make organizations run smoothly all through. Some examples of systems include capital budgeting, training process, cost accounting, finance systems and recruitment procedures. Robbins (2004) observed that linking organizational goals setting is very critical in strategy implementation.

On the other hand, policies refer to the specific guidelines, methods, procedures and rules that support and encourage the administrative practices to take place towards the organization's stated goal. The role of new and revised policies is to establish standard procedures that facilitate implementation of strategy and counters the bad effects of change while facilitating the changes in the environment. This requires incentives in order to support and supply vital information to the organization 'strategic plan. In strategic planning and implementation, the systems approach involves both the procedures and people at all levels.

Mintzberg (2004) observes that the strength of supporting systems for any given strategy is very fundamental in the eventual successful implementation process. The systems in place could be either operations support or management support and both require the coordination of top management to work effectively in strategy implementation. At every level of the support system lies a decision making process that will require flexibility in order to accelerate strategy implementation throughout the organization.

Robinson and Scholes (2003) have demonstrated that team work plays an important role in the implementation of strategy. This point to the fact that all organizations need the responsibility of everyone in the organization in order to fully and effectively implement strategic plans. In effect, all employees should be involved in the formation and implementation of a strategy since the day to day activities they perform for the organization are the building blocks of any strategy.

Strategy therefore requires multi-directional communication and improved systems that enhance these communications. In order to have a successful implementation, organizations should link reward incentives and compensation systems to strategy implementation. A team-based rather than an individual based system should be used in designing a reward system in order to avoid discrimination and any bias that are a catalyst to implementation failure (Aosa, 1992).

To gain a competitive advantage over competitors requires that innovation is enhanced and encouraged to give room for quick and better decision making at all levels. According to Kaplan and Norton (2001), innovations could attract new customers to the organization thereby justifying the need to implement a strategy. It is therefore important for organizations to remain open to new ideas and reward in all manners those who strive towards innovative idea implementation. Through team work, innovations become team-owned and easier to sell to the organization therefore making rewards appropriate.

2.5 Strategic Plans and Inherent Implementation Challenges

There are many organizational characteristics which impede strategy implementation. In particular, challenges that occur during implementation are most important for researcher because even the best designed strategies will be ineffective if not well implemented (Aosa, 1992). Many other scholars including Awino (2001), Mundia (2010) and Kipsang (2008) have identified four problems facing successful strategy implementation. The four problems are; lack of “fit” between strategy and structure, failure to impact new skills, inadequate information and poor communication systems.

It has also been observed that weak management role can be a hindrance to strategy implementation with conflicting power structures and vagueness among the people involved in strategy formulation and implementation. A major concern of top management in implementation is having the right managers in the right positions for the new strategies.

According to Robbins (2004), managers should have the right characteristics to ensure effective implementation of strategy. This requires good communication and good listeners within the organization from the top to the lower cadre of employees. With the unique culture per organization (Pearce & Robinson, 2003), it is important to understand the reality of executing strategy. This requires that culture and strategy are not in any conflict and that they are congruent in order not to destabilize organization structure and development.

Unless structure follows strategy, inefficiency will result in implementation stage leading to instability in key organization components that are instrumental for example; systems, people's skills, shared values and executed tasks. Strategies are formed through several phases but practically the general ones include specification of the corporate mission, setting objectives and goals, doing an external followed by internal analysis, selecting appropriate strategies, implementing the selected strategies and finally measuring and evaluating the strategies (Aosa, 1992).

In order to have proper strategy implementation, strategies must have proper allocation of resources. This according to Pearce and Robinson (2005) is best done through budgetary allocations that clearly indicate the commitment of management to translate plans into actions. In essence, the activities, projects and programmes provided for in the budget must derive from the main government strategy to reflect the strategic thrust of government. Problems in strategy have shown that almost 50 percent of all strategies fail (Mintzberg, 1994).

Johnson and Scholes (2003) observed that a frequent complaint about the strategic planning process is that it produces a document that ends up collecting dust on a shelf – the organization ignores the precious information depicted in the strategic planning document. The scholars proposed that when conducting the planning process, the organization should involve the people who will be responsible for implementing the plan.

Mintzberg (2004) added that, use of a cross-functional team (representatives from each of the major organization's products or service) should be encouraged to ensure the plan is realistic and collaborative. The planners should also ensure the plan is realistic and achievable. Thompson and Strickland (2007) proposed that the overall strategic plan be organized into smaller action plans, often including an action plan (or work plan) for each committee or department on the board. In the overall planning document, it should be specified who is doing what and by when (action plans are often referenced in the implementation section of the overall strategic plan) through the use of a matrix.

Mundia (2010) pointed out that, it helps to translate the strategic plan's actions into job descriptions and personnel performance reviews. The management should communicate the role of follow-ups to the plan. If people know the action plans will be regularly reviewed, implementers tend to do their jobs before they are checked on. The chief executive's support of the plan is a major driver to the plan's implementation and the plan's goals and objectives should be integrated into the chief executive's performance reviews.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Chapter three describes the methodology used in the study. The chapter is arranged such that research design is defined followed by the method of data collection and finally the analysis of that led to presentation in next chapter.

3.2 Research Design

A Research Design is a presentation of the plan, structure, or strategy of investigation, which seeks to obtain or answer various research questions. Kothari (2004) defines research design as a detailed plan for how the research will be conducted. This study will use the case design for examining behaviour of the sample data.

The study variables in this case include effective implementation of strategic plans and the management of retirement programmes by the pensions department at the Ministry of Finance, Kenya. Stratification was used in sampling the staff to be involved in the study to include various categories of management levels.

3.3 Data Collection

Both primary and secondary data was utilized to produce qualitative information. Quantitative data was necessary for comparison. The study used primary data obtained through interview guidelines and some record check lists with a selected team of managers and staff involved in implementation of strategies at the Pensions department.

Personal interview has the potential of yielding the highest quantity and quality of data compared to the other modes. According to Mugenda and Mugenda (2006), personal interviews also tend to be the most flexible. In each section of the pensions department visited, employees of various sections were interviewed on a one-to-one basis.

To facilitate collection of standard data, the researcher conducted a structured interview. In addition, the researcher used open-ended questions and probes to capture insightful, supplementary information. The idea here was to maximize the benefits of standard, comparable data that structured interviews yield and the rich, insightful data that unstructured interviews capture.

3.4 Data Analysis

Before processing the responses, the completed questionnaires were edited for completeness and consistency. Qualitative data collected was analyzed by descriptive statistics, and presented through tables, charts and in prose. Content analysis was used to explain study objective in qualitative data to quantify this presence in an objective manner. Content Analysis is a research technique for the objective, systematic, and quantitative description of manifest content of communications (Mugenda & Mugenda, 2006). The procedure for content analysis involved getting the reports and records at the pensions department and thoroughly reading through to familiarize and extract meaning to the reasoning behind every document collected.

As a research tool content analysis focuses on the actual content and internal features of media. It is used to determine the presence of certain words, concepts, themes, phrases, characters, or sentences within texts or sets of texts and to quantify this presence in an objective manner. In the field study, all documents concerning strategy implementation and its challenges at the pensions department were evaluated and photocopied for thorough analysis and interpretation. The final presentation is in both print and soft mode.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

The main objective of the study was to determine challenges the government faces in the implementation of pensions strategy for civil servants in Kenya. The study focused on pensions department at the Treasury, Ministry of Finance. Officers from different sections of the department were involved in responding to the interview schedule from which content analysis was carried out. Annual reports and strategic plan documents were also utilized to produce the project report

4.2 Respondents' Demographics

The study focused on the employees of Pensions department in the Ministry of Finance, commonly referred to as the Treasury. The major sections at the Pensions department visited include assessment section, IT, claims and the directorate. The sections hold officers of various ranks and different professional background. A summary of their demographics is given in table 2. Accordingly, both female and male are employed in all the sectors except at the IT section where only male respondents were available but it was explained that female employees have previously worked in the section. The job groups explain the length of stay in government with an average of 4 years from one job group to another. Most officers entered the pensions department at job group J with the highest office holder on job group R, who is the deputy director of pensions. All the respondents therefore had enough experience to participate in the strategic implementation study.

Table 2: Respondents demographic information

Category by sections (Totals)	Job group	Gender	Education Level
Assessment (12)	From J to N	Female and Male	Diploma-Degree
Information Technology (4)	From K to M	All Male	Diploma-Degree
Claims (5)	From K to M	Female and Male	Diploma-Degree
Directorate (4)	From L to R	Female and Male	Degree-Masters

4.3 Strategic Planning at the Pensions department

The ministry of finance develops various strategic plans for its departments. This has to be in line with yet more strategic plans that are developed by other ministries of the government and finally, in tandem with the general strategic blue print for the entire government. In this case, all strategic plans have been tailored to fit into vision 2030 main stream strategy whose socio-economic, cultural, environmental and political pillars are meant to catapult the country into a semi-developed or fully developed nation. The 25 year plan involves stages of 5 years each but was designed to run in overlapping fashion with no particular stage tying up any in other in the process of implementation.

In order to fully participate in strategic planning exercise, respondents showed that particular officers from their sections were taken for workshops from where actions plans for each section were formulated. After such workshops took place, the senior officers would then convene several meetings in which every officer is given an opportunity to list down the key result areas (KRAs) in an annual work plan to be monitored through the government appraisal system. This corroborates what Logne and Radar (2008) in observing that appraisal systems are key to any successful implementation of strategic plans in a system.

Although the vision and mission statements of the department are continuously repeated to the staff, officers pointed out that the objectives as pointed out in the document tended not to favour the staff, instead concentrating on quality service delivery and achieving timely results with minimum costs. It was also evident that most officers felt that the language used in the formulation of vision, mission and department objectives seemed generic without necessarily focusing on either pensions staff nor retired government staff. More so, some respondents claimed that they never understood or were made to understand clearly the vision and mission statements of the ministry as a whole. In theory, Johson, Scholes and Whittington (2008) noted the importance of a good vision and mission statement for an organization confirming that pensions department should review their own.

Training carried out by sectional leaders were deemed not adequate and that such training did not carry the extra incentives as compared to the training received by those leaders during externally hosted workshops. Apart from free lunch, there was no provision for out of pocket allowance as it happens in the externally hosted workshops attended by management and team leaders. In such cases, officers seem to think that only particular external trainers are used for such workshops leading to suggestions of favouritism.

4.4 Challenges of Strategy Implementation at Pensions Department

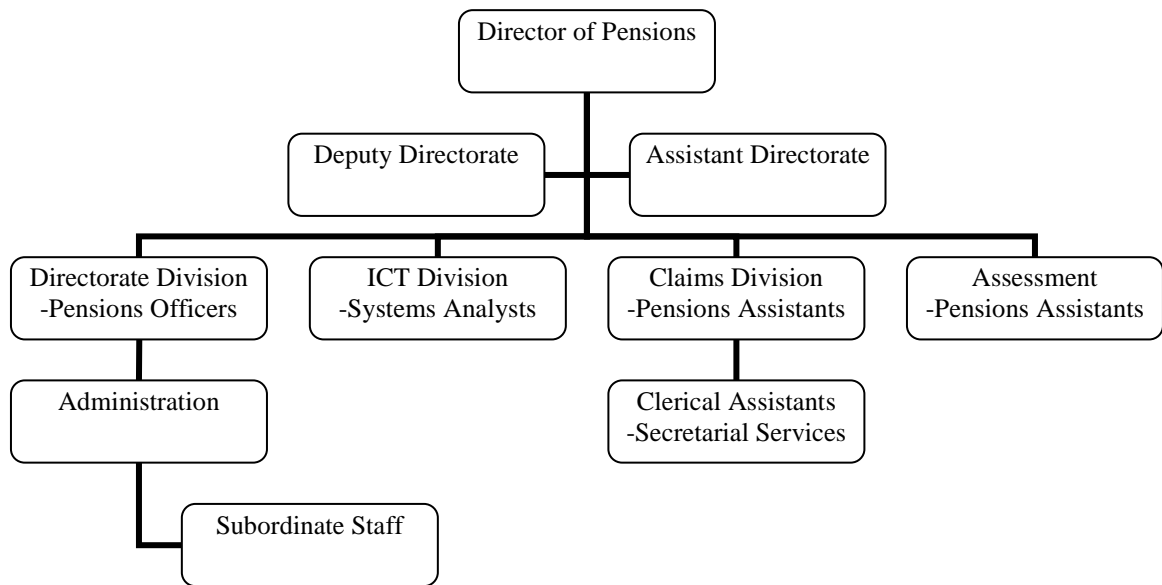
The aim of the study was to determine challenges the government faces in the implementation of strategy at pensions department. By systematically interviewing staff and reading through important documents of the department, the study came out with several observations as highlighted in the next sections.

4.4.1 Organization Structure

Most officers who have stayed in the department for more than 10 years felt that the organizational structure at pensions was biased against particular cadre of staff and that promotion was quite difficult. Before the mandatory requirement of officers having at least a bachelor's degree, promotion was based on merit and this created lots of problems since such merit was judgemental. Officers correctly observed that whereas the government structure indicated that one stayed on a job group for 3 years, most had overstayed in one job group with some citing as high as 10 years without promotion. Other job categories were cited as not having any officers in high level job groups.

Similarly, a large number of respondents noted that the structure at pensions was for a long time on a temporary basis without fully getting implemented. Thus whereas other government officers had a scheme of service for regulating their movement upwards or horizontally, pensions officers relied on their professional background for advancements. The organization structure of Pensions is sketched in figure 1.

Figure 1: Organization Structure at Pensions, Ministry of Finance, Kenya



Source: Economic Survey (GOK, 2011)

4.4.2 Communication at Pensions

It was evident from the respondents that communication at pensions tended to follow the old stereo-type where orders and communications must come from “above”. The term “above” has for long been used by government officers to mean higher authorities but in most cases it acts as a means of keeping secrets both real and imagined. For that reason, most communication is the responsibility of the department head through the deputies and assistant directors using circulars, memos and email messages.

The main problem with the mode and style of communication is that most officers are too occupied to really go through the messages in whatever format. The assumption that orders or instructions from above will work is very uncooperative and makes officers look like slaves. Mostly, the language used in the communication is not friendly and their input in such communications is very minimal if not zero.

Again, the respondents observed that communication is so one-sided that any attempts to try multi-directional communication are met with a suspicion of insubordination or incitement. This means that officers just wait to be told what do and never add to the official communication. Apart from appraisal exercise, communication on strategic plans implementation is not interactive.

4.4.3 Reward and Support Systems

The Pensions department is one of the few departments which for long have practiced some form of rewards system in the government. This is in the form of allowances which officers get for any extra hours worked. However, the amounts distributed are dependent on one's job group and sometimes it is not possible to ascertain who worked what hours. Like any other government department, the system is fraud with loopholes where the amount of work done is sometimes determined by the team leader and other times by the officers themselves.

It was observed that at times, the rewarding is not carried out uniformly in which case, officers tend to talk about it themselves without any forum for official complaint. This according to most respondents affected the working environment with some sections feeling that they work to generate a lot of returns while others whose work load is far much less earn the same amount of rewards. This negatively impacts on the general work output meaning that not all officers are happy in the department.

The study observed that most of the support systems like information technology and subordinate services were enjoying far much higher rewards than common sections in the department. In effect, the officers felt that the external service providers were treated with tender care while the internal ones whose services the external ones rely on are given a raw deal. This is despite the fact that such support services run across all sections of the department. The officers' argument was that at the end of the day, they all work towards efficient delivery of pension claims by retired civil servants.

4.4.4 Policies and Role of Change Managers

Since all departments of the government run on a policy of transparency and service to the people, pensions officers felt that a policy should be put in place to have branches all over the counties (formerly provinces). Officers placed in charge of managing changes are not in a position to change most of the things in a strategic plan. Further more the officers were in agreement that although the change managers were very capable people, government inflexibility makes it difficult to be dynamic.

Thus with the advent of technology, one would expect many documents to have been digitized to ease the congestion at the pensions department, but according to officers interviewed, this is yet to take place since change managers have a rigid policy that does not allow room for innovations and dynamism. Instead, much status quo is always sort by the change managers especially the old guard. However, the new government policy of promoting staff on academic credentials and enforcing the requirement for further studies has seen an acceleration in the way changes are accepted and implemented.

Another policy that has helped in accelerating the rate of strategy implementation was the policy of station rotation. This has been difficult to implement since pensions staff are based in one building and the only rotation involves taking out the experienced officers to another department or ministry creating a problem of continuity and hence a challenge to implementation of strategic plans.

4.4.5 Political Leadership and Corporate Governance

From the set structure of the government system, it becomes clear that leadership is associated with politics. Respondents indicated that their leaders who are normally chosen for them might not have the motivation and vision to really drive the message of change that strategic plan carries. According to the officers, sometimes an officer from a completely different ministry or department is brought to be the team leader yet they clearly have no leadership skills. This affects the performance of staff in implementing any strategic plan.

The governance structure of pensions has the policy of incorporating ethical issues but does not adhere to the spirit of incorporating stakeholders especially the villagers, community leaders and the religious groups where the retirees are involved in their activities. Corporate governance is slowly being embraced in all departments of the government with quality services, timely operations and total accountability in all their activities. There is still confusion in many circles as to what can constitute a bribe or commission when an officer is dealing with the public.

Corruption is therefore a big hindrance to proper corporate governance by the government. Respondents indicated that sometimes, corporate staff are caught between serving the public and an opportunity for self-interest. This happens for example when staff that was not part of the original implementation team unearths a corrupt scheme and decides to leak it out. In such a case, there is no set procedure for instituting action to reverse an act of bribery. The lack of clarity to deal decisively with corrupt cases at pensions department therefore becomes a hindrance.

To complete the difficult situation, respondents cited the fact that reports in the government are supposed to follow a particular path of reporting in a democratic manner. In essence, officers said they are not empowered to tackle corruption directly and hence have no obligation to report any cases. It was also established that loyalty was difficult to build and that officers therefore viewed political leadership as a harassment without a common vision for all of them.

4.4.6 Managing Change at Pensions Department

Change in any organization is inevitable and the government has had many changes in the implementation of various plans. The political leadership and team structure at pensions department enables minimal changeover training whenever a new plan is in place. A gap exists between those who are willing to have a change and those who would prefer to have the old systems continue.

Officers indicated that one clear example is the introduction of information technology systems in which the IT officers are placed in the leadership of managing the changes. To the pensions officers, the IT officers do not really care about the pensions processes. Their ideal situation according to them would have been to take a group of pensions officers for a high level ICT training then come back to lead the ICT process change.

Otherwise, officers indicated that supervisors and section heads are well positioned to lead changes even though most of them are still in the old school of just letting things go on as usual. Whenever a change occurs, there was no concrete means of enforcing unless incentives are used for example mounting workshops away from the working place.

4.5 Discussion of the Challenges in Strategy Implementation

The pensions department has therefore faced many challenges in its quest to fully implement strategic plans as outlined in government documents. As new programs or new payment systems are introduced in the governments, organization structure appear to be on be the top on the officers list of complaints. Most of them indicated that the structure did not have a scheme of service as lucrative as other government professionals.

New culture of accountability is being communicated to officers in all departments but clearly the old habits of most officers are very difficult to drop. One of the areas that officers believe can be overcome is in terms of training. The schedules for training officers could be made such that a majority of them attend as many training workshops as possible.

Other common ways of accepting or being able to enforce changes of strategic planning include physical rearrangement of offices, the adoption of new leadership style that is modern and ICT oriented and increasing incentives given to officers for fully implementing changes.

Corporate governance has proved a difficult change to embrace as pointed out by the officers. The lead issues in corporate governance are elimination of corrupt practices while offering timely quality services to the public. This is still a big problem as long as government remunerations are still low and their compensations in terms of hours spent are not as commensurate with salaries of their counterparts in the private sector.

4.6 Suggestions on Overcoming Strategy Implementation Challenges

Many respondents indicated that the government could easily overcome resistance to change if it heavily involved most stakeholders in the planning activities. Those include the pensioners, local civic organizations, entrepreneurs, community elders and the pension's staff. In effect, the respondents were of the opinion that both external and internal stakeholders should be involved in the formation and implementation of part or majority of the pension's strategic plan.

There was observed lack of dynamism both in the way strategy was implemented and the way leaders or management went about implementing it. The mode of communication is viewed as dictatorial by most officers where the memos and circulars strictly one way with no chance at all of officers making contributions to the memo.

In fact, the officers indicated that one is simply supposed to read and file the memo or circular as proof that in case anything in the memo is not carried out, the officer is liable a warning. If possible, officers would prefer a system where a draft memo is circulated and they make recommendations before the memo becomes official.

The respondents also indicated that they work continuously as compared to other civil servants therefore encountering more fatigue yet their remunerations are not any different from the other civil servants. This de-motivates the officers and the suggestion they generally have is that salaries should be differentiated to help them avoid the temptations of gifts from pensioners and their stakeholders.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

Chapter Five gives a summary of the entire research highlighting the conclusions, recommendations and suggestions for further research. The recommendations and suggestions are based on the findings in the previous chapter and the study objective.

5.2 Summary of Findings

The study objective was to determine challenges the government faces in the implementation of strategy at pensions department, ministry of finance in Kenya. Accordingly, the study viewed documents and used interviews from the pensions department of the ministry of finance. The department has four main sections namely, audit and financial assessment, ICT support, claims and directorate which has the human resources and leadership teams. The initial analysis showed that there is strategy implementation is a process that is taken seriously but with not so much enthusiasm by the staff of pensions department.

Another major finding was that corporate governance and leadership were not very democratic since there are no specific forums for multi-directional communications.

It was observed that a form of corruption practice hindered the delivery of quality services and timely actions as officers were very vulnerable to the temptation of bribes and gifts from their clientele, the pensioner. The culture observed at department suggested that everyone was in a hurry to complete their heavy workload without

offering any other service that would enhance corporate governance. That showed lack of ethical considerations in the ranks of officers since each person was mindful of the work on their desk and were not willing to indulge anywhere else in the sector.

5.3 Conclusions

It was established that the reward system was not appropriate and that the so called allowances did not go down well with most officers. Since the drivers of that change are the leaders and management, officers observed that those same leaders and management get more rewards and hence are motivated to implement the strategic objectives regardless of the hardships experienced by officers in meeting tight schedules of implementation. This is a big hindrance and a challenge to the implementation of pensions strategy that will need to be addressed.

Another conclusion was that officers are involved in the implementation of strategic objectives as a duty but mostly they would have liked to be strongly involved in the formation of the strategic objectives as stakeholders. It was there possible to conclude that apart from incentives, retirees on their part contributed to the poor services by not providing adequate informing at the onset of their claims. This requires civic education from the grassroots to educate most retirees on the need to understand how pensions operate.

5.4 Limitations of the Study

As study based on historical data and interviews, it is always going to be difficult to make a conclusion from the findings which might be usable to the future. The fact that data has been fully used and archived means that policy makers and academicians will always use projections in making any decisions for the future. This is due to the fact that officers are not fully involved in all the stages of strategic planning as well as implementation. The nature of work at the pensions department necessitated the use of partial interviews in which the officers were interviewed and left with the interview guide to help them give more in-depth information. However, that meant the information was subject to manipulation by the officers and hence much bias. Finally, most officers in the government always have the code of secrecy at the back of their mind while carrying out any exercise meaning that some information might have been withheld for fear of the unknown.

5.5 Areas of Further Research

There is need to have a further study in the pensions sectors to establish the relationships among the classes or job groups in their approach to strategy implementation. Similarly, the periods in which strategic objectives implementation experience persistent resistance need to be established in order to enable policy makers have clarity on how to overcome such resistance and embrace change.

Another area of recommended study is the use of multiple stakeholders instead of using only the state officers to make recommendations on the pensions strategy.

5.6 Implication on Policy, Theory and Practice

The study findings and conclusions have led to several implications in terms of policy, theory and practice. Firstly, the government in their policy to serve the public with speed and quality tends to neglect the plight of officers who tirelessly work to implement the strategic plans. The policy here should be to take care of the employees in order to increase morale and motivation of the employees.

Secondly, it implies that the government should approach the pensions strategic plan from a financial standpoint in order for the employees to appreciate that rewards and good structure are a reality in government set up. Finally, the government should in practice try to involve some of the retirees in planning pensions strategic plans as this would enable grievances of both the employees and pensioners to be synchronized for ease of implementation. The government normally has mid-term review of strategic plans and could present a forum in which shortcomings and challenges faced by employees in implementing the strategic plans are sorted to give practicable solutions.

The scholarly studies done in the area of strategy planning and implementation could use the results of this study to observe the strategy issues concerning retirements through a thorough study of resource dependency and leadership theories. This is necessitated by the field finding that showed leadership and good governance to be a factor hindering the smooth implementation of strategic plans. The theory of collective bargaining could also be studied in order to eliminate any doubt as to whether participation by all stakeholders could help alleviate the problems of strategy implementation.

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APPENDICES

Appendix I: Interview Guide

Welcome to this interview session and feel free to participate.

- 1) Name of the section where you work
- 2) How does the section relate to other sections?
- 3) Position/Designation of respondent
- 4) How is your strategic plan time frame communicated to you?
- 5) How do you think the department structure affects implementation of strategy?
- 6) Does management positively or negatively affect your effective strategic plan implementation?
- 7) What are some of the rewards or recognition systems in place for innovative staff in your working section? Do you have challenges in communication for rewards?
- 8) How do you receive and manage any major changes in the sector where you work? Does management and their style provide room for change management?
- 9) Comment on the general strategic plan implementation in the pensions department
- 10) Where do you think your department lies in terms of implementing strategies within the government's vision2030 strategy?

Thank you for your time and may continue to serve the public diligently.

Appendix II: University Authorization Letter



UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE.....12TH MARCH 2012.....

TO WHOM IT MAY CONCERN

The bearer of this letter..... AGOLA JAMES WILLIAM.....

Registration No..... D 61 / P / 8077 / 01.....

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

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

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

Thank you.




JUSTINE MAGUTU
ASSISTANT REGISTRAR
MBA OFFICE, AMBANK HOUSE

Appendix III: Letter of Acceptance from Pensions Department

OFFICE OF THE DEPUTY PRIME MINISTER
AND MINISTRY OF FINANCE



Email: pensions@treasury.go.ke
TEL: 2252299 NAIROBI
When replying please quote

THE PENSIONS DEPARTMENT
THE TREASURY
P.O. BOX 20191
NAIROBI

Ref. No: P/HR/Agola/3/12

24th May, 2012

The MBA Co-ordinator
School of Business
UNIVERSITY OF NAIROBI

Dear Sir,

RE: MR. JAMES WILIAM AGOLLA – D61/P/8077/2001

Reference is made to the letter dated 12th March, 2012 from the Assistant Registrar, MBA Office, Ambank House.

This is to confirm that the above-named carried out a data collection exercise in the department of Pensions, Ministry of Finance using an interview guide from 14th – 30th March, 2012. It is my expectation that all data collected from 25 staff of the department will be used strictly for the purposes intended in his academic pursuit without further reference to the respondents.

Do post us the study findings as that would go towards our accomplishment of the Government's Vision 2030 strategic plan. Our assurance is that all participating respondents were doing so on their voluntary basis and their views did not reflect a government policy.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Nyakutu S O', written over a horizontal line.

NYAKUTU S O
DEPUTY DIRECTOR OF PENSIONS
For SECRETARY/DIRECTOR OF PENSIONS

DEPUTY DIRECTOR
PENSIONS