CHALLENGES OF STRATEGY IMPLEMENTATION AT THE CHRISTIAN
HEALTH ASSOCIATION OF KENYA

By

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DECLARATION

I declare that this research project is my original work and has not been submitted for a degree in any other university

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D61/61441/2010

This project has been presented for examination with my approval as the university Supervisor

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DEDICATION

This work is dedicated to my dear parents Mr. and Mrs. Kinyoe for their support and encouragement during the entire period.
ACKNOWLEDGEMENTS

I thank the almighty God for his guidance, wisdom and love throughout the course. Without him I would not be where I am today.

Special gratitude to my supervisor Dr. Z.B. Awino. I truly appreciate his vast knowledge, insightful contributions, availability and dedication demonstrated when guiding me in the research process.

Finally my deep appreciation goes to CHAK employees especially to the Finance and Administration Manager Mr. Nzomo, who facilitated the research study and also to all those who directly or indirectly contributed to this work.
TABLE OF CONTENTS

DECLARATION.......................................................................................................................... ii
DEDICATION............................................................................................................................ iii
ACKNOWLEDGEMENTS ........................................................................................................ iv
ABBREVIATIONS AND ACRONYMS .................................................................................. vii
ABSTRACT ............................................................................................................................. viii

CHAPTER ONE ....................................................................................................................... 1
INTRODUCTION ..................................................................................................................... 1
  1.1 Background of the study ................................................................................................. 1
    1.1.1 The Concept of Strategy Implementation ............................................................... 2
    1.1.2 Challenges of Strategy Implementation ................................................................. 4
    1.1.3 Faith Based Health Organisations in Kenya ........................................................... 6
    1.1.4 Christian Health Association of Kenya .................................................................... 9
  1.2 Research problem .......................................................................................................... 11
  1.3 Research objectives ....................................................................................................... 13
  1.4 Value of the study ......................................................................................................... 13

CHAPTER TWO ....................................................................................................................... 14
LITERATURE REVIEW ........................................................................................................... 14
  2.1 Introduction .................................................................................................................... 14
  2.2 The Concept of Strategy ............................................................................................... 14
  2.3 Operationalization and Institutionalization of Strategy ................................................. 15
  2.4 Factors Influencing Strategy Implementation ............................................................. 17
  2.5 Challenges of Strategy Implementation ....................................................................... 27
  2.6 Measures to deal with challenges of Strategy Implementation .................................. 30

CHAPTER THREE .................................................................................................................. 32
RESEARCH DESIGN AND METHODOLOGY ..................................................................... 32
  3.1 Introduction .................................................................................................................... 32
  3.2 Research design ............................................................................................................ 32
  3.3 Data collection ............................................................................................................. 32
  3.4 Data Analysis ............................................................................................................... 33
CHAPTER FOUR.....................................................................................................................34
DATA ANALYSIS AND INTERPRETATION OF RESULTS .............................................34
4.1 Introduction......................................................................................................................34
4.2 Strategy implementation practices .............................................................................34
4.3 Challenges of strategy implementation .......................................................................40
4.4 How CHAK is addressing the challenges experienced ...............................................43
CHAPTER FIVE ..................................................................................................................45
SUMMARY, CONCLUSION AND RECOMMENDATION ...............................................45
5.1 Introduction ....................................................................................................................45
5.2 Summary of findings ......................................................................................................45
5.3 Conclusion .....................................................................................................................48
5.4 Recommendations for Policy and Practice .................................................................49
5.5 Limitation of the study .................................................................................................51
5.6 Suggestion for further study .........................................................................................51
5.7 Implication of the Study on Policy and Practice ..........................................................51
REFERENCES....................................................................................................................53
APPENDICES .....................................................................................................................61
Appendix I: Interview Guide .............................................................................................61
Appendix II Data Collection Authority Letter ..................................................................65
Appendix III Letter of Authorization From CHAK ..........................................................66
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACHAP</td>
<td>Africa Christian Health Associations Platform</td>
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<td>CHAK</td>
<td>Christian Health Association of Kenya</td>
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<td>CHSCC</td>
<td>Church Health Services Coordinating Committee</td>
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<td>CORAT</td>
<td>Christian Organizations Research and Advisory Trust</td>
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<td>FBHS</td>
<td>Faith Based Health Organization</td>
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<td>FBO</td>
<td>Faith Based Organization</td>
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<td>HENNET</td>
<td>Health NGOs Network</td>
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<td>HMIS</td>
<td>Health and Management Information Systems</td>
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<td>KEC</td>
<td>Kenya Episcopal Conference</td>
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<td>HR</td>
<td>Human resource</td>
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<td>ICT</td>
<td>Information Communication Technology</td>
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<td>MBA</td>
<td>Masters of Business Administration</td>
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<td>MOH</td>
<td>Ministry of Health</td>
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<td>MOU</td>
<td>Memorandum of Understanding</td>
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<td>M&amp;E</td>
<td>Monitoring and evaluation</td>
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<td>MEDS</td>
<td>Mission for Essential Drugs and Supplies</td>
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<td>TWG</td>
<td>Technical Working Group</td>
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ABSTRACT

The objective of the study is to establish the challenges of strategy implementation at CHAK how CHAK can overcome these challenges. The study was guided by interview guide. In the strategy implementation often called the action phase, the firm is required to translate its strategies and policies into actions through the development of specific budgets and procedures. Strategy may fail to achieve the expected results especially where strategy execution is flawed. Failure to execute is a major concern of the executives because it limits organizational growth, adaptability and competitiveness. Case study approach was adopted in the study because it provides an in depth understanding of the case understudy, in this context the study provides an understanding of the challenges of strategy implementation at CHAK and how CHAK overcoming these challenges. Interview guide was used to gather information from the senior and middle level management who were chosen as the respondents to the study, the data was analyzed using content analysis. The research study identified several challenges affecting CHAK in implementation of strategy. Some of these include insufficient funding, Donors are only interested on some areas on the strategic plan which are within their mandate. There is also the challenge of staff motivation and retention where the organization experiences challenges retaining the best and talented employees. Recommendations is that there is need for increased funding since sufficient funds for all areas on the strategic plan is a requisite for successful implementation of the strategic plan and that Human resource department should to develop ways of motivating and maintaining their best and talented employees who can effectively guide the strategy implementation process
CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Strategic business plan and its implementation are the ‘heart and soul’ of any business organization and operation. A business strategy plan is a game plan that management use to stake out market position, conduct its operations, attract and retain customers, compete successfully and achieve organizational objectives. After formulation, strategies need to be implemented otherwise they will become useless to the organization. The organization needs to continuously evaluate its success in implementing the particular strategies that it formulates. It is upon the particular organization to identify implementation challenges and come up with mechanisms for overcoming them. Elements that require consideration during the implementation process include annual objectives, policies, resource allocation, management of conflict, organization structure, managing resistance to change and organizational culture (David, 2003). Strategic implementation put simply is the process that puts plans and strategies into action to reach goals. A strategic plan is a written document that lays out the plans of the business to reach goals, but will sit forgotten without strategic implementation. The implementation makes the company’s plans happen.

Christian Health Association of Kenya operates as an association in Kenya. Its mandate is facilitating the role of the Church in healthcare and healing. CHAK had a previous five year strategic plan 2005-2010 which came to an end in December 2010 and it’s in the
second year of its current strategic plan of 2011-2016 which has clustered the organisation's core functions into the following strategic directions: Health service delivery including HIV&AIDS programmes, Health systems strengthening Governance and accountability, Research, advocacy and communication Health care financing and sustainability, Human Resources for Health (HRH) and Grant management. CHAK is an organization that is committed to growth through continuous learning. The programmes of the organization are guided by the vision and mission which are articulated in the strategic plan that covers a period of six years. The Strategic plans are aligned to the National Health Sector Strategic Plan and Health Policy Framework and are responsive to the environment changes. The strategy is implemented through three-year programmes which undergo monitoring and end term evaluation that generate lessons to inform programmes improvement.

1.1.1 The Concept of Strategy Implementation

Implementation of strategy is a very important component of strategic management. After formulation, strategies need to be implemented otherwise they are useless to the organization if they are not translated into action. Turning strategy into action is concerned with ensuring that strategies are working in practice. Craftling and execution of strategy are the heart and soul of managing a business enterprise (Thompson et al., 2008). This involves structuring an organization to support successful performance, enabling success through the way in which the separate resource areas of an organization support strategies and having change management strategies in place (Johnson, Scholes and
Whittington, 2002). Having a business strategy isn't useful if you have no plan to implement it. Understanding how to place your strategy in motion and relay your goals to your staff takes time and planning. Before you start, consider the details that are most important and the values that you want your company to convey to its customers. Implementing any business strategy is accomplished by communicating it to staff and orchestrating the cooperation between employees who perform varied and separate duties.

There are many factors that influence the success of strategy implementation, ranging from the people who communicate or implement the strategy to the systems or mechanisms in place for coordination and control. Strategy formulation and implementation is a cyclic process with a strong bearing on the organization learning capabilities. The organization needs to continuously evaluate its success in implementing the particular strategies that it formulated. It is upon the particular organization to identify implementation challenges and come up with mechanisms for overcoming them. Strategy implementation is very important to organisations because it assist them meet the goals they have set so in order to remain credible to their stakeholders. To achieve these goals an organization needs appropriate capabilities such as trained and motivated managers, strategic information, sufficient resources and a suitable organization structure.

Strategy implementation addresses both planning and how the strategy can be put into effect. It also involves managing any changes that may result from the process. This implies that the way strategies have been formulated has an important bearing on how
they are implemented. Poor formulation of strategies may be the first obstacle to implementation of such strategies. It is important to stick to business sense and do proper competitive analysis as a way of formulating successful strategies. It is also important to create strong leadership, proper resource allocation, business process and policies that support strategy.

1.1.2 Challenges of Strategy Implementation

Implementing strategy is always a challenge for organizations across the industry. Ability to implement strategy is the deciding factor between success and failure of a company’s strategy. Implementation manifests the strategic intent of a company through various tactical and competitive actions to achieve the desired results. After formulation, strategies need to be implemented otherwise they are useless to the organization if they are not translated into action. Turning strategy into action is concerned with ensuring that strategies are working in practice. Crafting and execution of strategy are the heart and soul of managing a business enterprise. This involves structuring an organization to support successful performance, enabling success through the way in which the separate resource areas of an organization support strategies and having change management strategies in place.

Some writers including Thompson and Strickland (2001), Pierce and Robinson (2000) and Johnson and Scholes (2002) have identified challenges in strategy implementation as; amount of strategic communication from top to bottom, competing activities that distract
attention from implementation decisions, changes of responsibility for key employees not being clearly defined, key formulators of strategic decisions not playing active role in implementation, problems, problems requiring management involvement not communicated early enough, key implementation tasks and activities not sufficiently defined, resource allocation, matching structures with strategies and linking performance and pay to strategies. By properly addressing the above challenges, it is expected that strategic plans will be successfully implemented.

There are other factors that may bridge the gap between great strategies and effective execution. One of these factors is communication. Many a time we find that managers who are supposed to be delivering performance to meet the strategic goal of the company do not have a clear idea of what the strategy is all about and what needs to be done to fulfill the strategic plan. The are unaware of their role in the strategic game plan which means that the strategy is not understood by the people responsible for acting on it. Lack of proper understanding of what is important for the strategy to be delivered may result in getting priorities wrong and the projected levels of returns will never be a reality (George, 2002).

Challenges in strategy implementation have been identified as; amount of strategic communication from top to bottom, competing activities that distract attention from implementation decisions, changes of responsibility for key employees not being clearly defined, key formulators of strategic decisions not playing active role in implementation, problems, problems requiring management involvement not communicated early
enough, key implementation tasks and activities not sufficiently defined, resource allocation, matching structures with strategies and linking performance and pay to strategies. By properly addressing the above challenges, it is expected that strategic plans will be successfully implemented.

1.1.3 Faith Based Health Organisations in Kenya

Faith based health organisations achieve their vision through sound business practices, well-integrated planning initiatives, and innovative implementation strategies. In other words, effective strategic planning envisions a successful future, decides on and implements the best strategies to get there. Building and implementing winning strategic plans for faith based organizations is a continuous journey, requiring routine reviews and refinement of the measures and the strategic plans themselves. By partnering with internal teams, stakeholders and trusted external consultants, leaders can develop better strategic plans and implement them more successfully.

Faith-based health facilities provide a substantial portion of health care services in Kenya, particularly in rural, remote and underserved areas. CHAK is therefore a major stakeholder in the health sector, complementing Government efforts to provide health services to Kenyans. Faith based health services providers CHAK, KEC, MEDS and SUPKEM have a structured forum for regular engagement with the Government named Ministry of Health-Faith Based Health Services-Technical Working Group (MOH-FBHS-TWG). The TWG is chaired by MOH and CHAK serves as its Secretariat. The TWG is mandated to provide a structured forum for regular engagement, conduct a situational analysis study of Faith Based Health Services in Kenya and develop a
Partnership Policy Framework between FBHS and MOH guided by the SWAps spirit. In December 2007, CHAK facilitated study tours by teams comprising of Faith Based Organisations, Ministry of Health and HENNET to gather lessons and best practices in Private Public Partnerships. The lessons learned will inform the process of developing a Public Private Partnership policy for Kenya.

Faith-based Organisations are an integral part of life and society in most parts of Kenya. They are to be found within every community and hold much credibility with the people because of their presence at grassroots, their involvement with the people at every aspect of their lives and for the many services they offer. They have the widest network coverage in the continent, the largest constituency of people, and an enviable infrastructure, extending from the international community, to the most marginalized. The level of government involvement in governance, staffing and resourcing of FBO health facilities increases progressively from minimal to maximum support. However in all situations a partnership is maintained between the owning church and Government,

Health systems are often severely damaged during armed conflict, and sometimes deliberately targeted, thus affecting delivery of basic treatment and care, antenatal clinics and also sentinel surveillance. HIV/AIDS control efforts are not always integrated into humanitarian, relief and peacekeeping efforts. Faith-based organizations have generally remained with the people through these conflicts and, at times, have been specifically targeted when considered to be in opposition to the repressive agent(s).
FBOs, throughout the region, have responded by expanding their focus from their original long-term goal of HIV/AIDS programmes into short-term responses meeting the immediate crisis of food security. More than at any other time has the multidimensional sectoral impact of HIV/AIDS been exposed and challenged response at all levels. Thus the infrastructure and the established grass root networks of the Churches have made them valuable resource people and conduits for this support – both in identification of need and in transparency of distribution. Faith-based organizations already have a rapport and trust with the local community to quickly respond to and access populations of humanitarian concern; [they are] able to use their networks to quickly pass messages and track those in need.

Church health service providers in Kenya represented by Christian Health Association of Kenya (CHAK), Kenya Episcopal Conference (KEC) and Mission for Essential Drugs & Supplies (MEDS) have launched a Partnership Framework by the name of Church Health Services Coordinating Committee (CHSCC). The CHSCC consists of twelve (12) members drawn from the three member organizations, each contributing four members who include the head of the organization. This strategic development was attained after several years of informal consultations among these leading FBOs involved in health service delivery in Kenya. The creation of CHSCC was motivated by the lessons from other African countries where Protestant Churches and the Catholic Church have one joint agency (Christian Health Association) for coordinating advocacy and capacity building of Church health facilities. The mandate to establish CHSCC was provided by the National Church Leaders Health Partnership Forum which was held on July 30-31,
2008, at the Jumuia Conference Centre, Limuru. This is a key milestone towards strengthening and harmonizing the voice of the Church in health policy development, service delivery and health care financing issues. The CHSCC shall hold monthly meetings to discuss and build consensus on joint advocacy issues and strategy and to determine strategies for profiling the contribution of church health services in Kenya.

1.1.4 Christian Health Association of Kenya

Christian Health Association of Kenya (CHAK) was established in the 1930s as a Hospitals’ Committee of the National Council of Churches of Kenya (NCCK). In 1946, the Committee was changed to the Protestant Churches Medical Association (PCMA) which acquired autonomous legal registration. Its mandate was limited to the distribution of Government grants to Protestant Churches’ health facilities in Kenya. In 1982, the association changed its name to Christian Health Association of Kenya (CHAK) with the broader mandate of facilitating the role of the Church in health care and healing. The purpose of CHAK is to facilitate member health facilities to deliver accessible, comprehensive, quality health services to Kenyans in accordance with Christian values and professional ethics guided by the national health sector policies.

Availability of donor funds enabled CHAK to implement many projects, resulting in rapid growth and expansion of the scope of activities and the secretariat. However this growth was not adequately matched with strengthening of CHAK’s management, coordination systems and capacity. An external evaluation by CORAT Africa done in
1995 revealed some weaknesses and formed the basis for major restructuring. CHAK’s organizational development has stabilized through the implementation of two strategic plans for the periods 1998 -2004 and 2005 -2010. CHAK has embraced a learning culture and utilizes lessons pointed out by the evaluation reports to strengthen systems. Each strategic plan undergoes a midterm evaluation and an end term evaluation which generate valuable recommendations on organizational developments. In addition, CHAK engages in partnerships with various national, regional and international organizations which provide experience and technical support in organizational development and health systems strengthening. During the period of the CHAK strategic plan 2005 -2010, CHAK facilitated study tours to five countries for a combined team from MOH, NGOs, and FBOs from Kenya. The tours picked important lessons on public – private partnership which were utilized in the development of an MoU between Government and faith based health services providers.

In 2007, CHAK was mandated to establish the secretariat for the Africa church Health Association Platform (ACHAP). The ACHAP facilitates communication, networking and sharing of lessons and experiences among CHAs in Africa and also provides an avenue for joint advocacy. CHAK hosts the platform and has evolved to become a leader among Africa Christian Health Associations, a role which has opened up numerous opportunities for international advocacy. CHAK has developed notable competences in advocacy, health systems strengthening which include medical equipment maintenance services, architectural services for infrastructure design and development, HMIS software, governance and management policies, capacity building, communication and networking.
One of the issues CHAK must address is leadership, without a strong professional leadership in an organization, constructive change is not possible. Majority of organizations fail to execute because they do not focus resources on priorities and in many cases, employees have not been informed of the strategy. Another reason why organizations fail is lack of management and accountability. Management training programs have become a popular and effective means to meet this need (Boomer, 2007).

Another issue is communication, CHAK should ensure they facilitate communication and dissemination of information in to member health units and other stakeholders and also hold consultative meetings, workshops and trainings with member health units to identify, document and disseminate best retention and motivation strategies and practice human resource management.

Accountability and transparency FBO must embrace strategic management beyond strategic plan formulation and into implementation if they are to remain credible and relevant. CHAK secretariat should uphold and enhance its internal management systems and continue to facilitate its governance structures to ensure sustained efficiency and accountability in line with principles of good corporate governance.

1.2 Research problem

Strategy can be said to be good only when successfully implemented and good results obtained. There are however challenges in implementation of these strategies. The areas mostly covered in these strategies include health service delivery, health system strengthening, governance, accountability, research, advocacy, communication, human resource, healthcare financing and sustainability and grant management.
All organizations must grapple with challenges in the changing environment in which they operate (Kiruthi, 2001). Only a few scholars (Aosa 1992, Awino 2001 and Koske 2003) have done studies on the component of strategy implementation processes in Kenya, yet it is a critical aspect in the organisational strategic management processes. Several studies have been done on challenges of strategy implementation in other organization and was specifically done (Kagwiria, 2010) to look at the challenges that CHAK has faced in implementing its previous strategic plan (2005 -2010) her study found out that the key challenges include insufficient funds, changes in key stakeholders’ policies, inadequate monitoring and evaluation of programs, creating synergy for the entire network’s activities and competitors. Johnson (2002) argues that implementation of appropriate strategies remain one of the most difficult areas of management considerable though, energy and resources is given over to devising a strategic plan. (Tai, 2007), discovered the challenges to implementing strategy as including ineffective management, poor reward system, poor communication, poor measurement and poor prioritization of strategy. Previous studies have identified challenges of strategy implementation as a research gap, For example Kagwiria (2010) looked at the challenges of strategic implementation of the CHAK 2005-2010 strategic plan. However this strategic plan looked at the 2005-2010 strategic plans. This study seeks to fill this apparent gap in literature by assessing the same challenges but in the 2010- 2016 strategic plan. The study seeks to answer the following question, “What key challenges does CHAK face in implementing its strategies?
1.3 Research objectives

The objective of the study is to determine the challenges facing strategy implementation at CHAK and establish how CHAK overcame these challenges.

1.4 Value of the study

This study will be significant to the management of CHAK as it will assist them formulate and design appropriate mechanisms to identify and overcome challenges in implementing its strategies so as to achieve the set organizational goals, objectives and remain relevant in the ever changing environment and position the organization strategically for success in the future.

The outcome of the study will stimulate further study in the field of strategy implementation and will also add to the existing body of knowledge in strategic management. It will also be useful to policy makers in Health Based Organizations that will ensure smooth implementation of strategic plans in the organizations. The findings with form a basis for further reference in Faith Based Health Organizations.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter deals with theoretical literature review and concepts, challenges facing implementation of strategic plans in organizations, empirical literature review and knowledge gap.

2.2 The Concept of Strategy

(Pearce and Robinson, 2000) identified nine critical tasks in the strategic management process. According to them it starts with formulating the company’s mission, including a broad statement about its purpose, philosophy and goals. This is then followed by conducting an analysis that reflects the company’s internal conditions and capabilities. The third task involves assessing the company’s external environment including both the competitive and general contextual factors. In the fourth tasks the company options are analyzed by matching the resources with the external environment.

The fifth task involves identifying the most desirable options by evaluating each option in light of the company’s mission. In the sixth task, a selection of long-term objectives and grand strategies that will achieve the most desirable options is done. Annual objectives and short-term strategies are set in the seventh task. In the eighth tasks, strategic choices are implemented by means of budgeted resource allocations. At this stage, matching of tasks, people, structures, technologies and reward system is emphasized. Evaluation of the success of the strategic process is done in the ninth task as an input for future decision.
2.3 Operationalization and Institutionalization of Strategy

Once a strategy has been identified, it must then be put into practice. The implementation of strategy is of great importance. Conducting a corporate strategy is worthless as long as it is not implemented correctly by each department of the organization. This may involve organizing, resourcing and utilizing change management procedures: Organizing relates to how an organizational design of a company can fit or align with a chosen strategy. This concerns the nature of reporting relationships, spans of control, and any strategic business units (SBUs) that require to be formed. Resourcing is literally the resources required to put the strategy into practice, ranging from human resources, to capital equipment, and to ICT-based implements. In the process of implementing strategic plans, an organization must be wary of forces that may legitimately seek to obstruct such changes. It is important then that effectual change management practices are instituted. These encompass: The appointment of a change agent, as an individual who would champion the changes and seek to reassure and allay any fears arising, Ascertaining the causes of the resistance to organizational change (whether from employees, perceived loss of job security, etc.) and Via change agency, slowly limiting the negative effects that a change may uncover.

Implementation of strategy is very important aspect of strategic management. It is the effective direction, use and control of an organization’s resources in order to achieve the desired results (Pierce and Robinson, 2007). No matter how well a strategy is formulated, the organization will not benefit if incorrectly implemented. Turning strategy into action is concerned with ensuring that strategies are working in practice. This involves
structuring an organization to support successful performance, enabling success through the way in which the separate resource areas of an organization support strategies and having change management strategies in place. Strategies cannot take effect until they take shape into action (Johnson, Scholes and Whittington, 2002). Such action takes the form of day to day processes and relationships that exist in organization. Strategic planning from the 1960’s through the early 1980s emphasized a top down approach to goal setting a process that involved the senior managers and the rest of the employees. A wide gap is often developed between the strategic managers and operational managers and or employees who feel alienated and hence lose commitment to the process. These problems and the rapidly changing environment of the 1980s forced executives to look at all levels of their firm for ideas and innovation. This resulted to the modern strategic management, a process that involves managers from all parts of an organization in the formulation and implementation of strategic goals (Bateman & Zeithamal, 1990).

Strategy implementation involves organization of the firm’s resources and motivation of the staff to achieve objectives. The environmental conditions facing many firms have rapidly changed. Today’s global competitive environment is complex, dynamic and largely unpredictable. To deal with these unprecedented levels of change, a lot of thinking has gone into the issue of how strategies are best formulated.

According to Rutan (1999), all implementation aspects during the planning phase are fundamental for execution as there is no time to do that during execution. It is critical that everyone on the team understands and agrees upon the details of the plan. Management must make the commitment to stay focused on the agreed upon plans and
should only make significant changes to the plan after careful consideration on the overall implications and consequences of the change. The organization should maintain a balance between ongoing business activities and working on new strategic initiatives. That is, that problems with implementation often occur when companies concentrate on new strategy development and in the process forget their main line of business that underlie within previously formulated business strategies.

2.4 Factors Influencing Strategy Implementation

Implementation of strategy is the process through which a chosen strategy is put into action. It involves the design and management of systems to achieve the best integration of people, structure, processes and resources in achieving organizational objectives.

Once the creative and analytical aspects of strategy formulation have been settled, the managerial priority is one of converting the strategy into operationally effective action. Indeed a strategy is never complete, even as formulation until it gains a commitment of the organization’s resources and becomes embodied in organizational activities. Therefore, to bring the result, the strategy should be put to action because the choice of even the soundest strategy will not affect organizational activities and achievement of its objectives. Therefore, effective implementation of strategy is a must for the organization. Judging from this definition, it can be observed that the scope of managerial activities associated with strategy implementation is virtually coexistence with the entire management process. This is because the entire management process is geared up according to the needs of the strategy.
Strategy implementation involves allocating sufficient resources, establishing chains of command and reporting structure, assigning responsibility of specific tasks and processes to specific individuals or groups and managing the process (Pearce and Robinson, 1997). The main critical phase of strategic process is translating the strategic plan into actions. According to Wheeler and Hunger (2008), strategy implementation is the process by which strategies and policies are put into action through the development of programs, budgets and procedures. The lack of human resources in terms of the right skills and abilities of the people involved in the strategy implementation have also been found to cause problems (Beer et al., 2000; Al-Ghamdi, 1998; Alexander, 1985). Furthermore, employees do not always receive the correct training and instruction to be able to perform their work, which may have changed due to the newly implemented strategy (Beer et al., 2000; Al-Ghamdi, 1998).

The level of success of a strategy depends on the degree of participation in planning and on acceptance of the goals, indicators and targets set. Therefore effective implementation of strategy plan is likely to be successful if it rests on meetings and consensus between the management and staff, rather than a top down imposition of plans and targets (Song, 1983). Goal setting involves managers and subordinates jointly establishing and clarifying employee’s goals. The first element of goal setting is establishing goals that are perceived as challenging but realistic and to which there is high level of commitment. It involves having employees participate in the goal setting process so as to increase motivation and performance. Participation also convinces employees that the targets are achievable and can increase their commitment to achieving them. Participation in goal
setting is likely to be seen as legitimate, resulting in the desired commitment to the implementation of a strategy (Cummings & Worley, 2005). Unfortunately in most organizations managers and supervisors at lower hierarchy levels who do have important and fertile knowledge are rarely involved in strategy formulation. When they are the probability for realizing a smooth targeted and accepted strategy implementation process increases substantially. Research indicates that less than 5 percent of a typical workforce understands their organization’s strategy (Kaplan and Norton, 2001). This is a disturbing statistic as it is generally believed that, without understanding the general course of strategy, employees cannot effectively contribute to a strategy implementation.

Organizational culture helps in nurturing and dissemination of core values. Hill et al (2009) define organizational culture as the “specific collection of values, norms, beliefs and attitudes that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization”. Implementation of a new strategy will be concerned with adjustment in the structure, employees, systems and style of doing things in order to accommodate the perceived needs of the strategy (Pearce & Robinson, 2007). Weihrich & Koontz (1993), looks at culture as the general pattern of behavior, shared belief and values that members have in common. Culture can be inferred from what people may do and think within an organization setting. It involves the learning and transmitting of knowledge, beliefs and pattern of behavior over time. This means that organizational culture is fairly stable and does not change fast. It sets the tone for the company and establishes rules on how people should behave.
A strong organizational culture enhances integration and coordination within the organization. Culture gives members of the organization the ability to develop a collective identity, and guides them in their daily business relationships, execution of tasks, communication and decision-making. If propagated correctly, organizational values will become part of the individual’s values through which the individual will follow them unconsciously. To create a strong organizational culture, it is important that leadership promotes what the organization believes is correct behavior. Within the values of the organization, strong emphasis should be given to ethical behavior. A code of ethics can help management to communicate the ethical behavior they expect from everybody in the organization (Hill et al, 2009; Daft, 2001). A beliefs system is the explicit set of organizational definitions that senior managers communicate formally and reinforce systematically to provide basic values, purpose and direction for the organization. A beliefs system controls the core values of the organization, which are linked to the business strategy. Such a system is created through symbolic use of information, e.g. inspirational leadership. It attempts to create awareness and understanding of the organization’s core values and should help employees to respond to problems they face during the process of strategy implementation.

Effective leadership is required for successful strategy implementation. In a competitively chaotic environment, one essential contribution of a strategic leader is to provide and share a clear vision, direction and purpose for the organization (Thompson, 1997) The CEO’s action and the perceived seriousness to a chosen strategy will influence subordinate managers’ commitment to the strategy implementation. The personal goals
and values of a CEO strongly influence a firm's mission, strategy and key long term objectives. The right managers must also be in the right positions for the effective implementation of a new strategy (Jones and Hill, 1997). According to Thompson (1997), the strategic leader must direct the organization by ensuring that long term objectives and strategies have been determined and are understood and supported by managers within the organization who will be responsible for implementing the strategy. Commitment of top management is very crucial in strategy implementation because employees take their cues from senior management when it comes to commitment to implementation. Their energy and demonstrable commitment will send a positive signal to the employees. Beer et al (2000) mention the quality of direction, which describes multiple ways in which senior management can be ineffective.

According to Thompson et al (2007). Effective strategy implementation depends on the competent personnel and effective internal organization systems. For successful strategy implementation an organization needs to attract, motivate and retain talented managers and employees with suitable skills and intellectual capital. The employees should understand how to achieve company goals, which is imperative to realizing full implementation. When staff understands the direction of the organization and can translate it into sales and satisfied customers, the company grows. Helping employees gain the knowledge, skills and abilities involved in implementing the strategy requires attention to the hiring process and training. Ensuring that management and staff are well-equipped to handle your current strategy and any changes will keep everyone working together to attain financial goals.
Involvement of middle manager’s valuable knowledge because the success of the implementation effort depends on the level of commitment and involvement of middle managers. Often the input of the middle managers knowledge is underestimated in strategy formulation. Kaplan and Norton (2001) found that as few as five percent of a typical workforce understand their organizations strategy. Senior management sometimes bypasses middle management, and directly obtains information from and gives orders to the lower level employees, causing ineffective communication lines in the implementation team. Additionally, this causes a situation in which conflicts are avoided and value-adding discussions on decision-making are lost. Beer et al (2000) state that leadership in many teams does not make the necessary trade-offs they face during the implementation. Instead, they create vague strategic objectives which do not provide effective direction for implementation.

Communication aspect should be strongly emphasized in the implementation process. Even though studies point out that communication is a key success factor within strategy implementation, communicating with employees concerning issues related to the strategy implementation is frequently delayed until the changes have already crystallized. Communication should be done to employees about new requirements, tasks and activities to be performed by the affected employees. Also findings of peng and littleJohn (2001) show that effective communication is a key requirement for effective strategy implementation. Failing to communicate with all employees invites rumors and fear into the workplace, Employees want to know what's going on, whether it is positive or negative news. The feeling of uncertainty when management doesn't communicate
disrupts work and makes employees feel as if they aren't a part of the decision. Keep employees updated regularly about the plans and progress toward the change implementation. Involve all employees as much as possible through meetings or brainstorming sessions to help during the planning phase. Miniace and Falter (1996) stated that communication stands out as the key success factor when it comes to strategy implementation. It is imperative for an organisation to develop a comprehensive communication plan in order to improve the success rate of its implementation programme.

Successful strategy implementation depends on a large part on how an organization is structured. Organization structure is the pattern in which the various parts of the organization are interrelated or interconnected. It prescribes relationships among various positions and activities. Symptoms of an ineffective organization structure include too many people, too much attention being directed at solving interdepartmental conflicts, too large span of control and too many unachieved objectives (David 1986). The structure helps an organization identify its activities and the way in which it will coordinate them to achieve the firm’s strategic objective. For implementing strategy, the organization structure should be designed according to the needs of the strategy. The correct organizational structure is crucial to enable the organization to implement its strategy. To facilitate the achievement of the strategic and organizational objectives, organizational structure coordinates and integrates the tasks executed by all employees in the organization, i.e. employees at all levels, and across all divisions and functions (Hill et al, 2009).
Organizational structure determines the departments and functions in an organization, it defines the hierarchy, span of control and reporting relationships, and includes the systems for communication, coordination and integration across these divisions and functions, both vertically and horizontally (Daft, 2001). First of all, tasks and people need to be grouped in functions. After this, functions can be grouped into divisions to allow the organization to achieve organizational goals effectively and efficiently. Across these divisions and functions authority and responsibilities need to be allocated. A clear hierarchy needs to be defined from the Board of Directors through middle management all the way down to the operational employees. The hierarchy should clarify the span of control that each of the employees has, i.e. the people and tasks they are responsible for and have authority over. As the organization has been divided into separate functions and divisions, which all together should strive to achieve the same organizational objectives, communication and coordination across these functions and divisions is needed. Through integrating mechanisms, such as direct contact, liaison roles and cross functional or divisional teams, information about activities, ideas and problems are efficiently spread across the organization (Hill et al, 2009).

Commitment of top management is also very important when implementing strategy. The top management have to demonstrate their willingness to give energy and loyalty to the implementation process. This commitment becomes a positive signal for all the affected organizational members (Rapa and Kauffman, 2005). To successfully improve the overall probability that the strategy is implemented as intended, senior executives must abandon the notion that lower-level managers have the same perception of the strategy and its
implementation, of its underlying rationale, and its urgency. Instead, they must believe
the exact opposite. They must not spare any effort to persuade the employees of their
ideas (Rapa and Kauffman, 2005).

One of the basic action that is required for putting a strategy into operation is its
institutionalization. Since strategy does not become either acceptable or effective by
virtue of being well designed and clearly announced, the successful implementation of
strategy requires that the strategy framer acts as its promoter and defender. Often strategy
choice becomes a personal choice of the strategist because his personality variables
become an influential factor in strategy formulation. Thus, it becomes a personal strategy
of the strategist. Therefore, there is an urgent need for the institutionalization of strategy
because without it, the strategy is subject to being undermined. Therefore, it is the role of
the strategist to present the strategy to the members of the organization in a way that
appeals to them and brings their support. This will put organizational people to feel that it
is their own strategy rather than the strategy imposed on them. Such a feeling creates
commitment so essential for making strategy successful.

Setting organizational climate relevant for strategy implementation is important for
making strategy to work. Organizational climate refers to the characteristics of internal
environment that conditions the co-operation, the development of the individuals, the
extent of commitment and dedication of people in the organization, and the efficiency
with which the purpose is translated into results. According to Thompson et al (2007)
effective strategy implementation depends on competent personnel and effective internal
organization system. A top manager can play an important role in shaping the organizational climate not only by providing standards for what others do but also what he does because organizational climate is a matter of practice rather than the precept.

Lack of ownership of the strategy and related implementation activities can cause failure of strategy implementation. If the strategy is not owned by the employees involved in the implementation, it may lead to counter implementation, which causes the organization to move in the wrong direction. Moreover, when key people in the formulation of the strategy are not participating in the implementation, ownership is lost in many cases, causing the increase of time needed for the implementation, or overall failure of implementation (Corboy et al, 1999; Al-Ghamdi, 1998; Alexander 1985). The other way around, when the affected employees and managers are not at all involved in the formulation of the strategy it is also more difficult for them to feel ownership of the strategy (Alexander, 1985).

Operating plans are the action plans, operational program and decisions that take place in various parts of the organization. If they are made to reflect desired strategic results, they contribute to the achievement, of organizational objectives by focusing attention on those factors, which are important. For example, in budgeting, more resources will be allocated on those factors, which are critical to the success of the organization as spelled out during the strategy formulation process. There are various ways of making sure that operating plans contribute. If every manager understands strategy, he can certainly review the program recommendations of staff advisers and line subordinates to see that they are
consistent with the requirements of the strategy. Appropriate committees to see if they contribute positively can review major program. This lends an aura of formality to the program decisions and their influences on strategy may become clear. There should be periodic review of strategy to find out whether the given strategy is relevant. This is required because even the care-fully developed strategies might cease to be suitable if events change, knowledge becomes more clear, or it appears that the environment will not be as originally thought. Thus, strategies should be reviewed from time to time. What should be the frequency for such a review is not universal but major strategies should be reviewed at least once a year. In fact this is done by most of the organizations who believe in relating themselves with the environment.

2.5 Challenges of Strategy Implementation

Strategy implementation almost always involves the introduction of change to an organization. Managers may spend months, even years, evaluating alternatives and selecting a strategy. Frequently this strategy is then announced to the organization with the expectation that organization members will automatically see why the alternative is the best one and will begin immediate implementation. There are various challenges that organizations face in implementing strategic plans. There are many organizations characteristics which act to constrain strategy implementation of particular importance are structure, culture, politics and managerial style (Burns, 1996).

Resource allocation brings challenge to strategy implementation if they are not allocated according to priorities established by annual objectives. All organizations have at least four types of resources that can be used to achieve desired objectives which include
financial, physical, human and technological (Thompson and Strickland, 1993). There are a number of factors that commonly prohibit effective allocation of resources. This include overprotection of resources, too much emphasis on short run financial criteria, organizational politics, vague strategy targets, reluctance to take risks and lack of sufficient knowledge (David, 2003).

Implementation of strategy demands ownership at all levels of management i.e. top management, middle management, lower management and non management. Effectiveness of strategy implementation is, at least in part, affected by the quality of people involved in the process (Govindarajan, 1988). Here, quality refers to skills, attitudes, capabilities, experiences and other characteristics of people required by a specific task or position (Peng & Littlejohn, 2001). Committing to and owning the process is central to effective execution. The execution tasks, jobs, and responsibilities vary across levels, but they are all interdependent and important. Top management is crucial in guiding strategy implementation in an organization. According to Hrebiniak (2005) the process of interaction and participation among the top management team typically leads to greater commitment to the firm’s goals and strategies. This, in turn, serves to ensure the successful implementation of the firms chosen strategy.

Some strategies fail because there was no effective communication of the strategy to the concerned employees. The communication that should be done includes explaining the new responsibilities, tasks and duties to the affected employees. There is also need to explain why the new strategic decision is being made. Findings of Peng and Littlejohn (2001) show that effective communication is a key requirement for effective strategy implementation.
Good execution cannot overcome the shortcomings of a bad strategy or a poor strategic planning effort (Hrebiniak, 2005). A strategy needs to be well developed for it to be implemented effectively. Good implementation naturally starts with good strategic input. Employees need to be engaged at the formulation stage so that they can relate the strategic direction to everyday day realities of the organization. Top managers need to recognize that they cannot plan everything. The assumption that management can plan strategy implementation at the top then cascade down through the organization is not tenable.

In order to implement strategy successfully there is need to create a strategy supportive organizational culture. Culture is the shared values, beliefs and norms within an organization, and is the foundation from which strategy emerges. In order for strategy to receive sustained support, it must be aligned with organizational culture (Grimm and Lee, 2005). The major challenge to be overcome appears to be more cultural and behavioral in nature, including impact of poor communication and diminished feelings of ownership and commitment. Strategist should strive to preserve, emphasize and build upon aspects of an existing culture that supports proposed new strategies. If an existing culture is antagonistic to a proposed strategy then it should be identified and changed. Changing a firms culture to fit a new strategy is usually more effective than changing a strategy to fit existing culture (David 1997). Strategy implementation efforts may fail if the strategy does not enjoy the support and commitment by the majority of employees and middle management. This may be the case if they were not consulted during the development phase (Heracleous, 2000).
Another challenge that organizations face in strategy implementation is matching structure with strategy. Changes in strategy of the organization require changes in the way the organization is structured. Structuring dictate how policies and objectives are established. When an organization changes its strategy, the existing organizational structure may become ineffective. Symptoms of an infective organization structure include too many people, too much attention being directed at solving interdepartmental conflicts, too large a span of control and too many unachieved objectives (David 1986).

2.6 Measures to deal with challenges of Strategy Implementation

The strategic-management process does not end when the firm decides which strategy or strategies to pursue. There must be a translation of strategic thought into strategic action. This translation is much easier if managers and employees of the firm understand the business, feel a part of the company, and, through involvement in strategy-formulation activities, have become committed to helping the organization succeed. Without understanding and commitment, strategy-implementation efforts face major problems. Beer and Eisenstat (2000) identified silent killers of strategy implementation which are “rarely publicly acknowledged or explicitly addressed”. These six killers are top-down senior management style; unclear strategy and conflicting priorities; an ineffective senior management team; poor vertical communication; poor coordination across functions, businesses and inadequate down the line leadership skills and development. It is recognized that such change requires a shared vision and consensus (Beer et al., 1990) and “failures of strategy implementation are inevitable” if competence, coordination and commitment are lacking (Eisenstat, 1993).
Corboy and O’Corrbui (1999), identified the deadly sins of strategy implementation which involve: a lack of understanding of how the strategy should be implemented; customers and staff not fully appreciating the strategy; unclear individual responsibilities in the change process; difficulties and obstacles not acknowledged, recognized and acted upon; and ignoring the day to day business imperatives. It is increasingly acknowledged that the traditionally recognized problem of inappropriate organizational structure and lack top management backing are not the main inhibiting factors to effective strategy implementation (Aaltonen and Ikavalko, 2002).

Downes (2001) states that the kinds of execution obstacles most companies run into fall into two categories: problems internal to the company and problems generated by outside forces in its industry. These internal and external issues are affected by the extent of flexibility companies have to launch strategic initiatives successfully. Johnson (2002) in his survey found that the five top reasons why strategic plans fail are related to motivation and personal ownership, communications, no plan behind the idea, passive management, and leadership. Hansen, Boyd and Kryder (1998) identified additional implementation problems as a) failing to periodically alter the plan or adapt it to changes in the business environment b) deviation from original objectives and c) lack of confidence about success.
CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter describes the methods that were used in the collection of data pertinent in answering the research questions. This includes the research design, target group, sample size, data collection and data analysis.

3.2 Research design

Kothari (2004) says that “case study is a form of qualitative analysis where a careful and complete observation of an individual or a situation or an institution is done; efforts are made to study each and every aspect of the concerned unit in minute details and from case data, generalizations and inferences are drawn”.

This study was a case study of Christian Health Association of Kenya with the aim of determining the strategy implementing practices and establishing the challenges of strategy implementation. A case study is a popular form of qualitative analysis which involves a careful and complete observation of a social unit such as a person, a family, an institution, a cultural group or a community. It is effective in situations where an in depth understanding of a subject concerning a particular unit is required.

3.3 Data collection

The study used both secondary and primary data for data collection. Primary data was collected through the use of an interview guide with open ended questions. Open ended questionnaire help in collecting qualitative data. The respondents of the research study
were representatives of various departments representing both top management and middle level management. The respondents included; the General Secretary, Finance and Administration Manager, Head of health services, Head of Institutional Development, two Health programs officer and one member of the administration team.

The respondents provided information relevant to implementation and challenges experienced during strategy implementation. The interview was conducted at CHAK offices. Secondary data was used to supplement data gathered from interviews and this was obtained from CHAK annual report, electronic media and strategic plan.

3.4 Data Analysis

The data collected was qualitative data that was analyzed using qualitative analysis, specifically content analysis. Qualitative data analysis seeks to make general statements on how categories or themes are related (Mugenda and Mugenda, 2003).

Content analysis is the systematic description of the composition of objects or materials of study which are either written or spoken. It enables researchers to analyze and interpret meaning of said words and understand respondents’ perception and beliefs. The themes that was used in the analysis was broadly be categorized into two that is what challenges CHAK is facing in implementing its strategy and how these challenges will be overcomed. The content of the detailed information obtained from the questionnaire was thoroughly analyzed to understand the challenges faced by the organization in the implementation of its strategy.
CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents analysis of the research findings. The data was gathered exclusively by use of interview guide as the research instrument. The interview guide was designed in line with the objectives of the study which was to establish what challenges CHAK encountered in the course of strategy implementation and to determine how the organization was overcoming these challenges. The interview schedule elicited data that was qualitative in nature and was analyzed using content analysis.

4.2 Strategy implementation practices

The objective of the study was to determine the challenges that CHAK is facing in its strategic implementation process and how it’s overcoming these challenges. The researcher considered various factors that have been to know to influence strategy implementation process. These factors were researched on CHAK through a guided interview, review of the strategic plan and other CHAK publications. The research findings confirmed that CHAK has put in place various measures that guide the strategy implementation process which include communication, leadership, competent personnel, monitoring and evaluation of the implementation process, adequate resources, strategy supportive culture and organizational structure. The findings also established that CHAK is experiencing some challenges in strategy implementation which include inadequate resources, staffing requirements and changes in government policies.
The study indicated that most of the respondents who were selected from all departments are more than three years in the organization and they are all aware that there is a strategic plan in place. From the responses it’s clear that the employees are aware that CHAK has a strategic plan that covers a time frame of 2011-2016, and are well versed with the mission and vision statement of the organization. It was very clear that the respondents understand the organization mission of facilitating member health units in their provision of quality healthcare services through advocacy, health systems strengthening, networking and innovative health programs. It is very important for the organization employees to understand the mission and vision of the organization since they are the ones who will be involved in the day to day activities of the organization.

The findings of the study established that CHAK has competent personnel who can effectively guide in the strategy implementation. From the respondents it was clear that CHAK has a management team and staff who are qualified and competent in what they do. CHAK is very keen on continuous training of its employees to ensure improvement in the delivery of service to the organization. CHAK hires its employees through a competitive hiring process which ensures it picks the best candidates for the job. CHAK also partners with the government in the hiring for the members units and most of the employees are seconded by the government. Other CHAK implementing partners hold trainings for all member health units and the process there is increased knowledge for CHAK employees. There were some respondents who felt that there was need for regular trainings on the employees so as to improve on their outputs in the organization.
The researcher sought to find out if the top level management of CHAK is in the forefront in providing leadership in strategy implementation. From the respondents it's clear there is top management involvement since the strategic plan is approved at the highest level of the organization which is at the Annual general meeting board held once every year. This is the organization supreme authority and it’s composed of all registered members and meets annually in April. These member units are made aware of the strategic plan so that they can direct the process in their member units. The top management is also involved during evaluation of strategy implementation at various stages through the involvement of EXCO the executing arm of the AGM in the formulation of policies and monitoring program implementation and accountability. The General Secretary is always present in all strategy meetings and provides a leadership role in the implementation process. Top management is essential to the effective implementation of strategic change. Top management provides a role model for other managers to use in assessing the salient environmental variables, their relationship to the organization, and the appropriateness of the organization's response to these variables. Top management also shapes the perceived relationships among organization components. Some respondent noted that there is gap in the involvement of upper management on how strategy implementation activities are progressing and reporting on any challenges that may be encountered in the process.

The research established that CHAK does not have sufficient financial resources for implementation of all activities in the strategic plan. This is because CHAK is donor reliant for financing of its activities and with the increased competition for the donor funds it becomes a challenge to CHAK to finance all its activities. Most donors are keen
on funding some areas which are within their mandate leaving other areas unfunded. Other donors put restrictions on how their funds can be used. This has resulted in CHAK not being to meet some of its objectives. CHAK has resulted to fund raising through other donors to fund the unfunded areas of the strategic plan. CHAK also prepares budgets and annual plans for guidance in financial management. These tools assist the organization in meeting its financial objectives through effective planning.

The researcher wanted to establish if there is adequate communication of the strategic plan to the rest of the staff in the organization. From most of the responses its clear that all staff are involved in strategy formulation and that there is continuous communication of the progress of the implementation process through various media. During strategy development all staff participates where they are involved in developing the SWOT analysis and come up with a log frame for each department. Staff also develops their own work plans based on the objectives agreed upon in the strategic plan. It was also clear from the responses that CHAK has communication system that facilitates dissemination and sharing of information between the secretariat and MHU’s on various operational and technical issues affecting the organization. CHAK has also improved its communication channel through publishing various reports which includes CHAK times, annual reports, newsletters, and also maintaining a website www.chak.or.ke that has made it easy to disseminate information.

The researcher sought to find out if there is continuous monitoring of the strategy implementation to ensure it’s in line with the organizations plans and from the responses its clear there is a monitoring and evaluation department and a monitoring framework.
The indicators show the outputs and the outcomes of the objectives set at the strategic planning stage. Reports on the progress of strategy implementation are prepared on monthly, quarterly and annually. Departmental heads are involved in the monitoring of the progress of implementation in their respective departments. The organization holds midterm evaluation of the implementation of the strategic plan after 3 years. Every year there is annual planning and review of the strategic plan by all staff. The monitoring and evaluation department notes that insufficient funds had been slowing the strategy implementation process since some activities are delayed until there are enough funds to finance them.

The study wanted to find out if the organization culture is compatible with the strategy and most respondents responded that the organization culture does not hinder implementation of the strategy since the organization has values based on Christianity and dynamic employees who are flexible. The values that CHAK upholds include transparency and accountability, adherence to professional ethics, Gender responsiveness and promotion of human rights, embracing creativity and innovation in service delivery, fostering partnerships with other health sector stakeholders and recognition of human resource and investment in their development, motivation and teamwork. The organization also plans annual workshops and team buildings where all members of the organization get to interact with one another. During these meetings the organization values are communicated to all employees. The management also encourages openness on any matters to do with the organization.
The researcher sought to find out the measures that have been instituted to ensure the established policies are in support of the strategy implementation. The respondents indicated that there are policy guidelines that ensures that what is being done is within the strategy which include; finance policy, cost allocation policy, fleet management policy, code of conduct and disclosure policy etc. But there were some respondents who felt that the policies delay some processes hence delaying the project implementation through the lengthy procurement process. Policies are also clear on the tasks and activities in the implementation, and the responsibilities that employees should take, without clear tasks there could also be adverse impact on the implementation of strategy. If employees do not know which responsibilities they have, conflicts may arise, or activities may be forgotten all together (Beer et al, 2000; Corboy, 1999; Al-Ghamdi, 1998; Alexander, 1985).

The researcher was interested in finding out if the current organizational structure supports the implementation of the strategic plan. Majority of the respondents indicated that the current structure is designed to achieve success of the strategic objectives though there were skills gaps that were noted by some respondents to be missing and they needed to filled. The Organization has sought to fill these gaps through the hiring of consultants to assist in the implementing of its strategic activities. Some respondent felt that there is blockage of flow of information from the top to bottom. Blockage impedes the flow of information processes and this means that decisions would be made based on outdated or obsolete information.
The researcher sought to find out what measures are undertaken to minimize resistance to strategy implementation. From the responses it’s clear that there is involvement of all staff in strategy formulation where all departments and sections are well presented so that all their issues are taken into account in the strategy development. The departments are left to come up with solutions and recommendations to the SWOT analysis with the help of an external consultant.

4.3 Challenges of strategy implementation

The first objective of the study was to find out what challenges CHAK is facing in implementing its strategic plan. The researcher sought to find out what challenges the respondents faced on their role in strategy implementation. The responses were varied since each department having their own challenges. Some of the challenges that CHAK is facing in implementing its strategy had been identified in the literature review. The study established the following challenges that CHAK is experiencing in the implementation of its strategic plan.

Changes in external factors is one challenge that CHAK has been facing and this mostly affects financial planning and budgeting which include changes in prices due to inflation and fluctuation of exchange rates. This has resulted in CHAK having to change its budgeting plans and this has an effect on delaying the implementation of the strategic plan.
Lack of involvement of upper management where appropriate on all that is happening and providing progress reports on implementation of the plan. When management is involved in the day to day implementation process it becomes easier to solve any problems that may arise since they are already aware of what is going on.

CHAK has experienced challenges on staffing and this is mostly to do with motivating and retaining the best employees. There has also been incidences of staff demanding salary increment due to the rising cost of living. These put pressure on the finance team since they work with budgets and salary increment may not have been considered in the initial planning. The staff are also demotivated to work due to perceived job insecurity.

Lack of enough resources is another challenge faced by CHAK in implementing its strategy due to the fact that CHAK is donor funded. There are years when CHAK faces budget deficit thus the organization not able to implement all the activities planned for. The researcher established that donor funds areas they are interested in that are within their mandate. The areas of the strategic plan that are not directly related to donor interests remain unfunded. Most respondents indicated that sufficient resources were lacking for the successful implementing of the strategic plan hence a problem that needs to be tackled quickly.

Another challenge is that donors have shifted from long term projects to emergency projects on peace and reconciliation which are not a major part of CHAK mandate. This has affected CHAK greatly since most of its projects are long term and based on health
system strengthening. CHAK is diversifying its donors so that they can manage to fund all their programs and activities. CHAK being an organization that has long term goal of improving health facilities in member units can not benefit from emergency projects.

CHAK faces competition from the private sectors and other government institutions for the available space and resources. This is because there are few donors and many organizations hoping to receive funding from the few existing donors. There are many faith based organization who rely on the same donors CHAK relies on. This has brought challenges for CHAK because they are never sure if they will receive funding for the proposals they send. This means that CHAK has to come up with other means of fundraising to cater for the deficit in the funding. This affects the implementation of CHAK activities since they are forced to change their plans so as to compete effectively with the competitors.

Lack of effective monitoring and evaluation of the strategic plan implementation was noted as a challenge during the interview though not all respondent felt that there was insufficient monitoring of the process.

Changes on government health policies is another challenge facing CHAK in implementing its strategy. This is because CHAK plays the leading role as a government partner in the implementation of health policies on behalf of all MHUs. If the government changes its health policies it also has effect on CHAK policies hence posing changes in the implementation of the strategic plan. These changes in policies may include mass
recruitment of health personnel by the government which most of the time is unexpected by CHAK. This may even call for change in the strategy. CHAK has to work under the directive of the government hence all changes in government policies affects its activities.

4.4 How CHAK is addressing the challenges experienced

The second objective of the study was to establish how CHAK is addressing these challenges faced in strategy implementation. From the findings it’s clear that CHAK is trying to address these issues through getting feedback during midterm evaluation on areas where they need to improve for a successful implementation of the strategic plan. CHAK is keen on developing policies to cover areas where problems have been identified in the strategy implementation process. These policies serve as guide on what is expected of the various members of the staff executing the implementation. CHAK has been keen on ensuring that the strategy is successfully implemented and this has been done through the various strategy meetings held by the organization on the implementation of the strategic plan.

CHAK is addressing the issue of motivation and retention of its talented staff through aligning pay structure to job evaluation recommendations and reward system, enhancing a high performing work culture, reviewing human resource management and staff development policies. This is expected to result in increased motivation on the staff which will be reflected in improved performance on the employees. CHAK is also managing the staff development and skills building programmes. Salary reviews by
external evaluators have been done to ensure the salaries are harmonized within the environment. CHAK has plans of training its health workers to enhance capacity buildings. This training will enhance quality of service delivery by CHAK to its member health units.

The issue of inadequate resources is being addressed through plans to increase the pool of donors and fund raising to meet the budget deficits. The programmes department has plans to diversify their fundraising by marketing and writing proposals to address areas not funded in the current strategic plan. Sufficient resources are another crucial factor in strategy implementation. First, because of the large scope of most strategic decisions, sufficient funding is needed for the implementation process. People are the second important resource. Personnel with the right skills for the new strategic decisions should be involved in the implementation. Furthermore, these employees should have enough time available for the implementation. The challenge of skills gap is being addressed through the hiring of external consultants to fill in these gaps as the organizations makes plan for hiring of permanent employees. This ensures that there is no gap in human resource requirements during the strategy implementation process.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter describes the summaries and discussion of the results of the research, limitations, recommendations and areas of further research stemming from this study.

5.2 Summary of findings

The study sought to establish the challenges faced by CHAK in the implementation of its strategic plan and how the organization was overcoming these challenges. A number of critical findings that are important to CHAK, other faith based organizations and other academicians were recorded. It is clear that CHAK is on the frontline in strategy implementation as most respondents indicated that it involves all employees in the strategy formulation process, there is adequate communication of the strategy to all staff, there is monitoring and evaluation department and framework, and there is strong leadership which are all essential for successful strategy implementation.

CHAK has an implementation approach for the 2011-2016 strategic plan, Which include; an organizational work culture characterized by participatory planning, focused implementation and monitoring which will be central in the strategic plan implementation, redefining the organizational structure to ensure optimal efficiency and effectiveness in the plan’s implementation, CHAK Secretariat maintaining a facilitative approach that incorporates elements of implementation especially for innovative projects
that address the identified priorities, CHAK will restructure to facilitate engagement with county government structures that have been created by the new constitution, The CHAK Secretariat will seek to maintain a human resource compliment that is lean, efficient and cost effective, CHAK will retaining its role as a resource organization for its members and CHAK will give priority to the health sector coordination structures and opportunities and build capacity of its membership and implementation of the strategic plan will be monitored and backed by operational research, data gathering, processing, disseminating and management.

From the findings CHAK has in place a strategic plan covering the 2011-2016 periods. The organization vision is to ensure all member health units providing efficient and high quality health care that is accessible, equitable, affordable and sustainable, as a witness to the healing ministry of Christ and the mission is to facilitate member health units in their provision of quality healthcare services through advocacy, health systems strengthening, networking and innovative health programs. From discussions held with the employees its clear they are well aware of the mission and the vision of the organization. CHAK strategic priorities include Health services, Health system strengthening, Governance and accountability, Health care financing and sustainability, Project management, research advocacy and Communication and human resource Management.

The implementation of the strategic plan is facilitated by the Secretariat under the leadership of the General Secretary. The secretariat will be restructured into three departments namely Health services, Institutional and organizational development and
Financial management and administration. These three departments are supported by an ICT, HMIS/M&E and HR units under the office of the general secretary responsible for the functions of IT, HMIS, communication, publication and M&E.

The researcher found that CHAK depends on donors for funding its programs and operation. The 2011-2016 strategic plan is not fully funded. Some donors fund specific areas on the strategic plan, this leaves some areas on the strategic plan unfunded. This has really delayed the strategy implementation process. CHAK has embarked on fund raising for the strategic plan implementation through various donors, advocacy and also writing of proposals.

Challenges of staffing were identified where the organization has experienced staff turnover which can be linked to demotivation. There have been cases of staff demanding salary increment so as to adjust to the rising cost of living. This has led to delay in implementation of the strategy in situations where employees resign in their current duties. The organization has been put to task in ensuring that employees needs are met and that they are motivated to work well. The Human resource department is keen on developing policies that ensure staff retention and motivation. These policies should include benefits tagged to performance, annual appraisals, salary reviews based on the results of the appraisal, open session with staff so that they can air their issues.

Another challenge facing CHAK strategy implementation is that some of the current donors CHAK is working with have changed their mandate from provision of quality
healthcare to peace and reconciliation and emergency activities. This has affected CHAK greatly as most of the areas on the strategic plan are unfunded. CHAK is dealing with this problem by diversifying its funding through marketing and writing proposals to address areas not funded by the current donors and advocacy.

Unplanned circumstances and changes in the external environment is another challenge facing CHAK strategy implementation where there are very erratic exchange rate fluctuations considering CHAK relies on donor funds which are availed in foreign currency. Another unplanned circumstance is the abrupt change in prices of commodities due to inflation. This affects budgeting which has an effect of delaying the strategy implementation process.

5.3 Conclusion

The aim of the research was to provide insights to the challenges that CHAK was facing in implementation of its strategic plan as well as identify how the organization was dealing with these challenges. It can be noted that whereas most of the challenges of strategy implementation faced by CHAK had been identified in the literature review there are some that were not identified especially due to the fact that CHAK is donor funded. One such challenge includes change in the donor mandate, donor funding only the areas that are of interest to them. Other challenges faced by CHAK in strategy implementation were identified in the literature review as well as in the findings of the study. These include resource allocation, staffing, and organizational policies and procedures. The organization has taken steps to deal with some of the challenges identified.
Based on the findings the study concludes that inability to receive all required funds from donors brings about delay in implementation of strategy. This problem of inadequate funds has led to some areas on the strategic plan not being implemented and delay in other strategy areas. CHAK needs to put as top priority increase the amount of funding for projects so as to effectively implement its strategy. Resources are very crucial for any strategy development and without both financial and human resources there is no much that can be accomplished in the implementation of the strategy.

The study concludes that existing policies e.g. procurement procedures hinder implementation of strategy because of delay due to long procedure. However there is need for the organization to note that planning is required well in advance so that the following of required policies will not be the hindrance to the timely implementation of the strategic plan.

5.4 Recommendations for Policy and Practice

This study recommends that CHAK should source for more donors who are willing to fund the unfunded project activities on their strategic plan and whose mandate matches to that of CHAK. This will ensure that all areas on the strategic plan have been adequately funded for implementation.

The study recommends that CHAK needs to understand the environment in which its operating and how it can deal with the environmental factors. The following critical questions need to be addressed; what are the critical changes the market faces over the next one, three, and five years? How well is the organization positioned for the anticipated market changes?
The study recommends that staff motivation and retention is important for ensuring success of strategy implementation. The human resource department should ensure that mechanisms are put in place to ensure that the staffs are motivated. This should include annual evaluation of their performances and basing their salary reviews and bonuses on the recommendations of the evaluations.

The study recommends that there should be continuous monitoring of the strategic plan implementation to ensure performance evaluation of organizations which should be done quarterly, semi annually and annually to ensure better performance. With proper continuous monitoring issues that arise are resolved in good time. With continuous monitoring departmental heads will also be keen to ensure they are working hard to achieve the objective they came up with during the strategy development phase.

The study recommends Involvement the upper management where appropriate during the strategy implementation process. Keeping the organization’s executives informed on what is happening and providing progress reports on the implementation of the plan. Letting an organization’s management know about the progress of implementation makes them a part of the process and should problems arise the management will be better able to address concerns or potential changes. This ensure there is clarity to all involved in the process as to what is going on in terms of implementation and what challenges are being encountered.
5.5 Limitation of the study

The interviewees were very cooperative in responding to the interview questions. However, time was limited for them to give deeper and more elaborate explanation. As a result, they preferred to give brief responses. Another challenge is that only 5 respondents out of the chosen 7 were interviewed, though the data collected was considered to be representative.

Interviewees were also careful not to give information which in the opinion of the organization could be viewed as sensitive and unsuitable. In this regard, they were very careful on what information they were giving, however this did not deter them from giving information that they perceived factual and necessary.

5.6 Suggestion for further study

The study was carried out on challenges facing strategy implantation at CHAK. Further research should be carried out in similar faith based organizations to find out challenges facing implementation of strategy so that organizations can minimize and eradicate them for maximum achievement of their operations.

5.7 Implication of the Study on Policy and Practice

Upon Implementation of a strategic plan it is expected that CHAK will adopt several policy changes directed towards promoting effective delivery of service to the member health units and contribute to the stability of the resource requirements. Some implication of the changes in policy includes; some segments of the organization will feel threatened when a strategic plan is put into practice due to the resistance they have to change. People
tend to resist change because of a perceived threat either real or imaginary to their existing norms and values. This is because any changes of the prevailing state of things and especially in human organizations involves rearrangement of patterns of power, association, status, skills, values and priories. Some sections of the population may view an anticipated change to strategy as threatening their status and position and hence reject it. Others especially those who identify with management may view it as enhancing and hence embrace it.

The General Secretary of CHAK while addressing this perspective to managers of different departments could encourage its adoption, however this is not sufficient to guarantee adoption of the strategic plan. The strategic plan requires different expertise in different areas to guarantee its adoption and diffusion into the organization.
REFERENCES

Awino Z. B. (2001). Effectiveness and problems of Strategy implementation of financing higher education by HELB. *Unpublished MBA project, UON.*


Deloitte and Touche LLP, Business planning and strategy Implementation


APPENDICES

Appendix I: Interview Guide

Department………………………………………………………………………………

Job title………………………………………………………………………………

Number of years in the position…………………………………………………..

1. Do you know the CHAK mission, vision statement? Please state

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2. Does CHAK have a strategic plan and what time frame does it cover?

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3. Does CHAK have competent personnel who can effectively guide in the strategy implementation? Please elaborate

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4. Is the top level management of CHAK in the forefront in providing leadership in strategy implementation? Please elaborate

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5. What measures are taken to ensure the organization culture is always compatible with the strategy? Please elaborate

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6. What measures have been taken to avail resources to enable CHAK implement its strategy? Please elaborate

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7. Are the available resources adequate for strategy implementation? Please elaborate.

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8. Is there adequate communication of the identified strategy to staff in your department for their understanding and acceptance? Please elaborate

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9. Is there continuous monitoring of the strategy implementation to ensure its in line with the organization plans? Please elaborate

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10. Who does the monitoring and how often is it done?

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11. What measures have been instituted to ensure established policies are in support of the strategy implementation?

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12. Does the current organizational structure support implementation of the strategic plan? Please elaborate

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13. What measures are undertaken to minimize resistance to strategy implementation?

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14. What challenges have you faced in your role in the implementation of the strategic plan?

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15. How have you addressed the challenges faced in strategy implementation?

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Appendix II  Data Collection Authority Letter

Date: 8/8/2012

To whom it may concern,

The bearer of this letter, Kinyere Tabitha Njeri,
Registration No. D6164 (2019),
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,

[Signature]

IMMACULATE OMANO
MBA ADMINISTRATOR
MBA OFFICE, AMBANK HOUSE
Appendix 111 Letter of Authorization from CHAK

Christian Health Association of Kenya
Musa Gitau Road, Off Waiyaki Way,
Lavington, Nairobi, Kenya
5th Sept, 2012

Tabitha Kinyoe
Po Box 2313-00202
KNH Nairobi

Ref: Research Proposal on CHAK strategy implementation

We acknowledge receipt a letter dated 8th August 2012 from the University of Nairobi confirming that you are a masters of business admin student at the institute currently working on your research proposal.

We have noted your request to carry out research on strategy implementation challenges at CHAK and do hereby grant you permission to carry out the data collection exercise from our senior management team. Given your chosen area of research, we do hope that this information will be used solely for academic purposes.

We do hope that you will make available a copy of the final report once you have completed your study.

Kind regards

John Nzimo
Finance and Administration Manager

"Promoting access to quality health care"

CHAK seeks to contribute to a just and healthy nation through planning, advocacy, capacity building, technical support, essential drugs access, maintenance of medical equipment, networking, information management, innovative health and HIV/AIDS programmes and witnessing about Christ.