

**STRATEGIC MANAGEMENT PRACTICES IN THE CITY COUNCIL OF
NAIROBI**

ASOKA RACHAEL RENETA

**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN
PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD
OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA),
OF THE UNIVERSITY OF NAIROBI.**

NOVEMBER 2012

DECLARATION

This is to declare that this research project is my original work that has not been presented to any other University or Institution of Higher Learning for examination.

Signed: _____

Date: _____

ASOKA RACHAEL RENETA
REG.NO D61/62815/2010

DECLARATION BY SUPERVISOR:

This is to declare that this project has been submitted for examination with our approval as the university supervisor.

Sign: -----

Date: -----

Jeremiah Kagwe

Lecturer,

Department of Business Administration

DEDICATION

My study is dedicated to the following: My loving husband John for his support and patience during the entire period of my study. My adorable son Kyle, for the time spent away from him during my field study.

I pay glowing gratitude and tribute to my family for the overwhelming support and encouragement during the entire period of study.

Thank you and God bless you abundantly.

ACKNOWLEDGEMENT

I would like to express my sincere thanks to my supervisor Mr. Jeremiah Kagwe, lecturers at the University of Nairobi MBA programme School of Business for agreeing to supervise this research paper.

I am grateful to my family for giving the invaluable support to concentrate on this research.

I would like to give special thanks to my friends Lilian Nderitu, Abraham Birech, Roselyn Aluoch and Jude Lumumba for the consistent encouragement.

Lastly I thank Almighty God as my source of all inspiration in allowing me to undertake this project that was too involving in terms of time and resources.

ABSTRACT

The concept of the strategic management practices covers organization-wide issues in the context of a whole range of its operational influences. The conceptual motivation of this study lies on the notation that an organization has to align its operational functions with the overall strategic goals and objectives. Contextually, the city council exists to achieve a purpose and they must ensure that they have resources required to do so and they use them effectively. In the globalization integration era, the business environment is becoming fierce than before; organizations of all types and sizes are facing continually changing situations externally and internally. The aim of this study was to determine practices and challenges of strategic management in the city council of Nairobi. This was a case study where primary data was collected using interview guide. The data obtained from the interview guide was analyzed using qualitative analysis. The study found that senior managers, directors, middle managers, departmental heads and other lower level employees were involved in strategic management process in the City Council of Nairobi but the middle level managers played the pivotal role in the implementation. The study found that effective communication throughout the organization leads to a clear understanding of key roles and responsibilities of all stakeholders including middle managers, whose role is often pivotal and ensures that everybody understands success levels at all times. Also the study found that early involvement of employees in the strategy process helped members understand super-ordinate goals, style, and cultural norms and thus become essential for the continued success of a firm strategy implementation. It also prevents them from being taken by surprise, puts all members at the same platform, and helps the employees to own the process thus ensuring better results. The study concluded that the management should be competent so as to ensure good strategy objective setting, and manage resistance to strategy implementation. The study recommended that although the city council of Nairobi had been successful in the strategic management practices, there is need to continuously train its employees on how the strategy should be implemented, involve staff in decision making and employ efficient communication that avail information on strategy to all stakeholders.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the study.....	1
1.1.1 The Local Government Authorities in Kenya	2
1.1.2 The City Council of Nairobi.....	3
1.2 Research Problem.....	4
1.3 Research Objectives	5
1.4 Value of the Study.....	6
CHAPTER TWO: LITERATURE REVIEW	7
2.1 Introduction	7
2.2 Strategic Management Practices	7
2.3 Strategic Management Practices	10
2.4 Challenges of Strategic Management practices.....	12
CHAPTER THREE: RESEARCH METHODOLOGY	16
3.1 Introduction	16
3.2 Research Design	16
3.3 Data Collection.....	16
3.4 Data Analysis	17
CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION	18
4.1 Introduction	18
4.2 Data Analysis	18
4.3 Research Findings	18
4.3.1 Strategic Management Practices	18
4.3.2 Challenges of Strategic Management Practices	21
4.4 Discussion	22

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	26
5.1 Introduction	26
5.2 Summary of Findings	26
5.3 Conclusions	27
5.4 Recommendations for policy and practice	28
5.5 Limitations of the study.....	28
5.6 Recommendations for Further Research	29
REFERENCES	30
Appendix 1: Interview Guide	34

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

The concept of the strategic management practices covers organization-wide issues in the context of a whole range of its operational influences. According to Pearce and Robinson (2003) strategic management is the process of specifying an organization's objectives, developing policies and plans to achieve these objectives, and allocating resources so as to implement the plans. It is the highest level of managerial activity, usually performed by the company's top management and executive team and it is aimed at providing overall direction to the whole enterprise. In practicing strategic management practices, organizations seek to reposition themselves in order to create new competences and capacities to exploit and deal with new situations. According to Pearce and Robinson (2009), these practices are the flow of information through interrelated stages of an analysis towards the achievement of an aim. In strategic management practices, the flow of information involves historical, current, and forecast data on the operations and environment of the business. Managers evaluate these data in light of the values and priorities of influential individuals and stakeholders that are vitally interested in the actions of the organizations.

In the context of the public sector, strategic management is largely diffused, especially as devised initially as the sum of two distinct processes: strategy formulation and subsequent strategy implementation (Andrews, 1971). The investigation and understanding of strategic management practices in the City council of Nairobi is crucial in view of the reforms the many institutions are undertaking in the sector, which include introduction of performance based management in organizations for effective service delivery and in light of the new dispensation of the current new constitution in Kenya. The council is mandated to provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include basic education, housing, health, water and sewerage, refuse and garbage collection, planning and development control, urban public transport and fire services among others (City Council of Nairobi Handbook, 2007). However, the absence of proper strategic management practices in the 21st century has been a key handicap with the current plan approved for Nairobi dating

back to 1948. As a result unplanned and piecemeal development, informal settlements, lack of sufficient sanitation, increasing pollution of water supplies, rising amounts of solid waste and traffic related fumes are currently all taking their toll on the health and wealth of the city.

1.1.1 The Local Government Authorities in Kenya

Local Authorities in Kenya was created under CAP 265 of the laws of Kenya. The Kenyan local governance system is composed of 4 tiers of Local authorities which includes cities, municipalities, towns and county councils. There are currently 175 local authorities. Chapter 265 of the Laws of Kenya regulates their operations. It is part of the government and is fairly autonomous in nature. The Ministry as part of the central government provides a supervisory and control role including approval of budgets. Besides the Ministry of Local Government, the Local Authorities coordinate with other Government Ministries, non-governmental organizations as well as local community groups to ensure that Government policy and the expectations of residents in their jurisdiction are executed harmoniously (www.citycouncilofnairobi.go.ke). Local Authorities are created and mandated to provide and maintain a variety of public services, initiate infrastructure development at the local level and undertake basic administrative tasks. To enable them perform these tasks, they are authorized to generate revenue from specified local sources. Successful execution of their mandate stimulates economic development. Due to rapid population growth in most urban centers in Kenya, the resources available have been strained and hence the importance of efficient and effective strategic management practices.

The local authorities' strategies are formulated and implemented on a system based on standing committees composed of councillors and departments represented by managers and support personnel. Strategies are developed based on departments and their respective sections. Local authorities' strategies are developed prior to a defined period (Ondati, 2001). The committees set forth the performance objectives for each department and offer a means for comparing actual performance against planned objectives. It also facilitates central co-ordination among the various departments and committees. It is in

the light of this state of affairs that this study will undertake to investigate the strategic management practices at the City Council of Nairobi.

1.1.2 The City Council of Nairobi

The birth of Nairobi as a city was the result of the railway construction by the British when halfway on the route from the coast to Lake Victoria, the railway engineers found a flat expanse of land with adequate water supply. It was decided that this was a suitable place to build railway repair yards and workshops. Soon a tent city of traders, adventurers and settlers grew. With the completion of the railway, the headquarters of the colonial administration was moved from Mombasa to the cooler, small settlement of Nairobi. Now, as the capital of the British Protectorate, the future of the city on the swamp was assured. Once the railway was up and running, wealth began to flow into the city (www.citycouncilofnairobi.go.ke). Nairobi; Kenya's capital city, has risen in a single century from uninhabited swampland to a thriving modern capital.

Nairobi was made a Municipality in 1935 by a Charter given by the Queen of Britain before the independence of Kenya in 1963. City Council of Nairobi was set up in 1952 charged with the function delivering services to the residents of Nairobi and maintaining the City status of Nairobi. City Council of Nairobi derives its legal mandate from the Local Government Act (Cap 265) of the Laws of Kenya amongst other Acts of Parliament that augment its diverse core functions and priorities (www.citycouncilofnairobi.go.ke). These priorities are contained in various policy and planning documents such as the National Development Plans, Poverty Reduction Strategy Paper and Economic Recovery Strategy (ERS) for Wealth and Employment Creation in the medium term and Kenya's vision 2030 & the Millennium Development Goals (MDG's) in the long term.

The mandate of the City Council of Nairobi is provide and manage basic social and physical infrastructure services to the residents of Nairobi. These services include Pre-primary and primary or basic education, public health and sanitation, environmental protection and management, roads drainage and security lighting, water supply and sewerage, refuse and garbage collection, urban planning and development control, urban

public transport management, public housing, fire services , provision of burial services and sites, community development, and enforcement of City By-Laws (www.citycouncilofnairobi.go.ke).

Nairobi's population has grown from an estimated 1.1 million in 1985 to around 3 million today with the numbers set to rise to about 4 million by 2015. An estimated 44 per cent of the city's population lives below the poverty line (www.citycouncilofnairobi.go.ke). Some of the challenges that the City Council of Nairobi has been experiencing include stiff competition from private companies taking over its core mandate of service delivery i.e. parking services now being offered by companies like KAPs, and fire services being offered by companies like G4S, unplanned and piecemeal development, informal settlements, lack of sufficient sanitation, increasing pollution of water supplies, rising amounts of solid waste and traffic related fumes are currently all taking their toll on the health and wealth of the city that can be attributed to inadequacy in the managerial practices. It is in light of this that the current study seeks to establish the factors affecting strategic management practices in the City Council of Nairobi and the challenges faced during the strategic management process. The results of this study will facilitate efficient service delivery.

1.2 Research Problem

The conceptual motivation of this study lies on the notation that an organization has to align its operational functions with the overall strategic goals and objectives. Contextually, the city council exists to achieve a purpose and they must ensure that they have resources required to do so and they use them effectively. In the globalization integration era, the business environment is becoming fierce than before; organizations of all types and sizes are facing continually changing situations externally and internally. Furthermore, how to cope with these ambiguities and how to achieve competitiveness and expected level of performance is a real challenge for every organization. Organizations have to take appropriate actions to deal with these challenges.

Studies have been carried out with strong recommendations for further research to bridge the knowledge gap as little is known regarding the true picture of strategic management

practices in City councils. Kan'goro (1998), in a study concentrating on aspects of strategy formulation, as opposed to entire strategic management process, observed that strategic management is practiced in the City councils but recommended that a study be conducted to document aspects of strategy implementation, evaluation and control in the sector. She further noted that regular studies be conducted to document the effects of environmental changes on strategic management in City councils organizations. Aosa (1992) indicated that an investigation of strategic management practices in public sectors organizations would increase the understanding of strategy processes in organizations in Kenya.

In a closely related study on Change Management Processes in the service institutions, which involved only the Civil Service Reforms Secretariat, Nyamache (2003) observed that strategic management is being practiced in the sector but recommended further study on ministries and their departments. In his study on challenges of strategy implementation at the Ministry of Finance, Aten'g (2007) also observed that strategic management is being practiced in the City councils but suggested that there is need to undertake further research in strategy implementation in the sector in view of numerous well written strategic plans that are yet to be implemented. He similarly recommended replication of studies on strategy in the City councils to facilitate comparison across different institutions in the sector. Given a discontinuous and surprise environmental turbulence, strategic management practices of an organization should be flexible, dynamic and entrepreneurial so as to allow timely implementation, this study sought to fill the gap by seeking answers to the question: what strategic management practices are being undertaken at the City Council of Nairobi for effective performance?

1.3 Research Objectives

This study aimed at achieving the following objectives:

- i. To identify the strategic management practises used in the City Council of Nairobi.
- ii. To determine the challenges of strategic management practices at the City Council of Nairobi

1.4 Value of the Study

Theoretically, the study would help in appreciating the strategic management practice approach by the city council of Nairobi as an achieving strategic concept for its contribution to employees' performance. It would also help to ascertain how the study will inform the need, if any, to re-orient the strategic choices of the city council in order to turn it into a sustainable organization while delivering on its core mandate of offering services to the Nation. The findings of the study will be important to council in assessing if the practice of strategic management has been entrenched in the institution.

The results of this study will also be invaluable to researchers and scholars, as it will form a basis for further research. The students and academics will use this study as a basis for discussions on strategic management in local government in general and the desire for its introduction in effective management of similar institutions. In particular it is hoped that the findings of this study will enable the council evaluate whether its own practices accord with what should be the function and its own mandate. Moreover this research will form a theoretical reference in the field of strategic management within its core concepts of strategic management practices.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter summarizes the information from other researchers who have carried out their research in the same field of study. The specific areas covered here are the concept of strategic management practices, strategic management process and challenges of strategic management practices.

2.2 Strategic Management Practices

Strategic management is a discipline originating in the 1950s with the work of Chandler, Selznick, Ansoff and Drucker. As a concept it refers to all decisions, processes, and actions that enable an organization to define and control strategies for achieving long-term objectives. Thus, it involves the specification of a company's vision, mission, and objectives, developing plans and programs, as well as allocating resources to implement them. Its underlying assumption suggests that companies can reach their goals if they are in step with the environment, hence it involves being able to analyze internal and external situations to align a firm's activities with the environmental context (Hax and Majluf, 1991).

Like research on entrepreneurship, strategic management research is also focused on how firms adapt to environmental changes and create wealth. Moreover, they both become more important in times of uncertainty (Sagini (2007). However, strategic management has put more emphasis on how to establish competitive advantages since they are considered key determinants of a company's ability to obtain above-average returns (Osbourne, and Gaebler (1993) describe firm's behaviour as advantage-seeking). Moreover, it stresses the importance of using managerial tools such as strategic planning which is the major component of strategic management and gives rationality to the formulation, implementation and evaluation of strategies (Hax and Majluf, 1991).

According to Pearce and Robinson (2009), strategic management is an improvement in management process, where long range planning and business policy are blended, with

increased emphasis on environmental forecasting and external considerations in formulating and implementing plans. According to Osbourne, and Gaebler (1993) organizational strategic management is a careful planning, organization and execution of an alteration from the norm to the unknown which will require thinking and doing things differently. The entire process has to involve people from the beginning to the end by making the stakeholders buy into the strategy process and own the process itself. Strategy must be managed because it is disruptive and alters the equilibrium of operations. It results in a paradigm shift and causes variations in the status quo. Wataku (2007) adds that, it is vital to carefully manage strategy for the good of the people affected and the organization. Good strategy management yields good results.

Irrespective of where strategy comes from, whether the product of top executives or collaborative product of numerous company personnel, it is unlikely that the strategy as originally conceived, will prove entirely suitable over time. Every organization must be willing and ready to modify its strategy in response to changing market conditions, advancing technology, the fresh moves of competitors, shifting buyer needs and preferences, emerging market opportunities, new ideas for improving the strategy, and mounting evidence that the strategy is not working well. Thus, an organization's strategy is always a work in progress shaped partly by management analysis and choice and partly by the necessity of adapting and learning by doing (Osbourne, and Gaebler, 1993).

According to Kan'goro (1998) setting objectives and using them as yardsticks for measuring the organization's performance and progress is a major operational strategic process. He further views objective as a quantification or more precise statement of the goal that moves the organization along the strategic course that management has chart. Sagini (2007) explains that the term strategy originated from the name of a great Greek battle planner, Stratego. The verb "stratego" therefore means to plan, and planning has been used by individuals, families, armies and small groups for centuries before societies evolved into social organizations, leading to its formalized application as a science as well as an art of leadership and management. Emphasizing the importance of strategy, Peters and Waterman (1982) point out that "Get the strategic plan down on paper and the right organization structure will pop out with ease, grace, and beauty".

Peters and Waterman (1982) emphasized on implementing and executing the chosen strategy efficiently and effectively as a crucial stage in strategic management process. Morgan, Levitt and Malek (2007), stress that strategic execution requires a system wide approach that consistently drives organizations to do the right things, and to do those right things right. Such an approach helps identify, map out, and prioritize the necessary project investments so that everyone understands what they must do and how to interact with others to execute strategy.

According to Morgan et al, (2007) strategic management practices entails evaluating performance and initiating corrective adjustments in the organization's long-term direction, objectives, strategy and its execution in light of experience, changing conditions, new ideas, and new opportunities. Changing circumstances and ongoing management efforts to improve the strategy cause an organization's strategy to evolve over time, hence the need for continuous surveillance through evaluation and appropriate reaction. Given that strategic management process is based upon the belief that key external and internal events and trends should continually be monitored, organizations should pursue strategies that take advantage of external opportunities, minimize the impact of external threats, capitalize on internal strengths and mitigate internal weaknesses.

Effective strategic management practices require an integrative point of view. Not only the organizational structure, but cultural aspects and the human resources perspective are to be considered as well (Andrews, 1987). An implementation effort is ideally a boundary less set of activities and does not concentrate on implications of only one component, e.g. the organizational structure. It is of great importance to integrate soft facts as well in the reflection of the implementation process. It is the consideration of soft and hard facts together that ascertains that cultural aspects and human resources receive at least the same status as organizational aspects. Altogether, such an integrative interpretation allows an important scope of development for implementation activities (Sagini, 2007).

According to Ansoff and MacDonnell (1990), Strategy is a set of decision-making rules for guidance of organization behavior. They further argue that strategy is illustrative and somewhat abstract concept. Its formulation typically produces no immediate productive action in a firm. It is an expensive process both in terms of money and managerial time.

2.3 Strategic Management Practices

The view that strategy should be managed through planning process as in form of a sequence of steps is supported by among them Ansoff (1990), Andrews (1987) and Michael Porter (1980s). This view assumes some degree of consensus and among decision makers. This involves objective setting, analysis of environmental trends and resource capabilities, evaluation of different options and careful planning and implementation of strategies (Johnson and Scholes, 2003). Strategy is then communicated to the organization and implanted through successive organizational layers.

Strategic management processes should be designed to fit the specific need of the organization. It is argued by Momaya and Selby (1998) that every successful model must include vision and mission, environmental analysis, setting objectives and strategic analysis choice. Identification of the institutions vision and mission is the first step of any strategic planning process. What is our business and what will it be? (Henricksson and Ericsson, 2005). This helps in infusing the organization with a sense of purpose and direction and giving it a mission. A mission is a statement that broadly outlines the organizations future course and serves as a guiding concept. Once the vision and mission are clearly identified the institution must analyze its external and internal environment. The environmental analysis is performed within the frame work of the SWOT analysis, analysis of the information about organization's external environment (economic, social, demographic, political, legal, technological) and internal organizational factors.

Momaya and Selby (1998) studied the international competitiveness of the Canadian construction industry. Whereas competitiveness had been studied at the corporate and national levels, its usefulness at the industry level had not been explored. The research objective was to develop a model to evaluate competitiveness at the industry level. Motivated by persistent problems of the Canadian construction industry, an attempt was

made to quantify its international competitiveness. The industry was compared with its counterparts in Japan and the United States. Competitiveness is defined, the different dimensions of competitiveness are illustrated, and the need to quantify competitiveness is discussed. A multi criteria hierarchical model was developed and tested using both statistical and survey data.

Henricksson and Ericsson (2005) reviewed the existing measures of competitiveness, challenges productivity and profitability as the dominant measures of industry competitiveness and introduced a more holistic set of measures that addresses the needs of investors, employees, clients and overall society. Their research also reported upon the application of this more holistic set of measures for measuring competitiveness and presents results for the Swedish construction industry.

Dikmen and Birgonal (2003) studied the perspectives of Turkish Companies. The objective of the study was to propose a conceptual framework for the analysis of a strategic perspective and present results of a questionnaire carried out to explore the strategic perspectives of Turkish contractors. Objectives, strategies, and competencies of Turkish contractors were analyzed together with competitive rules prevailing in the Turkish construction industry. The determinants of strategic perspective were further used as a guide for setting a strategic agenda for construction companies with different characteristics and operating in different submarkets.

Berley (1994) explored the factors associated with company failures in the context of the construction industry. To that end, the four quadrants of an 'environment/response' matrix developed by (Grant, 2005). *Journal of Small Business Management*, 29, 33–42) are populated with Dun and Bradstreet's US business failure data for the construction industry. The study indicates that budgetary and macroeconomic issues represent 83% of the reasons for construction company failures. This implies that firms that take vigorous administrative measures to address budgeting issues and that react promptly to economic conditions by implementing appropriate strategic policies should be able to avoid failure.

2.4 Challenges of Strategic Management practices

The following are set of conditions shaping the competitive environment for emergent industries in the digital revolution and knowledge-intensive companies; the market place is evolving and immature and its boundaries are unclear Berley, (1994). The products in terms of goods and services are getting more complex causing the future to be uncertain. The concept on market place and globalization is so critical to the operation of traditional tools of business management. The rapid rate of change and technological innovation mean that organizations have to be agile and flexible in terms of strategic planning. The change is at sometimes too often and unpredictable, therefore challenging the already set strategic plans in a given period (Grant, 2005).

Expertise intensive organizations depend on employee's knowledge for success. The firms will require structures to support the creative process of these individuals as well as the conversion of ideas into marketable products or services Berley, (2005). This is because their input is a key component in the firm's products and services. These products or services give the firm a competitive advantage ahead of its competitors (Porter, 1985). The firm will therefore require proactive measures in its strategic management processes and practices to sustain such expertise in individuals who are part of superior products and services to the organization. The challenge is how to sustainably and strategically manage such talents that add value to the customers. This is because the competitors are grasping for the same talents. The firm has to balance fair Compensation and survival.

Organizations have to look to their internal resources for the formulation, implementation and control of strategic management practices. This requires knowledgeable employees in the area of study. It also requires finances and time Mintzberg et al, (1999). The challenge has been that some small firms, lack the expertise in strategic management practices. The employees in place could be few in a manner that they lack sufficient time to be involved in strategic management issues. Some owners of small firms get involved in routine management, therefore lacking time to look at the big picture and long term state of the firm. Some top managers see strategic management as too much

time consuming (Grant, 2005). Financially, the firm too has to set aside budgets for the activities involved in strategic planning and management. Insufficient involvement of employees at communication stage of the strategic plan may pose as a challenge. Thorough interaction between management and workers during organization analysis enhances employee's involvement. If the workers perceive their contribution as ignored, the strategic plan may lead to failure at implementation. Furthermore, strategic management is a top management affair Waren, (2000). Though the departmental heads are fully involved, more often the workers are not fully aware of strategic management practices and how it affects them at work place. At times, the employees at lower levels get suspicious of top management apparent change of organizational structures. This makes staff resistant to necessary change that is aimed to benefit the firm and all stakeholders including the workers.

Studies have shown that two thirds of transformation initiatives fail. According to Sirkin, (2005), strategy Management is a set of ideas, strategies and skills that can be applied to engage strategy effectively, during planning, implementation and supporting continuous improvement following strategy. The key benefits of strategy management include; helping one to recognize the power of human dynamics in a strategy process, acting as a map for guiding action and helping stay on course rather than getting caught up in the complexity and tumult of strategy and thirdly, it can help you develop a relationship you need to maximize effectiveness of a strategy effort.

The pace of strategy is ever increasing-particularly with the advent of the internet and the rapid deployment of new technologies, new ways of doing business and new ways of conducting one's life. Organizational strategy management seeks to understand the sentiments of the target population and work with them to promote efficient delivery of the strategy and enthusiastic support for its results. Strategy can be looked at in two levels; the first level is generic enough to apply to any type of strategy. It is mostly targeted at understanding the human response to strategy and creating effective strategies for engaging people to achieve strategy. The second level of strategy management includes strategies that are specific to a particular type of strategy, Sulle, (2009). There are two related aspects of organizational strategy that are often confused. Organizational

strategy management is concerned with the hearts and minds of participants and target population to bring about strategy d behavior and culture. The key skills required are founded in business psychology and require “people” people. The other aspect of organizational strategy is the organizational design where roles, skills, job descriptions and structure of workforce may be designed. Typically, this is more analytical and directive activity, suited to tough skinned Human Resources professionals. Organizational strategy management issues are often underestimated or ignored altogether. People issues collectively account for majority of strategy effort failures, (Aten’g, 2005).

According to Johnson, and Scholes, (2002), there is an assumption in most of what is written about strategies that there will be a tendency towards inertia and resistance to strategy; people tend to hold on existing ways of doing things and existing beliefs about what makes sense. Managing strategies must therefore address the powerful influence of paradigm and cultural web on the strategy being followed by the organization.

The school of thought which argues that there is no distinction points out that scientific management models developed by Taylor and Weber apply equally well in both private and City councils organizations (Rose and Lawton, 1999). In any case, they add, current trends show that the City councils is becoming entrepreneurial, adopting market oriented and competitive practices among other commercial banks practices (Osbourne and Gaebler, 1992). Moore (1998), stresses that the role of development bank managers is that of strategic management, and instead of simply devising the means for achieving mandated purposes, they should become important agents helping to discover and define what would be valuable to do. Rose and Lawton (1999) see the City councils organization as deeply involved in strategic management through selection of their roles and future direction, and matching the organization’s activities to its resources capacity. According to Johnson and Scholes (2001), the public and private sectors are not two distinct and internally homogeneous domains. Very few organizations are purely public or purely private as most sit somewhere on a continuum between these two extremes.

Johnshon and Scholes (2003) go further to stress that both institutions management are analogous in that they both entail producing value for actors in their environments, while utilizing resources and capabilities. But they differ in the nature of that value, resources, capabilities and environments, in ways which have implications for the making and implementation of strategy.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a blueprint of the methodology that was used by the researcher to achieve the research objectives. In this chapter the research methodology is presented in the following order, research design, data collection method and finally the data analysis.

3.2 Research Design

This was a case study since the unit of analysis is one organization. The aim of the study was to get detailed information regarding strategic management practises used in the City Council of Nairobi as well as the challenges of strategic management practices at the council. A case study allows an investigation to retain the holistic and meaningful characteristics of real life events. Case study involves a careful and complete observation of social units. According to Cooper and Schindler (2003), it is a method of study in depth rather than breadth and places more emphasis on the full analysis of a limited number of events or conditions and other interrelations. Primarily data collected from such a study is more reliable and up to date.

3.3 Data Collection

The study used both primary and secondary data. Primary data was collected using an interview guide. The interview guide had open-ended questions. The open-ended questions enabled the researcher to collect qualitative data. This was used in order to gain a better understanding and possibly enable a better and more insightful interpretation of the results from the study. The interview comprised of two sections devoted to the identification of the responses to the strategic management practices and challenges of strategic management practices faced at the City Council of Nairobi where the main issues of the study were put into focus.

The respondents of the study were ten (10) managers drawn from various departments. They included the Human resource Manager, Accounts Manager, ICT Manager, Legal Officer, Customer Relations Manager, and Revenue collection Managers. These

respondents were better placed in providing required data because they play a leading role in ensuring that they position the council favorably within the changing environment through instituting appropriate timely responses. The interview guides were administered through personal interviews to allow for further probing. The secondary data was obtained from the council's documented strategies and any other relevant information about the council. The data was obtained through review of relevant documents, key among them the council's strategic plan and other relevant documentations.

3.4 Data Analysis

Before processing the responses, the completed interview guides were edited for completeness and consistency. Both the primary and secondary data were qualitative in nature. Given this fact, content analysis was used to analyze the data. According to Creswell (2003), content analysis is a technique for making inferences by systematically and objectively identifying specified characteristics of messages and using the same to relate trends. The data obtained was compared with existing literature in order to establish areas of agreement and disagreement.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

The main objectives of the study was to identify the strategic management practises used in the City Council of Nairobi and determine the challenges of strategic management practices at the Council. Qualitative data was collected from the respondents was analyzed using content analysis.

4.2 Data Analysis

The analysis of the data collected from the interview guide which was administered to ten (10) managers drawn from various departments. They included the Human resource Manager, Accounts Manager, ICT Manager, Legal Officer, Customer Relations Manager, and Revenue collection Managers. According to the data found, nine out of all the ten heads of department projected in the previous chapter to be interviewed were interviewed which makes a response rate of 90%. The commendable response rate was achieved at after the researcher made frantic effort at booking appointments with the heads of departments despite their tight schedules and making phone calls to remind them of the interview.

4.3 Research Findings

The following subsequent paragraphs discuss the findings of the research.

4.3.1 Strategic Management Practices

To the question on what strategic management practices entails. The interviewees said that at Nairobi city council, strategic management practices is all about the decisions, processes, and actions that enable the council to define and control set strategies for achieving long-term objectives. Some interviewees indicated that it involves the specification of the council vision, mission, and objectives, developing plans and programs, as well as allocating resources to implement them.

To the question what the underlying assumption suggested, the interviewees indicated that the council assumed that it can reach its goals if it is in step with the environment and that this involves being able to analyze internal and external situations to align its activities with the environmental context.

On the importance of management ability, or competence, in achieving successful strategy implementation, the interviewees said that the management should be competent so as to ensure good strategy objective setting, achieve strategic awareness, manage resistance to strategy implementation, giving a clear guidance, sustain vigorous strategy implementation efforts, align structure to strategy, envision change for future competences and critically assess current strategy. The interviewees further indicated that senior managers, directors, middle managers, departmental heads and other lower level employees are involved in strategy formulation and implementation process at City Council of Nairobi but the middle level managers play the pivotal role in the implementation.

On the role that communication plays in the process of strategic management at City Council of Nairobi, the interviewees said that proper communication of strategic awareness can act as a cohesive force and succeed in connecting those with ultimate responsibility for organizations with those who directly implement policies at the sharp. According to some employees, communication is pervasive in every aspect of strategy management, and it is related in a complex way to organizing processes, organizational context and implementation objectives which, in turn, have an impact on the implementation process and also enhances timely feedback on the progress and challenges met in the process of strategic management. Others also said that effective communication throughout the organization leads to a clear understanding of key roles and responsibilities of all stakeholders including middle managers, whose role is often pivotal and ensures that everybody understands success levels at all times.

To the question on the impact of management development programmes /training on effective strategic management process at City Council of Nairobi, the interviewees said that training instills to the employees a set of management competencies which it is

hoped will deliver better competitive and commercial practice; Staff training is an important contributor to individual and group motivation; training can increase staff involvement in the organization, improve communication between peers; facilitate change, eliminates confusion since everybody understands his or her role,.

On the effect of early involvement of employees in the strategy process, the interviewees said that early involvement of employees in the strategy process helped employees understand super-ordinate goals, style, and cultural norms and thus become essential for the continued success of a City Council of Nairobi strategic management process. It also prevents them from being taken by surprise, puts all employees at the same platform, and helps the employees to own the process thus ensuring better results. According to some interviewees, early involvement of employees in the strategic plans and decisions taken by the council are essential to their progress and development within their organizational environments. Involving staff in such processes increase their confidence and sense of ownership of new policies and changes which in turn contribute to their personal and professional motivation towards successful strategic management process.

The interviewees, on initiatives taken by management in creating and sustaining a climate within the council that motivates employees in their strategic management role, said that the management have taken initiatives that include encouraging teamwork, maintaining a powerful culture that results in employees aligning their individual goals and behaviours with those of the council, continuous Staff training and development, implementing reward and benefits systems including frequent recognition given in less formal ways, ensuring a conducive working condition by focusing on relations between peers through effective staff meetings that allow opportunities for discussion interaction and proper communication. The interviewees further indicated the style /*model* of strategic management employed at the council is the top down model.

To the question on other factors affecting strategic management process at the council, the interviewees said that factors include clear aims and planning, and a conducive climate, giving implementation priority, having abundant resources, an appropriate structure and implementing flexibly, organizational structure, control mechanisms

strategic consensus, leadership and positive attitude towards strategic management process.

4.3.2 Challenges of Strategic Management Practices

The interviewees indicated that they face the challenge of being underestimated and thus most of the implementers of strategies have a deadline that is merely an approximation due to the occurrence of unexpected developments. According to some interviewees, the council experiences delays from the government in providing the expected support in time.

To the question on some of the challenges that surface during strategic management process that had not been anticipated, the interviewees said that political turbulence was the most important issue facing any process. Other challenges include supporters of the strategic decision leaving the council during implementation, change of guiding policies by umbrella bodies, system breakdown, low or underestimated budget allocation and underestimation of the commitment, time, emotion, and energy needed to overcome inertia in their organization and translate plans into action.

Other factors in the external environment that had an adverse impact in strategic management process at the Nairobi city council were indicated by the interviewees as increasingly sophisticated customers and management practices, escalating globalization, more prevalent and subtle product differentiation, political environment.

The interviewees indicated that some of competing activities that cause distractions inhibiting strategic management practices include too many conflicting priorities, advertisement/promotion, well versed customers, hence losing perspective of its strategy. The interviewees further indicated the challenges posed by the inadequacy of information systems used to monitor strategy implementation include the implementers not knowing how effective the strategy implementation has been, may lead to loss of opportunities, lack of timely feedback and false report on progress and consequently ultimate failure.

To the question on the challenges posed by customers and staff not fully appreciating the strategy on strategy implementation, the interviewees indicated that they faced challenges of criticism, lack of cooperation, strategy failure and implementation delays. The interviewees, on the impact of poor communication and diminished feelings of ownership and commitment by employees to strategy implementation, said that it resulted to delayed results, wastage of resources, loss of business, and rejection of the strategy, de-motivation and lack of commitment to new ideas.

To the question on the challenges caused by ineffective coordination and poor sharing of responsibilities of strategic management practices, the interviewees said that they caused challenges of delayed implementation, overworking of some workers, errors of commission, omission and duplication.

According to the interviewees, other challenges faced in strategic management practices at the council include poor planning, lack of support, non involvement, inadequate knowhow on the key stages, poor coordination, poor communication, unclear strategic intentions, conflicting priorities, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, competing activities and uncontrollable environmental factors.

The researcher further asked the interviewees to suggest the possible solutions to the challenges of strategic management practices at the Council. According to the interviewees, the solution to the problems include continuous training on how the strategy should be implemented; involvement of staff in decision making, consider piloting before rolling it out to everyone, appraise achievements, sharing responsibility, efficient communication, defined and clear process flow.

4.4 Discussion

Effectiveness of strategic management is, at least in part, affected by the quality of people involved in the process (Govindarajan, 1989). Here, quality refers to skills, attitudes, capabilities, experiences and other characteristics of people required by a specific task or position. The study collates with the literature on the importance of management ability,

or competence, in achieving successful strategic management practices, where the study found that the management should be competent so as to ensure good strategy objective setting, achieve strategic awareness, manage resistance to strategy implementation, giving a clear guidance, sustain vigorous strategy implementation efforts, align structure to strategy, envision change for future competences and critically assess current strategy. The researcher further found that senior managers, directors, middle managers, departmental heads and other lower level employees are involved in strategic management process in the City Council of Nairobi but the middle level managers play the pivotal role in the implementation.

On the role that communication plays in the process of strategic management practices in the city council of Nairobi. The researcher also found that effective communication throughout the organization leads to a clear understanding of key roles and responsibilities of all stakeholders including middle managers, whose role is often pivotal and ensures that everybody understands success levels at all times. This collates with earlier findings by Rapert, Velliquette and Garretson, (2002).

On the impact of management development programmes/training on effective strategic management practices, the researcher found that training instills to the employees a set of management competencies which it is hoped will deliver better competitive and commercial practice; Staff training is an important contributor to individual and group motivation; training can increase staff involvement in the organization, improve communication between peers; facilitate change, eliminates confusion since everybody understands his or her role.

According to Berley (2005) early involvement of employees in the strategy process enhances strategic management practices. Andrews (1987) adds that early involvement of employees in the strategy process help employees in the understanding of the organizational goals, style, and cultural norms and thus become essential for the continued success of a firm strategy implementation. At City Council of Nairobi the involvement of employee prevents employees from being taken by surprise, puts all

members at the same platform, and helps the employees to own the process thus ensuring better results.

According to Pearce and Robinson (2003) involvement of employees in strategic planning increase employees confidence and sense of ownership of new policies and changes which in turn contribute to their personal and professional motivation towards successful strategy implementation.

The findings reveal that the management at City Council of Nairobi took initiatives that motivated employees in their strategic management role. The findings concurs with the works of Hambrick and Cannella (1989) that encouraging teamwork, continuous staff training and development, implementing reward and benefits systems including frequent recognition given in less formal ways, ensuring a conducive working condition by focusing on relations between peers through effective staff meetings that allow opportunities for discussion and interaction and proper communication motivates employees to participate in strategic management role.

The research found that City Council of Nairobi faces the challenge of strategic management practices time being underestimated in and thus most of the strategist have a deadline that is merely an approximation due to the occurrence of unexpected developments and also experience delays by external business partners in providing the expected support in time. According to Hax and Majluf (1991) clear aims and planning, a conducive climate, giving strategic management practices priority, having abundant resources, an appropriate structure and implementing flexibly, organizational structure, control mechanisms, strategic consensus, and leadership influence the success of strategies implemented.

The research findings on the challenges posed by customers and staff not fully appreciating the strategy on strategy implementation agrees with (Porter, 1985) that organizations in the public sector are faced with challenges of criticism, lack of cooperation, strategy failure and implementation delays, poor communication and diminished feelings of ownership and commitment by employees to strategic management practices.

According to the research findings, At City Council of Nairobi challenges faced include poor planning lack of support, non involvement, and inadequate knowhow on the key stages, poor coordination, poor communication, unclear strategic intentions, conflicting priorities, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, competing activities and uncontrollable environmental factors. These collated with Beer and Eisenstat's (2000, p. 37) “six silent killers of strategy implementation.

The research further found the possible solutions to the challenges of strategic management practices include continuous training on how the strategy should be implemented; involvement of staff in decision making, consider piloting before rolling it out to everyone, appraise achievements, sharing responsibility, efficient communication, defined and clear process flow.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presented the summary of key data findings, conclusion drawn from the findings highlighted and recommendation made there-to. The conclusions and recommendations drawn are in quest of addressing the research question or achieving at the research objective which is strategic management practices in the city council of Nairobi.

5.2 Summary of Findings

The study found that senior managers, directors, middle managers, departmental heads and other lower level employees were involved in strategic management process at Nairobi City Council. The study found that early involvement of employees in the strategy process helps employees in understanding goals, style, and cultural norms and also prevents them from being taken by surprise, putting all employees at the same platform, helping the employees to own the process thus ensuring better results.

The study that proper communication of strategic awareness can act as a cohesive force and succeed in connecting those with ultimate responsibility for organizations with those who directly implement policies at the sharp; communication is pervasive in every aspect of strategic management, and it is related in a complex way to organizing processes, organizational context and implementation objectives which, in turn, have an impact on the implementation process and also enhances timely feedback on the progress and challenges met in the process of strategic management. The study found that at City Council of Nairobi the involvement of employee prevents employees from being taken by surprise, puts all members at the same platform, and helps the employees to own the process thus ensuring better results.

5.3 Conclusions

From the study, the research concludes that the management should be competent so as to ensure good strategy objective setting, achieve strategic awareness, manage resistance to strategy implementation; early involvement of firm members in the strategy process helped employees understand super-ordinate goals, style, and cultural norms and thus become essential for the continued success of a firm strategy implementation, puts all members at the same platform, and helps the employees to own the process thus ensuring better results.

The study also concludes that the management has taken initiatives in creating and sustaining a climate within the council that motivates employees in their implementation that includes; encouraging teamwork, maintaining a powerful culture that results in employees aligning their individual goals and behaviors with those of the firm, continuous Staff training and development, implementing reward and benefits systems including frequent recognition given in less formal ways, ensuring a conducive working condition by focusing on relations between peers through effective staff meetings that allow opportunities for discussion and interaction and proper communication.

The study also concludes that factors leading to strategic management practices include clear aims and planning, a conducive climate, giving implementation priority, having abundant resources, an appropriate structure and implementing flexibly, organizational structure, control mechanisms, strategic consensus, leadership and positive attitude towards strategy implementation success.

On the challenges, the study concludes that City Council of Nairobi faces the challenge of strategic management practices time being underestimated, political turbulence, poor planning lack of support, non involvement, inadequate knowhow on the key stages, poor coordination, poor communication, unclear strategic intentions, conflicting priorities, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, competing activities and uncontrollable environmental factors, supporters of the strategic decision leaving the organization during implementation and change of guiding policies by umbrella bodies. Factors in the external environment that had an

adverse impact in strategic management practices were increasingly sophisticated customers and management practices and escalating globalization.

5.4 Recommendations for policy and Practice

From the discussions and conclusions in this chapter, the study recommends that although the City Council of Nairobi has been successful in its strategic management practices, in order to achieve its goals and objectives, the council should continuously train its employees on how the strategy should be implemented, involve staff in decision making and employ an efficient communication system that avails information on strategy to all stakeholders.

The study recommends that City Council of Nairobi should ensure effectiveness in coordination and sharing of responsibilities of strategic management practices/activities, to avoid challenges of delayed implementation of strategies, overworking of some workers, errors of commission, omission and duplication. The study further recommends that City Council of Nairobi should involve all members in strategic management practices.

5.5 Limitations of the study

A limitation for the purpose of this research was regarded as a factor that was present and contributed to the researcher getting either inadequate information or responses or if otherwise the response given would have been totally different from what the researcher expected.

The main limitations of this study were;

Some respondents refused to be interviewed. This reduced the probability of reaching a more conclusive study. However, conclusions were made with this response rate.

The small size of the sample could have limited confidence in the results and this might limit generalizations to other situations.

Most of the respondents were busy throughout and had to continuously be reminded and even persuaded to provide the required information.

5.6 Recommendations for Further Research

The researcher recommends that a replicate study be done on other companies in other industry institutions for the purposes of benchmarking.

REFERENCES

- Andrews, K. (1987). *The Concept of Corporate Strategy*. Homewood, Illinois: Dow-Jones-Irwin. In Aosa, E. (Eds). *An Empirical Investigation of Aspects of Strategy Formulation and Implementation within Large, Private Manufacturing companies in Kenya*. *Unpublished PHD Thesis*, University of Strathclyde (Scotland),
- Ansoff, I. and McDonnell, E. (1990), *Implanting Management*, 2nd Edition. New York, Prentice Hall.
- Ansoff, I.H. (1990). *Implanting Strategic Management*. London, Prentice Hall International Ltd.
- Aten'g, F., (2005) *Challenges of Strategy Implementation at the Ministry of Finance in Kenya*, *Unpublished MBA Project*, University of Nairobi.
- Cooper, D.R and Schindler, P.S. (2003), *Business Research Methods*. New York McGraw-Hill.
- Creswell, J.W. (2003), *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*, 2nd ed., Sage, London, .
- Berley, J. (1994). Firm Resources and Sustainable Competitive Advantage. *Journal of Management*. Vol 17. no 1
- Dikmen, I. and Birgönül, M.T. (2003) Strategic Perspective of Turkish Construction Companies, *Journal of Management in Engineering.*, Volume 19, Issue 1, pp. 33-40
- Grant, J., (2007) Advances and Challenges in Strategic Management, *International Journal of Business*, available on http://findarticles.com/p/articles/mi_qa5364/is_200701/ai_n21282114/pg_2?tag=artBody;coll

- Grant, R.M. (2005), The Resource Based Theory Of Competitive Advantage: Implications For Strategy Formulation, *California Management Review*, Vol. 33 No.3, pp.114-35
- Hax, A., and Majluf, N. (1994). Corporate Strategic Tasks, *European Management Journal*, 12. no. 4: 366 -381
- Johnson G., Scholes K, and Whittington R. (2008), *Exploring Corporate Strategy; Strategic Management in Government*, Harvard University Press, 4th Edition.
- Johnson, G. and Scholes, K. (2003) *Exploring corporate strategy*. 6th Edition. Prentice Hall, New Delhi
- Kan'goro, V.N., (1998). The State of Strategic Management Practices in Organizations in Kenya. *Unpublished MBA Project*, University of Nairobi.
- Kiruthi, J.N. (2001). The State of Strategic Management Practices in Not-For-Profit Organizations: The Case of Public Membership Clubs in Nairobi. *Unpublished MBA project*, University of Nairobi.
- Mintezberg, H., Ahlstrand, B., Lampel, J. (2009), *Strategy Safari: Your Complete Guide Through The Wilds of Strategic Management*, Prentice Hall, 2nd Edition, Harlow England.
- Mintzberg, H. (1973). The Fall and Rise of Strategic Planning. *Harvard Business Review*. vol. 5(4): 61–67
- Momaya, K. and Selby, K. (1998) International competitiveness of the Canadian construction industry: a comparison with Japan and the United States, *Canadian Journal of Civil Engineering*, vol. 25(4): 640–652
- Moore, H.M. (1998), *Creating Public value in Government: Strategic Management in Government*, Liverpool, Harvard University Press, 4th Edition.

- Morgan, M., Levitt, R.E., and Malek, W. (2007), *Executing Your Strategy: How to break it down and get it done*, Harvard Business School Press, Boston, Massachusetts.
- Nyamache, N.M. (2003), Strategic Change Management Process in the City councils: A case of the Civil Service Reform Programme in Kenya, 1993-2003, *Unpublished MBA Project*, University of Nairobi.
- Ondati, A., (2001), *Municipal Development Programme Budgeting: Making the Hard Choices*, African Local Government Action Forum, Session 7, March 2001, Nairobi
- Osbourne, D. and Gaebler, J. (1992), *Reinventing the Government: How the entrepreneurship spirit is transforming the City councils*, Penguin Books Ltd, 1st Edition.
- Henricsson, P. and Ericsson, S. (2005), *Measuring construction industry competitiveness: a holistic approach*, retrieved on 26/05/08 from http://www.rics.org/Practiceareas/Builtenvironment/Constructionmarket/Measuring_constructioncompetitiveness20051123.htm
- Pearce, J.A., and Robinson, R.B., (2003), *Strategic Management: Formulation, Implementation, and Control*, (10th Ed). New York: McGraw-Hill/Irwin
- Pearce J.A., and Robinson R.B., (2009), *Strategic Management; Formulation, Implementation and Control*, McGraw-Hill/Irwin, New York, 11th edition.
- Peters, T.J, and Waterman, R.H. (1982), *In search of Excellence: Lessons from America's Best-Run companies*, New York, Harper and Row Publishers Inc.
- Porter M.E., (1980), *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, New York, Free Press.
- Porter M.E., (1985), *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, New York, Free Press.

- Porter, M. (1980). *Competitive Strategy*. Trifila, Free Press
- Porter, M.E. (1985). *Competitive Advantage*, New York, The Free Press.
- Rose, A and Lawton, A. (1999), *Public Service Management*, London, Prentice Hall,
- Sagini, M.M (2007), *Strategic Planning and Management in Public Organizations: Behaviour in organizations*, University press of America Inc.
- Saunders, M.N.K., Lewis, P. and Thornhill, A. (2002). *Research Methods for Business Students*, 3rd Ed.; Harlow: Pearson Education
- Schaffer, J.D. (1986). Structure and Strategy; Two Sides of Success. *Cornell HRA Quarterly*, Vol. 26 No.4, pp.76-81
- Sulle A. S., (2009), *The Use of Strategic Management in the Organizations*. Prentice Hall
- Tse, E. (1988). Defining Corporate Strengths and Weaknesses: Is it Essential for Successful Strategy Implementation?. *Hospitality Education and Research Journal*, Vol. 12 No.2, pp.57-72
- Tse, E., and Olsen, M.D. (1988). The Impact of Strategy and Structure on the Organisational Performance of Restaurant Firms. *Hospitality Education and Research Journal*, Vol. 12 No.2, pp.265-76
- Tse, E., and Olsen, M.D. (1989). Relating Porter's Strategy to Organisation Structure: A Case of US Restaurant Firms. *Journal of Contemporary Hospitality Management*. Dorset Institute. No.May. pp.86-105
- Waren A. A., Strickland A. J., and Gamble J.E., (2007), *Crafting and Executing Strategy*, McGraw Hill/Arwin, 1221 Avenue, New York, 15th edition
- Wataku, L.L., 2007 The extent to which the adoption of E – Commerce has facilitated Business in Clearing and Forwarding firms in Nairobi. *Unpublished MBA Project*, University of Nairobi 2003.

Appendix 1: Interview Guide

STRATEGIC MANAGEMENT PRACTICES AT CITY COUNCIL OF NAIROBI

Section A: Strategic management practices at the City Council of Nairobi

1. In your opinion what is the importance of management ability, or competence, in achieving successful strategic management practices.
2. Who are involved in strategic management process in your organization?
3. What role does communication play in the process of strategic management in your organization?
4. What is the impact of management development programmes /training on effective strategic management practices?
5. What is the effect of early involvement of employees in strategic management process?
6. What initiatives are taken by management in creating and sustaining a climate within the council that motivates employees in their implementation role?
7. What is the style /model of strategic management employed in your organization?
8. What are the other factors influencing strategic management practices?

Section B: Challenges facing strategic management practices

1. Do you face the challenge of strategic management practice with time being underestimated?
2. What are some of the challenges that surface during strategic management process that had not been anticipated?
3. What other factors in the external environment had an adverse impact in strategic management practices in your organization?

4. What are some of competing activities that cause distractions inhibiting strategic management practices?
5. What are the challenges posed by the inadequacy of information systems used to monitor strategic management practices?
6. What challenges are posed by customers and staff not fully appreciating the strategy on strategic management practices?
7. What is the impact of poor communication and diminished feelings of ownership and commitment by employees to strategy implementation?
8. What are the challenges caused by ineffective coordination and poor sharing of responsibilities of strategic management practices/activities?
9. What are the other challenges you face in strategic management practices in the council?
10. What are the possible solutions to the challenges strategic management practices?